Towards a stronger democracy post Covid-19

The pandemic has shaken our societies as well as given us a chance to rebuild a stronger Union and a stronger democracy.

/ By David Sassoli, President of the European Parliament

The defining question of our time

Seeking mutual respect, subsidiarity, and solidarity

/ By Janez Janša, Prime Minister of the Republic of Slovenia

In the aftermath of the calamities of both world wars, and the experience of the socio-economic depression of the in-between decades, the founding fathers of the EU were faced with a challenge that constituted a paradigm shift: how to reconstruct relations between the nations of Europe. Ten out of eleven EU founding fathers were associated with Christian Democrat parties, so the motto often subscribed to Saint Augustine was well known to them: “In necessariis unitas, in dubiis libertas, in omnibus caritas.”

In my view, there are five aspects, which are key in this respect:

1. Renew the democratic pact with our citizens

Being satisfied with just the exercise of the polls every five years is not enough for democracy to thrive and live up to its full potential. Especially now, as we are about to reconstruct our economies and our societies on new foundations and in view of the colossal investments that Europe will inject into public policies, it is more important than ever to renew the democratic pact with our citizens. We have to listen to their needs and expectations in terms of assistance, jobs, dignity, security, and prosperity. We have to understand their vision of our common European future.

2. The time is now: reinvigorating transatlantic partnership

Then came Covid-19. The pandemic has shaken our societies, economies and democracies in an unprecedented way. Yet while it is impossible to foresee how it will change our world, it is clear that we cannot return to the old “normal.” The crisis has brutally exposed the challenges that we need to address - from the blatant social, gender and regional inequalities to the lack of competences our Union has to tackle certain issues, most strikingly in the health sector. Ignoring these insights would be irresponsible, yet, at times seeking the moral high ground seems to be the only game in town in the EU, though this is only a pretence to instrumentalise institutions and policy mechanisms so that they serve only the interests of power politics. And so should we. We need to reflect on the ideological foundations of the European project and seek ways to reconnect to the defining question of our time to meet a stronger Union.

3. Deeper integration, greater strength

The defining question of our time – how to interpret and implement the values and mechanisms of consensus seeking and mutual respect, subsidiarity, and solidarity. This is the condition for a joint response to the crucial developmental challenges – economic, demographic and societal – that Europe is faced with today. It has to take a stand against multiple challenges on the international stage as a unitary actor – a United Europe, whole, free, and at peace with itself. The debate on the future of Europe comes at a decisive moment – internally and externally. First, after a decade of crises that revealed many of the EU’s deficiencies and fault lines within it, Brexit threw it off balance. The relational dynamics within the EU do not reflect consensus seeking and mutual respect, seeming more like relations between international actors than relations within a family. In such a setting, Brexit spelled out...
the peoples of the Western Balkan region rejoice at the renewed dy-
namic between the EU and Western Balkans. It appears that, after years of soul searching, there is once again a shared sense of both ur-
gency and a fresh beginning in the process of completing the unique agenda of the Union by integrating the few missing pieces - those of the countries in the Western Balkans region. As the Prime Minister of Montenegro, the small country closest to mem-
bership in the Union, I thank the Bled Strategic Forum for the opportu-
ity to share our vision of how to complete this task. The membership in the Union was and remains our number one foreign policy goal. Moreover, achieving the Union level of democracy and the rule of law, along with greenifying and digitalizing our economy, is our key domestic priority. In a country as advanced as ours is on its path towards the EU, the lines between domestic and Europe-
an policy blend.

But first, let me open with a paradox. Both Montenegro and the European Union stand at their respective critical junctures unlocked last year. In my country, the par-
liamentary elections last August brought about the first ever democratic turnover in government in our history which unlocked the process of accelerated reform and po-
litic learning. On this side of the EU bor-
der, last September, during her State of the Union speech, the President of the Europe-
an Commission announced the Conference on the Future of Europe, a transnational democratic debate on the future direction of Europe. Arguably, it was the pandemic, from the shadow of which we all still strug-
gle to escape, that acted as the catalyst for these historic developments in both cases. Analogical, ever since the Thessaloniki hunc-
mix in 2003, Western Balkans states have continuously been assured of their credible perspective of EU membership, the organ-
isation of the Conference revealed a con-
tradiction. Namely, how can the future of Europe meaningfully be discussed without the participation of future EU citizens from our region? If a citizen of Montenegro, Ser-
bia, or North Macedonia wanted to launch an idea or an event on the COFOE digital platform, she would still not be able to do it.

And yet, we are future EU citizens. But, as our friends from numerous member states volunteer to lend us their voice in the Con-
ference, as the new enlargement methodol-
ogy is being put to practice and exhibits its first results, and as the EU invests amply in the post-pandemic recovery of the WB, the paradox is mitigated and the organic link between these two recently opened win-
dows of opportunity for reflection and self-
growth becomes apparent. The decisions we make and the progress we make in the coming months will determine our faith in the years to come. How can we, then, best seize this chance to write the history of our com-
mon European future? How can the pro-
cess of EU enlargement – a process of equal importance for the future of Europe as the Conference – be accelerated? And how do I see the role of Montenegro in it?

The Bled Strategic Forum is a perfect op-
portunity to answer these questions. Much like academic years, political and diplomatic years begin in September. Here by the Bled lake, under the second Slovenian Presidency of the Council, let us make sure that both windows of opportunity for a better future of Europe remain open. Montenegro is al-
ready doing this in three following ways:

From box-ticking to a brave outside-
the-box strategy. The change in govern-
ment in 2020 inspired most Montenegrins to dare to hope again and the support for EU membership rose to a record high. This consensus among our citizens obliged my government to commit to an audacious and ambitious plan for accelerating our acces-
sion. From the first political IGC in June this year, we are implementing a concrete roadmap towards the fulfilment of closing benchmarks for all negotiated chapters of the Acquis by 2025. When a benchmark is too vague (remember, they were defined al-
tmost a decade ago – and that is a lot of water under the bridge), we choose to provide a self-assessment and a dynamic plan to its fulfilment. We have no time to lose. Slo-
venia is one of our closest partners, friends and allies. More importantly, it remains our role model on how to advance at full speed. We now stand where Slovenia was in 1998 – with three closed chapters. From this point onward, our host closed another six in 1999, five in 2000, even twelve in 2001 and five in 2002. We are confident that under the Slovenian Presidency we can make a deci-
sive headway in the most important pair of chapters – 23 and 24.

From the rule of elites to the rule of law. Our unwavering commitment to the rule of law has already been demonstrated by our efforts to tackle the chronic issues in our judiciary in the past months. And this is only the beginning. For too long has the process of EU accession been perceived in our parts of Europe as a technocratic exer-
cise between domestic political elites and Brussels. My government and the incum-
ben EU administration mark a sharp dis-
continuity with the apparent past practice of stabilocracy! There can be no trade-off between stability and democracy in the WB region. Long term stability in Europe is nec-
essarily a democratic one. That is why Mon-
tenegos has finally joined the growing wave of rejuvenated and citizen-centric politics which redefines what it means to love one’s country. Instead of basing our legitimacy on nationalistic mobilization, clientelist shoring up of support and everyday polarization, we aim to show that the measure of patrio-
tism in Europe today is our adherence to our laws and constitutions.

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Reversing the gaze from the past to the future. It was Churchill who famously said that the Balkans produce more history than they can consume. Slovenia provides the region with a blueprint of how to foster one's history and traditions as the fuel for national self-confidence and progress with-
out the ‘balkanizing’ side effects of othering and exclusion. While Slovenia has Prešeren’s Wreath of Sonnets carved in its founda-
tions, Montenegrins have Njegoš’ Mountain Wreath in theirs. The European wreck that we shall weave from the discussions about the foundations of our future here in Bled, during the Conference and via the accession process belongs to all citizens of the EU – present and future. The quick, successful and painless membership of Montenegro is where the two futures will meet.
Advancing the EU enlargement in Western Balkans – with speed, determination and vision

Europe will be complete only once the entire Western Balkans region is inside the European Union

/ By Olivier Vărhelyi, European Commissioner for Neighbourhood and Enlargement

As Slovenia knows better than most, Europe doesn’t end in Ljubljana, Zagreb or Budapest: the Western Balkans naturally belongs here too. This year’s Bled Strategic Forum, in conjunction with the Slovenian Presidency of the EU Council in the second half of 2021, provides the ideal opportunity to discuss how to take enlargement and the reform process in the Western Balkans forward with speed, determination and vision.

Europe will be complete only once the entire Western Balkans region is inside the European Union. According to this year’s Balkan Barometer, 62% of the people in the region support the EU membership. These aspirations confirm the geostrategic choice our partners have made and send a clear message to their leaders: you need to deliver. It is also a clear message to the EU leaders: we need to deliver. We are at crossroads and, if we do not make the right decisions now, we will come to regrets it in the future.

We are one continent, sharing the same history and the same culture. We are interconnected, be it in trade and economy, be it in stability and security. Moreover, the political and economic logic that underpins the European Union applies equally to the Western Balkans. 68% of the region’s trade is with the EU and 65% of its Foreign Direct Investment stock comes from EU companies.

To address those challenges and to speed up the accession process, the Commission last year upgraded its approach. We revised our enlargement methodology to make the process more dynamic, credible and predictable, with a stronger political steer. Focus on fundamentals such as the rule of law and democracy became even stronger.

In Montenegro and Serbia, we have accepted this new approach to guide their negotiations with the EU. On this basis, we had an open political dialogue on key reforms at the intergovernmental conferences in June. Our joint objective is to accelerate the accession process with both countries, including during the Slovenian Council Presidency.

The revised methodology will also guide accession talks with Albania and North Macedonia. After positive decision on the opening of talks by the Council last year, the negotiations with both now need to be officially launched. I hope that EU Member States will soon agree on the negotiating frameworks that will allow the Slovenian Presidency to call the first inter-governmental conferences. The two countries have already lodgered on the agreed preconditions; the EU needs to deliver too. This is essential for the credibility of our promise to the region.

In Bosnia and Herzegovina, we are supporting authorities to enact priority reforms, including constitutional and electoral reforms, which are needed to obtain EU candidate status. If BiH leaders deliver, we deliver! And in Kosovo, we continue to support the implementation of the Stabilisation and Association Agreement, including through reforms bringing concrete benefits for Kosovo citizens.

Reconciliation, regional cooperation and good neighbourly relations also remain key. In this context, I would like to see swift progress in Belgrade-Pristina dialogue on normalisation of relations, with the facilitation of the High Representative and his dialogue envoy.

These steps will be leading the Western Balkans towards its EU future. And the region needs also to contribute to the ongoing reflections in the Conference on the Future of Europe which the EU launched in the spring. Citizens of the region can already participate now, as there is no geo-blocking on the discussion platform and anybody’s view will be duly noted and considered. The topics discussed are most relevant for the shape of the European Union our partners strive to join. The Covid-19 pandemic has demonstrated the extent to which EU Member States and other countries in Europe, including the Western Balkans, depend on each other.

Our goal, as the European Commission, is to treat our Western Balkans partners like Member States in as many areas as possible. This also means providing access to some benefits of EU membership, such as parts of the EU’s single market, ahead of accession, as soon as they fulfill the criteria. The digital policy, e-commerce or the Single Euro Payments Area could be an example. This will help the accession process, boost growth potential for local businesses and improve the lives of citizens.

At the same time, we are also providing substantial support for the region’s economic convergence with the EU. In the coming years, we will be bringing with our Economic and Investment Plan close to 30 billion of funding through grants, guarantees and preferential loans to the region. This investment reflects the EU’s priorities and provides opportunities for a more prosperous, greener, more digital and better connected region. The Plan includes major infrastructure projects, such as upgrading a section of the Rail Corridor X between Serbia and North Macedonia, an essential part of the extended EU Trans-European Network linking Ljubljana all the way to Thessaloniki.

The Commission developed the Plan last year, and we want to kick-start it this year with the first flagship projects. Not only will this Plan help with economic development and convergence, it also represents our blue print to boost the post-pandemic recovery of the whole region.

To make our investments a success, we need the region to push ahead on building a regional market. There is limited added value in creating new trade routes and building new transport links if goods need six different certificates or are stuck for hours at border checkpoints.

On the other hand, if the region removes barriers to trade and investment and cooperates more closely on the basis of EU rules and standards, this will strengthen its position of an essential component in Europe’s industrial ecosystems and accelerate its integration into the EU.

Slovenia has always been supportive of the region’s future in the EU and its regional economic integration. The upcoming EU-Western Balkans Summit in October has an important potential for further positive steps. I am confident of its success and look forward to working with the Slovenian Presidency of the Council towards advancing the EU perspective of the region. Time to deliver and time to make the right strategic decisions is now!
EU: a unified actor on global stage

Building EU’s credibility and influence by swiftly responding to the most pressing external challenges

/ By Anže Logar, Minister for Foreign Affairs of the Republic of Slovenia

Slovenia is holding its second Presidency of the Council of the European Union in very challenging times. Both the Presidency’s programme and the programme of this year’s Bled Strategic Forum (BSF) were set up in a way to help us find solutions to existing challenges, from the impacts of the Covid-19 pandemic and the emerging importance of the Indo-Pacific region to our immediate neighbourhood, the Western Balkans and the Mediterranean. We are witnessing continued shifting of the geopolitical balances – the pandemic has only reinforced that. And we have not even mentioned Afghanistan!

In this changing world, we cannot avoid asking ourselves whether the European Union, the United States of America, Russia, China and other countries with strong regional influence can find common ground for building an interest-based post-pandemic international order, or have we entered a new cycle of great power competition? That is, competition of power, but also of views on governance and societies.

One of the key questions is how EU external policy should be adapted to these new challenges. To become an important Union in very challenging times, the EU should continuously adapt and refine its external policies, whereas our goals and values must remain solid and strong. In order to keep our foreign and security policy resilient, cohesion and unity are key prerequisites. Here I come to another priority point of the Slovenian EU Presidency – resilience, especially in areas of health and cybersecurity. By strengthening EU strategic resilience, we will also strengthen solidarity, bolster an integrated approach, reinforce good practices and achieve better responsiveness.

The EU should seize the opportunity of the evolving world order and try to establish new forms of cooperation. It should act timely and efficiently in addressing new challenges in the neighbourhood as well as globally. Part of this undertaking is to place the EU on the global stage as a unified actor guided by our goals and values, pursuing our interests, together with partners or alone if these goals do not converge. “Acting alone or together with partners” is part of the ongoing discussion within the EU on the Open Strategic Autonomy. At the same time, multilateralism and a multilateral approach to global challenges must remain important tools of our global engagement, and the EU should be leading the efforts.

One of the fields where the EU should have a leading role is green transition. Climate is certainly at the top of the list where the EU can and should work together with partners globally.

But we must also deliver in our own regional context, especially in the Western Balkans, the Eastern Partnership and the Mediterranean. Without successful integration of the Western Balkans and the stabilisation of its eastern and southern neighbourhoods, the EU will struggle to be seen as a global actor. We very much look forward to hosting the EU-Western Balkans Summit next month.

The region is part of Europe and it is surrounded by EU member states, so when discussing issues related to the future of Europe, we should strive to include the region as well. In order to support the region on the Transatlantic perspective, the EU cannot act without the United States as the main strategic partner and as a key ally in NATO. The Slovenian Presidency will strive to include the Transatlantic dimension in all relevant priorities, to revitalise this most important global geopolitical relationship. Together with our North American friends, partners and allies, we should be better able to confront the present and future challenges, as well as safeguard and advance democracy, security, resilience and prosperity. Recent events in Afghanistan are a stark reminder of the fact that strong Transatlantic co-operation, as well as co-operation of the world’s democracies on the global scale, is essential.

This is why, in addition to revitalising the Transatlantic partnership, the Slovenian Presidency is devoting considerable attention to the Indo-Pacific – the new geopolitical arena. At the BSF and the Informal Meeting of EU ministers of foreign affairs following the BSF, we have the honour of exchanging views on cooperation in the Indo-Pacific with my Indian friend and colleague, Minister Subrahmanyam Jaishankar. The revival of partnership and strengthening cooperation between the EU and India is of major importance, especially in the challenging global circumstances. We should also strive towards the finalisation of the EU’s strategy for the Indo-Pacific. We expect that the 13th ASEM Summit in November will add to fostering cooperation between Asia and Europe.

Slovenia as a Mediterranean country will also work towards upgrading our relationship with the countries of the Southern Neighbourhood. Both shores of this basin share common challenges of which migration and security are perhaps the most pressing. Therefore, Slovenia will strive to take forward the negotiations on the Pact of Migration and Asylum, and among the main areas of focus will be strengthening partnerships with countries of origin and transit of migrants’ routes to the EU. However, the importance of the Neighbourhood Policy and the renewed partnership with the Southern Neighbourhood goes beyond the migration themes, particularly in fostering connectivity and people to people contacts.

In the shadow of the fourth Covid-19 wave we take rather sombre and humble comfort in the fact that we are able to hold the Bled Strategic Forum in person, even though the pandemic is far from being over. This was in part possible thanks to the common endeavours in support of enabling vaccination of our citizens. There is light at the end of the tunnel, and we need to continue working together in order to defeat this disease, and to regain our safety and life as it was before the pandemic, making sure that along this path we also retain the values and freedoms we hold dear to our hearts and minds.
n 29 March 2004, I stood alongside Foreign Minister Dimitrij Rupel, as the Slovenian and Romanian flags were raised at the NATO headquarters in Brussels, together with those of our friends and neighbours Bulgaria, Estonia, Latvia, Lithuania, and Slovakia.

Speaking then as the Foreign Minister of Romania, I described the accession of our new democracies to the world’s most successful Alliance as a major victory for those who had suffered the tyranny of authoritarianism, and a triumph for peace and freedom in Europe.

Our journey, and indeed history, did not end on that day. It was just beginning.

Today, the echoes of authoritarianism are stronger than at any time in the last two decades, the rules-based international order is facing unprecedented pressure, and Europe is still not yet fully whole and free. So we must never take our freedom and democracy for granted. We must fight for them every day.

NATO: the bedrock of our security

This is precisely what NATO has been doing for more than seven decades, based on our shared values and our rock-solid commitment to defend each other, one for all and all for one.

From 22 founding Allies in 1949, we have grown to a family of 30 free nations, uniting two continents and one billion people across the Atlantic in a unique partnership of peace and prosperity.

This unbreakable bond between Europe and North America ended forty years of Cold War, and helped spread freedom and democracy to Central and Eastern Europe.

It stopped the bloodshed in the Western Balkans in the 1990s, and it brought NATO Allies shoulder-to-shoulder in solidarity when terrorism shook our nations on and after 9/11.

Today, our security environment is more complex and contested than ever before. The geopolitical landscape is shifting once again, with a more aggressive Russia, and China’s arrival as a global economic and military power.

The threats to our security are multiply- ing, from emerging and disruptive technol- ogies to increasingly sophisticated cyber-at- tacks, from nuclear proliferation to the rise of brutal terrorist networks, and from the existential challenge of climate change to all-encompassing global health pandemics.

The very definition of our security is changing. The lines between military and civi- lian, state and non-state, peace and war are increasingly blurred. A more diverse range of actors are operating in a “grey zone” well below the threshold of an armed attack. They are attempting to challenge and chip away at the military and technological edge that has kept us safe for decades.

More than this, potential adversaries seek to strike at the very heart of our free and democratic societies, by undermining our values, dividing our citizenry, and ad- vancing an alternative, authoritarian model based on bullying, coercion, disregard for international law, and unprecedented levels of state surveillance and the persecution of minorities.

In these changing and challenging times, it is even more important that Europe and the Alliance stand together to ensure our shared security and assert our cherished values, of freedom, democracy, human dignity, and the rule of law.

Slovenia a steadfast NATO Ally

Since that March day in 2004, Slovenia has proved a worthy NATO Ally. Slovenian troops serve in our multinational battle- group in Latvia, shoring up the eastern part of the Alliance against a more assertive Rus- sia. Slovenia is one of the top contributors to our KFOR peacekeeping mission in Kosovo, promoting peace and stability in the West- ern Balkans.

During the pandemic, Slovenia sent medical supplies to NATO’s newest member, North Macedonia and to our partner Bos- nia and Herzegovina. NATO Allies in re- turn sent medical equipment and staff, and NATO’s strategic airlift capacity transported much-needed supplies to Slovenia.

Alongside its NATO Allies and partners, Slovenia participates in a number of multina- tional high-visibility projects. These include initiatives to jointly procure and manage munitions, command special forc- es operations, and train the next generation of special operations forces aviation crews.

NATO provides air-policing to keep the skies above Slovenia and the Western Bal- kans safe.

Just as NATO can rely on Slovenia, Slovenia can rely on NATO. Together we are stronger and more than the sum of our parts. And I am delighted that Slovenia has made strengthening Trans- atlantic relations and NA- TO-EU cooperation a cor- nerstone of its EU Council presidency.

Ever-closer NATO-EU cooperation

Thanks to the personal commitment of NATO Secretary General Jens Stoltenberg, and our close and constant contacts with our counterparts in the European institu- tions, NATO-EU cooperation has reached unprecedented levels in recent years.

We work together on a wide range of issues, on 74 common areas to be precise. This June, Secretary General Stoltenberg and High Representative Borrell published the sixth annual progress report on NA- TO-EU cooperation, which demonstrates that our political and practical cooperation delivers in deeds and not just words.

We are stepping up to combat a range of cyber and hybrid attacks, including the del-uge of disinformation we witnessed during the Covid-19 pandemic. We collaborate on exercises, like NATO’s largest annual cyber defence exercise, Cyber Coalition, in which the EU participated.

We coordinate our support to our part- ners, to promote stability in our shared neighbourhood, from Afghanistan and Ukraine, to the Western Balkans. We have also tackled the refugee and migrant crisis together in the Mediterranean and the Ae- gian Sea.

We cooperate on projects to improve military mobility, enabling troops and equipment to move more easily across Eu- rope, and to develop new capabilities to address critical shortfalls, for example, in strategic airlift, air-to-air refuelling, and medical evacuation.

NATO and the European Union are nat- ural and indispensable partners. We share 21 member countries, and more than 90% of EU citizens also live in a NATO country. Moreover, we share a common history and geography; we believe in the same values, and we face the same challenges.

Our roles and remits are different, but complementary. Neither of us has all of the tools to respond to a changing world, but together Europe and North America represent half of the world’s economic and military might. Together we can be a formi- dable force for good. As we look to a more uncertain future, we must consider how to maximise our relative strengths and avoid duplication.

That is why we welcome EU efforts to increase cooperation on defence, with the fullest possible involvement of non-EU All- ies, in a way that complements and does not compete with NATO. A European Union that spends more on defence, invests in modern capabilities, and ensures that the frag- mentation of the European defence indus- try makes us all stronger and safer, and it contributes to a better sharing of the burden within NATO for our collective defence.

NATO 2030: a new level ambition

At our Brussels Summit in June, NATO leaders set out a bold new vision for our future security, through our NATO 2030 agenda.

We will also continue to adapt to a changing world, by accelerating Transatlant- ic innovation, strengthening the resilience of our societies, tackling threats in space and cyber space, and managing to the security impacts of climate change.

We will strengthen our training and capacity-building support for partners in areas like counterterrorism, crisis manage- ment and defence reform. We will deepen our existing partnerships and add new re- lationships with countries around the world that share our values to strengthen the rules- based international order. We will underpin our security and prosperity through NATO con- mon funding and a New Strategic Concept in time for our next Summit in Spain in 2022.

The Brussels Summit declaration under- scores the importance of the NATO-EU partnership and sets a new level of ambition for our cooperation, in areas like resilience, new technologies, space and climate change.

Slovenia’s EU Council presidency will have an important part to play in this work.

Strengthening the strategic partnership between NATO and the EU is paramount to keeping us safe in a world of growing glob- al competition and increasingly complex threats and challenges. With the new US ad- ministration we have a unique opportunity to cement the vital bond between Europe and the United States, and ensure that we can continue to ensure our mutual peace and prosperity in a more uncertain world.

Together with Slovenia and the other NATO Allies, I look forward to taking this important work forward.

Bled Strategic Times, 29 August – 2 September 2021

Safeguarding freedom and democracy in a more uncertain world

/ By Mireesa Geoană, NATO Deputy Secretary General, North Atlantic Treaty Organization (NATO)
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This is the defining question of our time – how to interpret and implement the values and mechanisms of consensus seeking and mutual respect, subsidiarity, and solidarity.

...
Dreaming with eyes wide open...

A call for a Conference on Security and Co-operation in the Mediterranean

/ By Evarist Bartolo, Minister for Foreign and European Affairs of the Republic of Malta

Put us open our eyes as wide as possible about cooperation and stability in the Mediterranean and dream that the best way forward would be to call a Conference on Security and Co-operation in the Mediterranean. If we start now, we might be in time to convene it in 2025, the 50th anniversary of the Conference on Security and Co-operation in Europe held in Helsinki in 1975.

Not many held high hopes for that Conference when it was held in the middle of the Cold War, but it proved to be a turning point in the easing of tensions and confrontation between the West and the East. Now we need to revive the spirit of Helsinki, not only for Europe itself but for many regions around the world, indeed for the benefit of the future of our entire planet.

Global and local

Whatever grouping, alliance, bloc, we belong to, we are also neighbours of all the countries to our North, South, East and West. We have become so interconnected and interdependent that we are all neighbours to each other on this planet. Whether we like it or not, we are condemned to work together to address most of our issues today as they have become “glocal”, global and local.

Many initiatives are taken to bring together like-minded countries, but dialogue and negotiation are mostly needed with those with whom we least agree.

The United Nations Charter encourages “the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action provided that such arrangements or agencies and their activities are consistent with the Purposes and Principles of the United Nations.”

Issues such as peace and security in the Mediterranean, together with the climate emergency, Covid-19 and other pandemics, migration, contested ownership of energy reserves, organized crime, artificial intelligence and automation, trade and development cannot be tackled effectively by any single country or a small cluster of countries. We cannot deal with such issues in a piecemeal and sporadic manner.

Calling for a Conference on Security and Co-operation in the Mediterranean might be easily dismissed with the usual argument that it would be a good idea in an ideal world but very naive to expect that it be possible to call such a conference in the first place and then to expect it to yield successful outcomes if it is held. The Mediterranean region is full of complex and multi-layered realities and even if you take one reality at a time, it is a difficult task to resolve it. Let alone dream that you can resolve all the issues of the Mediterranean in a big bang conference dealing with all issues together.

Even simply calling for dialogue and negotiation is often dismissed as naive. If preparing dialogue and negotiations is naive, are military interventions and short-sighted regime change where wars are quickly won, if at all, without peace and rebuilding being secured, the epitome of wisdom?

Common responses weaker

Even the call for a multilateral conference on the Eastern Mediterranean has so far gone unheeded. Simply calling for host countries to sit together opens you to accusations of sleeping with the enemy. The more our common challenges need multilateral cooperation, the more we have weakened our ability to form common responses. We have weakened the United Nations, international laws and agreements and are setting up alternative arrangements that often marginalise and exclude those we disagree with.

We are often asked to propose innovative diplomacy for the 21st century. Nothing wrong with that, as long as it helps us to deal with our challenges effectively. But how about a good dose of Basil Liddell Hart’s “collision of personalities and habits of their leaders.”

Zero-sum games

How can complex issues such as those in the Eastern Mediterranean, the Western Balkans, Cyprus, the Middle East, Libya... be solved if they continue to be lived as zero-sum games? Such conflict to the arms and ammunition industry continue to feed on each other as tensions and hostility among neighbours drive the arms trade while diplomacy plays only second fiddle. The arms trade continued to thrive even during Covid-19 with some badly hit countries finding money to buy arms but not enough funds to support their health systems and vaccine programmes.

How can we deal with issues like migration in a comprehensive manner if we do not get both shores of the Mediterranean to work much closer together on effective border management, fighting human trafficking, returning illegal migrants to their countrysides, providing shelter for those who qualify for asylum and building equal terms of trade with African countries to create wealth and jobs for those who have to look for them in Europe?

We need to overcome our Eurocentrism and all colonial hangovers with Africa and must learn to think, talk and behave differently with Africa, looking on Africans as equal partners and Africa as a continent of opportunities, not just as a continent of wars, misery and corruption. Drawing a humble lesson of why the US got the Vietnam War terribly wrong, Secretary of Defense Robert McNamara says: “Our misjudgments of friend and foe, alike, reflected our profound ignorance of the history, culture, and politics of the people in the area, and the personalities and habits of their leaders.”

There is very little regional economic integration between both shores of the Mediterranean. Out of 500 million people living in the region, more than 25 million are unemployed, of whom 8 million are aged 15-24. The number of young people not in education or training has continued to increase. Economic growth and inclusive policies are necessary if social unrest and failed states are not to spread across the region.

Will Covid-19 make Europe look at its southern neighbours to invest as part of the new global value chain to replace more distant suppliers and buyers? Covid-19 has particularly damaged this region as tourism has been hit very badly. Should it try to replace its 400 million pre-Covid international tourist arrivals over the next four years or leapfrog to a new digital and sustainable tourism that safeguards the regions bio-diversity, cultural values and is sensitive to local communities and better paid and skilled jobs?

Our climate emergency

The climate emergency is hitting the Mediterranean more than other parts of the world as this summer’s wildfires raging across the region have shown us very clearly. The Mediterranean is warming up faster than the rest of the planet. Unless we address this emergency as soon as possible, this soft security issue will become a hard security threat compounding the region’s geopolitical challenges with natural disasters, water and food shortages, rising sea levels, uninhabitable areas and human migration. Conflicts and instability will increase in the whole region. If we don’t get together in a Conference on Security and Cooperation in the Mediterranean to deal with all the complex issues of the region, can’t we at least organize a summit to deal with our climate emergency?

The Mediterranean is a gateway to Europe, Africa and Asia. It is not the first time that its death and decline have been greatly exaggerated. We are now told that we must give more importance to the Indo-Pacific as that is where the destiny of our planet is being played in this 21st century called the century of Asia with the projected dominance of Asian politics and culture if certain demographic and economic trends persist. But the European Union cannot afford to neglect the Mediterranean and Africa as this will also be Africa’s century on the basis of its population and economic growth that will converge with those of Asia by the end of the century.

The African Continental Free Trade Area (AfCFTA) will connect 1.3 billion people across 55 countries, making it the largest free trade area in the world. It will happen if the necessary policy reforms and trade facilitation measures are implemented.

Babes being born now will live in a world where there will be 300 million mostly middle aged and old people in Europe and 2.5 billion mostly children and young people in Africa. Can the European Union be so short-sighted and complacent to abandon the Mediterranean and Africa on its southern doorstep to other global and regional powers?
Post epidemic recovery and lessons of 2020 experience for future shocks

By Odile Renaud-Basso, President of the European Bank for Reconstruction and Development (EBRD)

It is quickly becoming a cliché to talk about the severe drop in economic activity during Covid-19. What is almost equally remarkable to the scale of the 2020 disaster is the speed of recovery in most countries and in many sectors of the economy. Average GDP growth in the EU is likely to be just below 5 per cent. Industry and international trade has already recovered to above pre-crisis levels in a number of countries. Construction sector is starting to show signs of overheating in Hungary, Poland and Slovakia.

Swift and decisive policy reaction has been the key reason behind this recovery. It happened both at the national and the EU level. Liquidity support, employment protection, outright public investment have all contributed to the resilience in the face of this unprecedented crisis. Increased health care spending, especially the vaccine roll-out was even more important. All this was fiscally costly, but ensured that 2020 output losses will likely fully recover in 2021 in most of the EU countries.

The MDBs and EBRD amongst them have also responded rapidly and decisively to the coronavirus pandemic in 2020. The Bank was the first international financial institution to approve a “Solidarity Package” which was quickly followed by a “Resilience Framework” combining additional financial resources, streamlined procedures and enhanced policy engagement. The Bank also intervened with a Vital Infrastructure Support Programme to keep vital infrastructure going. The EBRD delivered on its commitments with a record 11 billion EUR new investments in 2020 through 411 projects. Perhaps more importantly, EBRD rolled out Rapid Advisory Response framework, streamlining policy support. With record-high public support packages being rolled out, the question “how the money is spent was often more important than additional funds injected as a financial support. Better policies, improved administrative capacity or more advanced digitalisation was often necessary to ensure public support was efficiently and effectively utilised.

The experience of 2020 is illustrative of the important lessons for future shocks as well as important significance for the recovery effort.

First, we need policy margins of manoeuver to react to shocks of this kind. Public support worked in the crisis. Monetary policy supported fiscal space, while fiscal expansion supported price stability mandate of the European central banks in 2020; the priorities of both policy strands were perfectly aligned in Europe. The EU-wide instruments, such as SURE also contributed to lifting the budget constraints. These stabilising circumstances cannot always be taken for granted. A number of EBRD countries of operation did struggle with sovereign financing, while their policy freedom was significantly constrained. Lebanon, Tajikistan, Tunisia, and more recently Belarus and Montenegro are among the economies that saw significant increases in the cost of borrowing. Higher inflation could break the strategic complementarity of monetary and fiscal policies; we already see central bank rate hikes in Central Europe. Future shocks could be more country-specific, calling for a different setup of the EU financial instruments. This also means national public debt cannot keep on increasing.

Second, even though recovery looks healthy overall, the risk of public investment being hampered by the efforts to stabilise and reduce excessive public debt is high in some countries. We have seen this during the previous crisis as the overall level of public investment remained very low. This creates the need for investment incentives – either in the revised fiscal rules, or directly through EU-wide instruments. The Recovery and Resilience Facility is an important step in the right direction.

Third, since the recovery is so pronounced in many areas, the post-Covid policy action must be far more selective than in the early 2020. The risk of overheating is not theoretical as some sectors are already overheated: annual Producer Price Inflation in the EU was already in double-digit area in mid-2021. The healthy state of some sectors allows us to concentrate the recovery effort and put more resources on the European (and indeed, global) common good.

Green transition, inclusion and digitalisation are the priorities we should concentrate on. They constitute the core of the EBRD Strategic and Capital Framework. They are also, fully in line with the priorities of the EU: Progress on all three grounds is urgent and with global consequences. At the same time, concentrating on any of the three priorities on its own would not suffice. Pushing the green agenda, while ignoring the social consequences of changed relative prices of fuels or water would quickly create a political backlash. Ignoring the digital revolution would endanger competitiveness and make some green solutions unfeasible.

Finally, putting all the effort locally would not be sufficient to address global climate or migration challenges. The EBRD works in Central and South Eastern EU countries as well as the EU Neighbourhood and Central Asia. A multilateral institution with a European core plays an important role in the delivery of projects and EU policy goals. The EBRD can be a vector for European priority projects.

Finally, making use of the ample private savings has never been more important. Private sector participation is almost a requirement for financial sanity of the investment projects. It is a way to multiply the financial firepower and truly create a push in greenening and digitising the European economy. It is also a way to make the recovery self-sustaining, rather than reliant on public funds drip-feed. Fortunately, so far, financial sector sustainability does not look systemically threatened in Europe. Banks remaining in good shape support financial intermediation, but further progress on capital market development will be necessary to unlock the true potential and resilience of private sector financing.

The multinational development banks play a crucial role in addressing the huge global challenges we are facing. One example: in climate financing alone the MDBs raised USD 66 billion in 2020, up from USD 61 in 2019. However, to address the Sustainable Development Goals by 2030 we need to move from “billions to trillions”. This is only possible with mobilising the private sector: here the EBRD has the ambitious goal to achieve a private sector share of 75% in its investments by 2025. EBRD applies a commercial focus that supports the development of sustainable markets by complementing, not supplanting, private finance. It has an approach of market-based pricing, with a strong mandate to crowd in private investors by investing alongside them on comparable terms and conditions, while ensuring no distortion of the market. This approach facilitates the mobilisation of external financing and is supported by the disciplined use of concessional and blended finance to make investments in challenging environments and to reduce risk. The Bank’s policy advice can play an important role in helping the state to facilitate private sector development, creating a favourable environment for businesses and attract private investors.

The Covid-19 crisis was special in both the scale of economic fallout and in the speed of recovery. It would be unwise to take too much comfort in the latter. We need to ensure we have the tools and policy space to act when another crisis hits. We must not repeat the mistakes of slow, “investment-challenged” fiscal stabilisation of mid 2010s. Finally, we need a concentrated strategic action in green, digital and inclusion space. Without private sector participation, the progress there will never be sufficient.
I am particularly proud of our BioNTech investment. Our relationship with the company started with a $50 million loan in 2019 to fund cancer research. We followed this with a $160 million loan in June 2020 during the development of the COVID-19 vaccine, well before anyone else had them on the ra-

dar. These investments illustrate the Bank’s ability to adapt to truly innovative research projects.

The make-or-break decade

But make no mistake: the most impres-
sive crisis schemes will ultimately be in vain if all we try to do is to recreate “business as usual”.

This is why, nearly two years into the coronavirus, it’s time to shift gears and to figure out how Europe can emerge from the crisis stronger. The EIB has provided a prime opportunity to rewrite priorities and dump out-of-date investing models. This means directing more time and money into three key areas: climate, innovation and in-
ternational development.

Climate change is the challenge of our time – and we are moving too slowly to meet it. We should be racing at full speed. This goes for climate mitigation as well as adaptation, by the way: the recent floods in Central Europe have shown that adapta-
tion must not be the forgotten component of climate action. The EIB Group’s support for the COVID-19 recovery is framed by our commitments to climate action.

Innovation and new technologies will be crucial to “greening” our economies, or transforming the way we produce goods and use energy. Europe needs about €350 billion of extra investment annually to achieve our 2030 goals for cutting green-

ehouse gases. The European In-

vestment Bank will play its part by mobilising €1 trillion for cli-

mate action and environmental sustainability investment by 2030.

Weaning our societies off of fossil fuels requires structural change. We have made some progress in Renewable Energy, for ex-

ample, represented 19.7% of all energy con-

sumed in the European Union’s 27 members in 2020. But we still have a long way to go, to reduce, or eliminate, our dependence on fossil fuels.

Climate also demands that societies rad-

ically rethink how they do business. Invest-

ing in projects with short-term gains, but no long-term future because of climate, is a waste of money. We need to recognise the economic potential of green and sustain-

able development. The International Labour Organization estimates that common sense green economy policies could create 24 mil-

lion new jobs globally by 2030.

Africa alone has lost decades of efforts toward sus-
tainable development, and millions of jobs. The pandemic risks pushing an additional 97 million people into extreme poverty for the same time, the climate emergency is advancing at a faster pace, putting the poor and vulnerable at the highest risk. The need for
devlopment outside the Euro-

pean Union is more important than ever.

That development needs to be sustain-

able. If Africa’s industrial revolution relies on fossil fuels – as we did – the world’s goal of limiting temperature rises to 2 degrees Celsius will be thwarted. Population growth along with massive migration to cities is ex-

pected to lead to a twofold increase in Afri-

can energy demands by 2040.

Africa needs a leapfrog approach to in-
dustrialisation, relying on new technologies and green energy to limit the environmen-
tal impact. Africans need to privilege green development not just for our benefit but for theirs. Their economies are highly exposed to extreme weather conditions and ex-
treme climate. When extreme weather conditions can crowd-in institution. This means that our financing aims to attract other inves-
tors by lowering project risks. Every project financed by the EIB must pass a strict test to be sure it adds value to the economy and society.

Europe will only emerge stronger from the crisis if we work together to ensure that every recovery euro spent protects not just the climate, but society as a whole. We need this crisis to be a catalyst for change – the kind of change that forges a new civilisation, one in harmony with its environment.

African countries need our help to re-

build in a sustainable and inclusive way. Do-

not stop there, but multilateral, regional and
development banks should significantly step up their support for climate adaptation mea-

sures, improving the continent’s resilience to climate change.

The 16th edition of the Bled Strategic Forum in Slovenia is a perfect opportunity to talk how to do that. The forum brings together leaders and industry experts with a wide range of knowledge from the private and public sectors to exchange views and to seek answers to our biggest challenges.

We need more forums like this, more ideas, more open minds, more willingness to work together on local and international levels.

The European Investment Bank is ready to work with many new partners: not just to offer financial support, but to also serve as an incubator of ideas for better societies and a healthier environment.

We will soon be approaching the two-year anniversary of the start of the coronavirus pandemic. This crisis has upended daily life in every corner of the world, created a huge healthcare challenge and delayed the global economy.

Lockdowns across European countries choked off many businesses’ revenues from one day to the next, threatening a liquidity crisis. At the same time, a health crisis was straining hospitals and other health care re-
sources. The European Investment Bank, one of the largest public finance institutions in the world, needed to act to safeguard the European an economy:

The most effective way to support busi-

nesses was to make sure they had enough cash to wait out lockdowns. Our largest initia-
tive, the €25 billion European Guarant-
tee Fund, was set up to do that. The fund is expected to mobilise up to €20 billion in financing for small and mid-sized businesses – the backbone of Europe’s real economy.

At the end of July 2021, over 80% of the fund had been approved.

We have also invested billions of euros to support COVID-19 diagnostics and treatment, along with a wide range of other healthcare initiatives – which includes €900 million for the COVAX initiative that is delivering vac-
cines to poorer countries worldwide.

But we do not just provide finance. Our deep technical expertise helps get investment projects off the ground. Thanks to a diverse team of scientists, engineers and economists, we were one of the first financial institutions to support experimental research at compa-
nies like Germany’s BioNTech, which creat-
ed one of the leading mRNA vaccines in the world.
Democracy is not a given. It must be protected, strengthened, developed and legitimized.

The Conference on the Future of Europe is the ideal forum for this endeavour. The European institutions and member states will reach out to citizens from all walks of life and organise citizens’ panels to get them involved in their own future, it will gather representatives from all levels of governance to work together on an improved version of our European project.

I strongly believe that this innovative democratic exercise, complementary to our parliamentary democracy, will respect the legitimacy and a sense of belonging to the EU that is needed these days. Needless to say, the Conference’s success will be conditional on translating citizens’ recommendations into concrete action. For this, we have the commitment of all European institutions and all member states, and the European Parliament will make sure to hold all stakeholders to their words. In addition, the Conference could be a starting point to explore more regular citizens’ consultation mechanisms that have proven very useful.

2. Defend democracy against attacks

Democracy is not a given. It must be protected, strengthened, developed and legitimized, especially in times of crisis in which it is particularly vulnerable, as we have witnessed. Authoritarian regimes have tried to exploit the legitimacy and a sense of belonging to the EU that is needed these days. Needless to say, the Conference’s success will be conditional on translating citizens’ recommendations into concrete action. For this, we have the commitment of all European institutions and all member states, and the European Parliament will make sure to hold all stakeholders to their words. In addition, the Conference could be a starting point to explore more regular citizens’ consultation mechanisms that have proven very useful.

3. Work towards a fairer and more sustainable model of development

Inequalities risk fueling distrust in our institutions. In order to strengthen trust in our democratic system, it is therefore crucial to fight for a fairer society, in which all women, men and children can live a decent and healthy life. In today’s world, this inevitably goes hand in hand with fighting climate change. Both are sides of the same coin and have to be addressed together.

We therefore have to put an end to the endless growth paradigm that has dominated our societies for too long. The notion that our planet was destined for unlimited expansion and that the world has infinite resources is long outdated - but the pandemic has exposed this. The costs of this ideology, hitting especially hard the most vulnerable in our societies: the elderly; the isolated, women, young people and people with disabilities. Due to the Covid-19 crisis, existing inequalities have been drastically widened, not only within Member States, but also between Member States, revealing the potential for discord between the North and South, and East and West, with sharply differing economic realities, expectations and sensibilities.

The economic recovery gives us the chance to bridge these disparities. We must use the lever of the enormous economic resources that the EU will make available through the 750-billion-Euro Recovery Fund and the Multiannual Financial Framework not to go back to the past but to embark on a new path towards a fairer and more sustainable model of development.

We must put people and their needs first in order to prove that democracy, indeed, works for the many and not just the few, especially in times of crisis.

4. Join forces for a more effective democracy

If the pandemic has shown one thing, it is certainly that we have to stand together to tackle challenges that are inherently cross-border and will become more and more so in the future. When we acted together, we were strong. The best examples are our recovery package that will support our citizens and economies to deal with the consequences of the pandemic and our joint vaccination campaign that prevented “vaccine nationalism”.

On the other hand, the difficulties that we encountered on the way mostly stemmed from an intergovernmental method of decision-making that can never banish the temptation to put national interests ahead of the community interest. It is an eternal truth, as Jacques Delors said, that “lack of solidarity is a mortal danger for Europe” - and, one might add, a serious threat for democracy.

To prove the effectiveness of democracy in the 21st century, we need to work together not only against the virus, but equally so when it comes to climate change, security, tax evasion or immigration. When we start over, we must do it with an even stronger spirit of solidarity.

5. Improving the democratic toolbox of our Union

If we accept that only together can we tackle the challenges ahead of us, and that Europe is the right level of governance to address them, we must give the means to our institutions to offer comprehensive answers to our citizens. We have to strengthen our democratic toolbox in order to build a more resilient Europe.

One of the most striking examples is the right of veto in the European decision-making process - an anachronism that stands in the way of rapid decision-making, as this crisis and the need for timely measures has demonstrated. The lack of competences in the health sector is another example. We cannot be satisfied with putting out fires in such an emergency. Instead, the Union needs to be equipped with the necessary competences to establish a true European health policy. Last but not least: in order for Parliament to better exercise its role, I believe it is pivotal to grant it a direct right of initiative to ensure an even more direct influence on the legislative process.

If all these reflections and those of our citizens involve an update of the Treaties, we must be courageous. We cannot afford to have taboos. There is no better time to make bold decisions for the good of our citizens and the future of our Union.

Generali in the company of the best brands.
The post-pandemic recovery in the euro area: further integration will be necessary to strengthen cohesion in the euro area and to make it more resilient

/ By Klaus Regling, Managing Director, European Stability Mechanism (ESM)

As vaccine campaigns are being rolled out across Europe and business is picking up again after months of lockdowns, policymakers can focus on how to adapt support for the economic recovery, even though uncertainty continues with the emergence of new variants. To sustain the growth momentum, much will depend on a smooth transition from short-term emergency support measures to long-term support, in particular via the Recovery and Resilience Facility (RRF) under the Next Generation EU programme (NGEU).

The ESM as part of a comprehensive EU response

During the pandemic, swift and extensive government support measures were immediately complemented by a European fiscal safety net of €540 billion. As part of this effort, the ESM continues to offer all euro area countries a precautionary credit line of up to two percent of their GDP until the end of 2022 to cover direct and indirect healthcare costs related to the pandemic. This ESM support for countries complements measures for companies provided by the European Investment Bank and aid for workers by the European Commission. At the same time, the ECB debt-purchasing programme (PEPP) continues to stabilise markets since the early days of this pandemic.

All these measures were aimed at closing the economic and financial gap caused by this crisis through temporary, targeted measures. Combined, initiatives taken by all 27 national governments (including discretionary fiscal actions, automatic stabilisers, government-backed guarantees) and European institutions (ECB, European Commission, EIB and ESM) totalled around €5 trillion in 2020.

Fostering sustainable growth

The €750 billion NGEU programme was launched in a second phase to move beyond the emergency measures and to make the EU greener and more digital in the long-term. Under the NGEU, the RRF is designed to make the economic recovery as lasting and as sustainable as possible to improve the resilience of the economy to future shocks.

Concretely, the RRF targets mostly the supply-side of the economy and aims to improve long-term growth with a combination of investments and reforms. Country-specific recommendations provide guidance for national reforms. The principal aim is to reduce carbon emissions sustainably and to boost digitalisation, while training workers would complement product and labour market reforms to increase competitiveness.

Overall, the EU has deployed a broad range of measures to encourage sustainable growth. These measures were designed to benefit, in particular, the countries most affected by the pandemic. This not only represented an unprecedented degree of solidarity in Europe, it also protects the single market and will prevent greater divergences in the euro area, which is in the interest of all.

The euro area recovery is on the right track and the comprehensive EU and national economic policy responses to the pandemic remain adequate, as national governments have extended their fiscal measures and have pledged to keep them in place if the economy does not recover as swiftly as expected.

With the right fiscal and monetary strategy, euro area countries should be able to prevent permanent economic damage and catch-up with their pre-pandemic growth trend already in 2022. Well-implemented recovery plans have the potential to boost economic growth even beyond pre-pandemic trends. With the right implementation, the recovery plans will not only mitigate the asymmetric consequences of the pandemic in the euro area but could also yield positive supply-side effects in the medium-term. To maximise these benefits, many countries need to improve their absorption capacity for funding significantly, which will be challenging.

In the coming months, policymakers will also need to decide on the right timing and pace for withdrawing support. Support measures should not be lifted prematurely at the risk of hurting the ongoing recovery, but at the same time an excessive debt build-up must be avoided: it is a delicate balance of risks that needs to be found for each member state.

In particular, measures to facilitate financing of companies should not be withdrawn abruptly. Instead, they should become more targeted and complemented with private sector initiatives to direct capital towards sectors and companies with the highest growth potential, to enable the necessary restructuring of the economy.

Deeper European integration needed

The pandemic has shown once again that EU countries are stronger when they act together and that further integration will be necessary to strengthen cohesion in the euro area and to make it more resilient.

One additional step with which European integration will be deepened further next year is the broadening of the ESM’s mandate. Once the amended ESM Treaty is ratified, the ESM will act as a common backstop to the Single Resolution Fund. This is an important move towards the completion of banking union, adding firepower and credibility to the bank resolution regime in Europe.

In addition, the reform gives the ESM a stronger role in future economic adjustment programmes and reinforces crisis prevention in the euro area. In collaboration with the European Commission, the ESM will design, negotiate and monitor future assistance programmes.

While these are very welcome developments, more steps are needed to make the euro area more robust and less vulnerable to future shocks: Banking union should be completed, which requires better cross-border integration, a comprehensive crisis management framework, a common deposit insurance and an agreement on the regulatory treatment of sovereign exposures; capital markets union (CMU) should see real progress in order to diversify sources of financing for the economy, increase cross-border capital flows and reduce market fragmentation; the fiscal surveillance framework needs to be reformed to become more credible. And this should be complemented by a macro-economic stabilisation facility to equip the euro area with extra fiscal space when countries are facing temporary strain.

European and international institutions, as well as many economists, support these measures but they remain politically sensitive. They would not only make the euro area more resilient in a future crisis but also promote the international role of the euro.

In sum, Europe responded well to the economic consequences of Covid-19. The NGEU programme will certainly boost the economic recovery in Europe, potentially even leading to a higher growth path than before the pandemic. Measures taken during the last 1½ years have made Europe more credible for market participants around the world. When the health crisis is over and the recovery fully established, debt sustainability concerns need to be taken into consideration once again. At the same time, we should also continue to strive for deeper economic ties among member states, particularly in the euro area, in order to reap the full benefits of our single market and the single currency, thus reinforcing our credibility on the world stage.
Revive and thrive
Impact of Covid-19 on tourism and opportunities for embracing innovation

By Zurab Pololikashvili, Secretary-General, World Tourism Organization (UNWTO)

S
he Covid-19 pandemic has hit global tourism hard. Indeed, since it is built on mobility and person-to-person interactions, tourism has been among the hardest hit of all the major economic sectors. According to UNWTO’s own data, destinations across Europe welcomed some 220 million fewer international arrivals in 2020, and the crisis has carried over into a second year as many communities struggle to cope with the costs of a second ‘lost summer’.

To be sure, tourism will return. The sector is highly resilient, due in no small part to its ability to adapt to new challenges as well as the enduring desire to travel, explore and enjoy new experiences. After more than a year staying home, there is significant pent-up demand for travel, both domestic and international. With regards to the latter, however, several obstacles stand in the way of our sector’s restart.

The challenges of today and the opportunities of tomorrow
Among the biggest challenges facing tourism right now is ongoing confusion around the constantly changing travel protocols and restrictions. With different destinations, including within Europe, imposing varied rules on testing, quarantine for arrivals or vaccination status, confidence in international travel remains low. The key to restoring trust in travel and making tourists feel safe again lies in greater coordination and clearer, more consistent leadership. The EU Digital Green Certificate is an example of the kind of joined-up thinking that we need to get the world moving again, safely and responsibly. However, this approach needs to be embraced on a greater scale, and with greater urgency. Many millions of jobs and businesses, across Europe and also in developing countries where tourism is often a true lifeline, are depending on it.

Alongside addressing the immediate challenges standing in the way of tourism’s restart, we must also look to the future. The pause in international travel caused by the pandemic has presented us with a unique opportunity to think about the kind of sector we want to build, and to realign both political policies and business models in line with this. This is a chance to build a tourism that works for everyone, a sector that is more sustainable, more inclusive and more resilient.

Embracing the power of innovation
Again, coordination will be key to achieving this ambitious goal. Under the EU Presidency of Slovenia, Europe has a chance to advance and accelerate moves towards the digital transformation of tourism. And it is a chance that must be seized. Embracing innovation and ever-evolving technology will bring a number of far-reaching benefits. For instance, data management tools, including those provided by UNWTO and our partners, allow destinations to better monitor and manage their tourism flows. This in turn will allow them to ease the pressure on the most-popular destinations, promoting instead new sites and locations and ensuring the social and economic benefits that only our sector can deliver are enjoyed as widely and fairly as possible.

Similarly, greater use of innovation and technology will play a vital role in the green transformation of tourism. Work to achieve the United Nations’ 2030 Agenda for Sustainable Development has been slowed, and in some cases completely on hold, as a result of the pandemic. Now is the time to get back on track. Sustainability must no longer be seen as a niche part of the wider tourism sector but instead should be a key consideration in everything we do, from tourism transport and accommodation to resource consumption and waste production. Both the public and private sectors have a part to play here, and again, I am confident that the Slovenian presidency of the Council of the European Union will focus on aligning tourism management models towards greater sustainability.

Investing in tourism’s future
But the shift towards greater sustainability and resilience will require targeted investment, both in tourism’s infrastructure and in what we may see as the sector’s greater asset - people.

While levels of overall foreign direct investment (FDI) fell by 35% in 2020, with tourism in the sector, levels plummeted by around 73%. This has placed projects around the world on hold, not only work on hotels and attractions but also on vital infra-structure initiatives where the benefits will be felt far outside of the tourism sector itself. Significantly, falling investment levels also pressed pause on projects designed to make tourism more sustainable: Building investment back up to pre-pandemic levels and beyond is essential if we are to get global tourism and its contributions to the 2030 Agenda for Sustainable Development back on track. The crisis has shown the need for all destinations to better adapt to new opportunities and trends. These include the need for renewable energy, smart buildings and the circular economy, among other opportunities. Not only will this help make the sector more sustainable, it will also make it more resilient and better able to cope with crises including both pandemics and extreme weather events.

Alongside investing in tourism’s green future, now is also the time to invest in tourism workers, including both the sector’s existing workforce and also the professionals of tomorrow. Online learning, such as the courses offered through the UNWTO Tourism Online Academy, can help widen access to employment in the sector. They can also help bridge the gap between the needs of employers and the skills and knowledge of workers. Above all, online learning can play an important role in youth empowerment, one of UNWTO’s priorities for the years ahead, as reflected in our work to identify the best new talent through the UNWTO Students League and the forthcoming Global Youth Tourism Summit. Just as with the Young Bled Strategic Forum initiative, the wider tourism sector must realize the potential of global youth. Tourism has constantly evolved, and only through embracing new ideas, new voices and new leaders can we effectively recover from the worst crisis the history of our sector and build back better. While we can be confident that tourism will indeed bounce back, making firm predictions on when or at what rate this will happen, remains uncertain, especially since the pandemic is far from over. What we can be pretty sure about, however, is that the tourism of tomorrow will be more diverse. In the years leading up to the pandemic, we had seen a growing interest in authen-tic and unique travel experiences. As the world opens up again, this trend is set to accelerate. The tourists of tomorrow will be more conscious of their actions, and even more determined to get to know a location, its traditions and its people. Destinations that can offer this will thrive. This means protecting and promoting unique cultural and natural heritage, as exemplified by UNWTO Ambassador Ana Roš, who has shown the power of gastronomy tourism to create jobs and support rural development.

Over the past decades, tourism has become firmly established as a pillar of economic wellbeing and social opportunity, both in Europe and worldwide. It has also been rightly recognized as an essential pillar of development; the sector has the ability to contribute to most, if not all, of the Sustainable Development Goals (SDGs), our collective ambitions for a better and more just world for all. Now, as the sector gets ready to restart, we have a chance to finally realize the tourism unrecognised potential to help build a better future, for people and for planet.
The Three Seas Initiative and its fundamentals

The Three Seas Initiative was launched in 2015 by the presidents of Poland and Croatia. It consists of 12 states that joined efforts to create a better transport, energy and digital connectivity in the Adriatic, Baltic and Black Sea regions. We unite the members of the Initiative is, above all, a common history. As part of the Soviet communist bloc, the Three Seas countries, separated from the rest of the continent by the Iron Curtain, had no chance of economic or socio-economic development. Only the political transformation, started in Poland in 1989 allowed for a change in this situation.

The driving force was the pursuit of reunification with Western Europe. Billions of euros from the European Union budget have been allocated to road, rail and energy investments, which improved communication on the East-West axis and contributed to the economic success of our region. However, while a lot has been achieved, the infrastructural connections between the countries of our region remain insufficient, especially on the North-South axis. Investment needs in transport, energy and digital infrastructure in the Three Seas region are estimated at EUR 0.6 trillion to 1.1 trillion. This severely limits the possibility of using our full potential. Therefore, joint efforts to develop infrastructural solutions become the main goal of cooperation under the Three Seas Initiative.

The Three Seas project is fully compatible with the EU’s priorities, as it respects democratic values and narrows the development gap within the Union. The Initiative brings the participating countries even closer and makes a step forward in the implementation of EU policies, in particular those related to climate challenges and digital agenda. The Three Seas states also aspire to enhance Transatlantic ties because they believe the US engagement in Europe is key to ensure stability in the region. This stability can be achieved, for instance, by the US support to diversify and transform energy supply sources and to enhance digital capabilities in Central and Eastern Europe, which are both critical to the region’s security and prosperity. The collaboration between the Three Seas and the US enjoys bipartisan support in the US Congress and has been backed by both D. Trump and J. Biden.

The Three Seas states pursue their goals in close collaboration with other countries. The United States, Germany and the European Commission are strategic partners of the Initiative. Others, including Greece, United Kingdom, Japan and France are also looking for the ways to work with us closely.

The closer the Western Balkans are to the EU, the easier it will be to strengthen their cooperation with the Three Seas Initiative.

Flexible platform that responds to the challenges of the future

Although the priority of the Three Seas Initiative remains the development of transport, energy and digital infrastructure in our region, at the same time we must be flexible and open to new challenges, adapting our cooperation to rapidly changing needs. For example, our energy cooperation so far has focused on the diversification of gas supplies to our region. This is still a very important task, but today we know that we also need to look for new, zero-emission energy sources that will allow us to achieve our climate goals. Similarly, in other fields we should also look for opportunities to build new, flexible, regional platforms – a sort of marketplaces for the best ideas, technologies and solutions from our region. Here are some proposals that we bring to the table.

Polish ideas for further collaboration within the Three Seas

Firstly, hydrogen. The development of energy infrastructure is one of the main objectives of the Three Seas. So far, as mentioned before, we have focused on expanding LNG terminals, alternative gas pipelines and interconnectors. However, in addition to that, we should contribute to a greener Europe and one of the ways is to generate new cross-border projects in the field of production, distribution and use of green hydrogen. Such projects will be fully in line with EU policies, especially with the European Green Deal. Companies from our region can definitely find their niche in this field and bring innovative solution that can be used on a global scale. Moreover, development of green energy in the Three Seas region will be attractive to US partners, as Biden’s administration considers climate protection a priority.

Secondly, unmanned air vehicles or drones. Poland has proposed a project called “Central European Drone Demonstrator”, whose aim is to set up an environment enabling safe integration of drones into the airspace and the economy. This proposal is based on a technological solution owned by the Polish Air Navigation Services Agency. It allows other partners to join and to use a full potential of this new and extremely promising sector of the economy, the “U-space”. This project remains open to all Three Seas countries.

Thirdly, cybersecurity, which is crucial for every infrastructure project that involves smart solutions. Ensuring cybersecurity is necessary even when it comes to building modern transport and energy infrastructure, as it may be subject to hostile cyber activity. This is why we believe that efficient and advanced protection technology is a preconditional to build an interconnected Three Seas region.

When speaking of cybersecurity, digital cooperation cannot go unnoticed. “The Three Seas Smart Connectivity” presented by Estonia during the 3SI Tallinn Summit last year is definitely something we should follow. Connecting our energy and transport infrastructure with digital platforms and services is absolutely crucial for our region to be able to successfully compete in the global arena. Poland fully supports the concept of transforming the Three Seas region into a global hotspot for smart mobility and energy innovation, as well as a provider of intelligent solutions on a global scale.

These and other flexible platforms would demonstrate the most innovative technologies our companies have to offer, be it drones, cyber security or technology solutions for transport logistics, energy and financial sectors. We hope they would also help us showcase the technological excellence we achieved and allow us build the perception of the region as a technological powerhouse. I am convinced that each of the countries in our region has more innovative ideas and technological solutions in which we could invest together to strengthen our combined regional potential.
nations around the world mourn the tragic loss of life and continue to cope with the devastating personal, societal, and economic effects of Covid-19, it is important to take this moment to reflect on our recent history, assess who we are, and determine our future. As a leading platform for global strategic dialogue, the Bled Strategic Forum offers us the opportunity to discuss these and other defining issues of our time.

This year marks the 30th anniversary of the dissolution of the USSR, which followed two years after the citizens of Central and Eastern Europe in 1989 peacefully escaped Soviet oppression. An historic and celebratory era followed, as these countries and their citizens embraced their independence with newfound hope and renewed appreciation for the importance of democratic governance, the protection of human rights, civic action, and fundamental freedoms. However, decades of stifling communist tyranny and deprivation created obstacles to reform and progress for newly sovereign nations as they navigated their paths out from behind the Iron Curtain. The United States stood shoulder to shoulder with these countries, and the United States continues to work to strengthen our relations with Allies and partners in Europe.

The benefits of democracy and the Transatlantic partnership are undeniable, and the United States continues to work to strengthen our relations with Allies and partners in Europe. The benefits of democracy and the Transatlantic partnership are undeniable, and the United States continues to work to strengthen our relations with Allies and partners in Europe.

Yet, Russia seeks to undermine the progress all have made. It spreads disinformation in order to rewrite this historical success story, obscuring the Soviet regime’s crimes and despotism, denying the sacrifices of many in the struggle for freedom, and denigrating the benefits of the Western alliances. Russia has flosted international agreements and acted with impunity as it has denied its actions and intentions on many fronts including its attempted annexation of Crimea and aggression in Eastern Ukraine. In addition, we see a strategic competition in ideology. Disinformation campaigns and election interference efforts by the People’s Republic of China (PRC) and Russia are attempts to undermine democratic institutions. Our way of life is under threat. Against this backdrop, it is imperative that we renew our commitment to our values and to the Transatlantic relationship. At the heart of our relationship are our shared democratic values to protect human rights, strengthen the rule of law, secure free and fair elections, support freedom of the press, root out corruption, protect a robust civil society, and ensure our governments are responsive to the will and needs of our peoples. This is who we are.

The United States is rising to this critical challenge. Throughout June, President Biden met with European leaders to actively renew ties with our Allies and partners. President Biden’s engagements underscore the US commitment to revitalize and raise the level of ambition in our relationships with Europe.

During the NATO summit, Allies agreed on an ambitious NATO 2030 agenda to adapt the Alliance to the threats of today and tomorrow, and to increase funding, as needed. Active security and defense cooperation will contribute to the recovery of our connected economies. And at the US-EU summit, Presidents Biden, von der Leyen, and Michel underscored a commitment to rejuvenate and expand the US-EU relationship. The establishment of a Trade and Technology Council (TTC) kickstarts a positive US-EU economic agenda that will further grow our trade and investment relationship and shape the future of the world economy.

We believe the TTC can demonstrate how democratic approaches to trade, technology, and innovation can improve the lives of our citizens and counter authoritarian influence in the digital realm. The Summit reaffirmed our commitment to the US-EU Energy Council, created a High-Level Action Group on the climate crisis, and set the stage for a Transatlantic Green Technology Alliance that will foster cooperation on the development and deployment of green technologies, as well as promote markets to scale such technologies.

The G7, NATO, and US-EU summits highlighted the concern among the world’s democracies about the PRC. The G7 communal explicitly mentions the PRC regarding Covid-19 origins, protection of human rights, and a free and open Indo-Pacific region. Member states agreed to revise NATO’s Strategic Concept to include analysis on the PRC. In the US-EU Summit joint statement, the United States and the EU espoused a “multi-faceted” approach to the PRC, which includes elements of “cooperation, competition, and systemic rivalry,” explicitly mentioning human rights issues in Hong Kong and Xinjiang and peace in the Taiwan Strait. These actions demonstrate our commitment to imposing additional costs on the PRC for engaging in cruel and inhumane forced labor practices and ensuring that Beijing plays by the rules of fair trade as part of the rules-based international order.
We do this because we believe – and history has shown – that when democracies work together they can tackle the toughest challenges and secure our future; the United States is committed to leading with strength, defending our values, and delivering for our people. But we all recognize that we stand at an “inflection point” where democracies and the values that underpin them are under pressure in Europe and in other parts of the world. We are deeply concerned about recent developments that have eroded space for the media and civil society, curtailed the exercise of human rights and fundamental freedoms of LGBTQI+ persons, hindered restitution efforts, and undermined judicial independence. We must not backtrack on the progress we have made over the past 30 years. We urge governments to demonstrate, both in words and actions, their commitment to these values that have delivered so much for our peoples. But most urgently, we are working to protect our peoples and secure a global economic recovery. The United States has already donated and shipped more than 110 million Covid-19 vaccine doses that are saving lives in more than 60 countries around the world. This is in addition to the personal protective equipment, diagnostics, therapeutics and oxygen, cold-chain support, and other aid we have provided to support the international response. And this is just the beginning of our efforts to provide vaccines to the world. In addition to making doses available from the US domestic supply, the Quad partnership. We are working with our partners and Allies to improve pandemic surveillance and detection, and to support vaccine readiness within countries. We believe these measures will not only bring this pandemic to a quicker end, but advance global health security to prevent future pandemics. We are taking these actions with the singular objective of saving lives and bringing an end to the acute suffering this pandemic has caused. As we look toward the future, President Biden has sent a clear message to the world: the United States seeks to reactivate and raise the level of ambition in our relationships with our Allies and partners to meet the challenges of our time. Raising the level of ambition means broadening and strengthening our cooperation on shared concerns and challenges, especially with our European partners, knowing this is the time to think big. What we do in the next year, what we do now, will set the course for our next 30 years, so it is imperative we seize the moment.

As we emerge from the pandemic, we must take the opportunity to “build back better.” At the G7 Leaders’ Summit held June 11-13 in Cornwall, UK, President Biden and other leaders launched the “Build Back Better World” or B3W initiative. B3W will generate hundreds of billions of dollars of public and private infrastructure investments in sustainable projects driven by good governance, transparency, and strong standards that are aligned with moving toward a net-zero economy by 2050 and working to limit any increase in temperature to 1.5°C. The Three Seas Initiative, or 3SI, will also contribute to economic growth and recovery. As President Biden stated, the Three Seas Initiative offers “incredible potential for increasing cooperation and connectivity...that will enhance the security and prosperity of this region and quite frankly benefit the world. The United States will be your unflagging partner at every step.” This European-led initiative illustrates the power of regional neighbors seeking connectivity to strengthen themselves and build resilience through development of the energy, digital and transportation infrastructures, and enhancement of anti-corruption measures. Multilateralism can produce results for workers and businesses, as momentum in the recent international tax negotiations demonstrates. 133 countries on all continents and of varying sizes, representing over 90 percent of global GDP, have recognized that the current global minimum tax rate functionally set to zero has undermined their ability to raise the revenue needed to make critical investments and combat crises like the global pandemic. We look forward to working with our partners to level the playing field in the coming months for businesses and improve fairness for the middle class around the world. While growing our economies, we must also defend our democracies. President Biden announced on August 11 that in December he will bring together leaders from a diverse group of the world’s established and emerging democracies to a virtual Summit for Democracy, to be followed in roughly a year’s time by a second, in-person Summit. The virtual Summit to take place this December will galvanize commitments and initiatives across three principal themes: defending against authoritarianism; fighting corruption; and promoting respect for human rights both at home and abroad.

The United States will continue rallying the world in promoting democracy and prevailing over the global pandemic to accelerate a global economic recovery. By remembering our history and how far we have come and by defining our values, we can set a course to a more healthy, secure, and prosperous future.
Creating a US-EU partnership on global tech policy: a priority for the Slovenian EU Presidency

The Trade and Technology Council should strive to build a partnership on digital issues as a matter of urgency

/ By Frances G. Burwell, A Distinguished Fellow at the Europe Center of the Atlantic Council and a Senior Director at McLarty Associates

The second half of 2021 will be a key time for creating an effective US-EU partnership to address the challenges of the digital economy. The European Union (EU) has embarked on a significant effort to create "A Europe Fit for the Digital Age," headlined by a wave of legislative proposals on content moderation, platform regulation, competition policy, data governance, and artificial intelligence (AI). The still-new Biden administration has not been so focused on digital policy, but its personnel choices and statements on competition policy, supply chains, and the impact of social media on democracy all indicate that the US approach will not be laissez-faire as in the past.

That the United States and EU reach some consensus on digital and tech policy is no less essential now than the postwar agreement between the US and its allies over the shape of the international trading system. Just as the US and Europe have been major actors in the global trade in goods and services, so too are they now the major markets for new digital imports and exports. In 2019, the United States exported $243 billion in digitally enabled services to Europe, almost twice those to the entire Asia-Pacific, including China. Even though Europe lacks a global platform company comparable to some US firms, its companies still sent $133 billion in digitally enabled services to the United States that same year.

But the US and Europe are clearly not the only leaders in the digital economy. China represents a huge and growing domestic market and a state-centric approach to regulation that is proving all too attractive to autocrats around the world. Russia is also a leader among the "techno-authoritarians" and has exhibited an alarming tolerance for cybercriminal activities from within its borders. If the US and EU continue to pursue disconnected approaches toward digital issues, the Chinese and Russian models could threaten the idea of a digital economy based on open markets and the rule of law.

But the TTC is also a technology council, and it should strive to build a partnership on digital issues as a matter of urgency. The Biden administration took some early first steps toward addressing some key Transatlantic digital issues. Its immediate appointment of the official charged with negotiating a new data transfer deal was a welcome indication that the administration understood the fragility of the mechanisms for transferring personal data from the EU to the US in the wake of the Schrems II decision by the European Court of Justice. But despite rumors of a political deal at the US-EU summit, any real settlement still seems far away. The administration’s re-engagement with the OECD process to develop a new global corporate taxation regime has led the EU to delay unveiling its proposed digital services tax (DST) until October. At the same time, the administration does not seem inclined to impose tariff remedies against EU member states that have already implemented DSTLs, despite the US Trade Representative’s finding that such taxes discriminate against US companies.

A good first step now toward some early wins would be to expand the discussion on supply chains to include technology infrastructure, including 5G, cloud, server farms, and batteries, among others. A Transatlantic consensus over requirements for secure vendors could help both US and EU suppliers while ensuring security for users’ data. The EU and US should also embrace the Slovenian presidency’s priority of strengthening cyber resilience. In particular, the TTC could serve as the launching pad for developing a common framework for cybersecurity standards. Such standards could protect critical infrastructure and would be a boon for both US and EU industry. Recent cyberattacks, including ransomware attacks, have affected critical infrastructure in both the United States and the EU, ranging from pipelines to hospitals. Developing cybersecurity standards will be an essential element of ensuring resilience in our infrastructure and even our economies and societies.

Of course, the US and EU will not agree on all issues. Part of the real value of the TTC is the creation of a regular forum that can foster cooperation but also provide opportunities for discussion of differences. This will be especially important as the US pushes forward with its ambitious legislative agenda. The European Commission has made no secret of its desire that the EU’s new regulations should become global standards, as happened with the General Data Protection Regulation (GDPR).

While the Biden administration has indicated that it will not have a “hands off” approach toward the major tech companies, it has not provided much clarity on what its priorities will be. There has been little discussion about data governance, a national privacy bill, platform regulation, or AI. A few relevant bills have been introduced in Congress, but most are very limited compared to the comprehensive EU proposals, and few are given any chance of passage amid an overcrowded congressional agenda.

The TTC, with the right guidance and focus from the Slovenian presidency, can foster discussions between the EU and US on data, platforms, and AI, as well as other priorities. At the forefront of that agenda should be developing greater understanding of how the Data Governance Act, the Digital Services Act (DSA), and the Regulation for Trust and Excellence in AI will affect non-EU companies.
Europe’s digital challenge is both economic performance and geopolitical, but all too often the task to raise Europe’s digital leadership gets simplified to the point that policies aim in the wrong direction. Lately there has been a lot of talk about Europe’s dependency on the United States and others for advanced digital technologies, and several national capitals – along with Brussels – have developed regulations and industrial strategies to wean us off American technological leadership. Europe’s new themes are digital sovereignty and autonomy.

But Europe’s digital problem is not dependency on others; policymakers can complex all they like over Big Tech and that Europe has no big platform that can rival Google, Amazon, Facebook and Apple. All that makes little sense when the main economic problem with Europe’s digital challenge is not in capital loneliness, individuals and governments actually adopt the advanced technologies and services that are on offer. Europe’s lagging digital performance is not chiefly about creation – that too few digital giants carry a European passport. It is about lagging use and the slopes of America and China. Europe needs to move towards digital services like alternative investment. Importantly, these investments do not fund Europe’s regulatory environment affects the scale-up phase in different ways. First, capital markets regulation in Europe – especially the regulation of large institutions like pension funds – makes it more difficult to generate a rapid increase in the pool of capital available to late-stage venture capital. Second, market restrictions (especially in services) are generally higher in Europe than in other developed economies like Australia and the United States – and those restrictions push up barriers to entry. Importantly, these competition-decreasing market regulations have a distinct effect on business churn rates and is one explanation to why it’s more difficult to grow and scale up entrepreneurial projects and new business models in Europe.

The geopolitical consequence of a high-regulation environment is that other countries are reducing their dependence on the European market: it is no longer particularly attractive to be in the economic and technological slipstream of Europe. There are many geopolitical consequences that emerge from digitalization – and from new innovation more broadly – but perhaps the most neglected one is that the current digital market shape economic outcomes globally is diminished by burdensome regulations and relatively poor economic performance. The economic conditions in the world already forces Europe to struggle with economic gravity: as other parts of the world grow richer, Europe’s share of global capital flow and trade output will shrink. By 2024, estimates the European Commission, 85 percent of all global growth in new capital will happen outside the European Union.

The United States is confronting a similar scenario of relative economic decline – albeit not at the same scale, yet it faces many of the same challenges and shrinking labour forces and still has created an inhospitable regulatory climate for innovation and entrepreneurship in digital. Like Europe, the US is also worried about its digital and innovation performance. The US administration took a less protectionist direction and the climate change agenda is already unleashing geopolitical tensions that Europe alone cannot manage: they will only grow bigger as Europe and others wear themselves of energy sources, goods and production technology that are carbon intensive. Furthermore, as a good part of Europe struggles with demographic challenges and shrinking labour forces and has created an inhospitable regulatory climate for innovation and entrepreneurship in digital, it is only more dependent on foreign digital content and diffusion. Closer collaboration with the US and will provide Europe with a better choice of digital technologies and businesses.

Europe’s influence on the world order depends on many factors, but two of the most important ones are its capacity to shape a new alliance with the US and other like-minded countries and improve its digital and innovation performance.

Improving Europe’s digital and innovation performance and strengthening Transatlantic alliance

By Fredrik Erixon, Director, European Centre for International Political Economy (ECIPE)
By Dr Uroš Svete, Acting Director, Government Information Security Office, Republic of Slovenia

Slovenian Presidency of the Council of the EU

Enhancing European cyber resilience and cyber responsiveness – a view from Slovenia

Together – Stronger - Cyber resilient Europe

Enhancing European cyber resilience and cyber responsiveness – a view from Slovenian Presidency of the Council of the EU

asked by Covid pandemic, Slovenian Presidency of the Council of the European Union (EU) is focusing on improving EU’s resilience and ability to respond to crises, among them also large-scale cyber-attacks. Enhanced digitalisation is also increasing the importance of cybersecurity. Our critical infrastructures, ranging from health, water, transport, energy, telecommunications, finance, democratic processes, to space and defence, are more and more digitalised and interconnected. With this, the impact of malicious cyber activities can be far more significant than ever before. In the recent years, we have seen disturbing developments in the cyber threat landscape. Cyber threat actors, state and non-state actors, including state-sponsored, are becoming more sophisticated in their actions and more persistent in their efforts. Cyberspace has become an area of strategic competition and geopolitical tensions, including increased attempts to control and exploit new technologies, as well as threats to global, open, free, and secure Internet, rule of law, fundamental rights and freedoms, and democracy.

In cybersecurity cooperation is vital. The EU Member States are the main responsibility for national security. At the same time, there is also a high level of understanding that we are stronger together. The EU offers Member States a unique structured environment for cooperation and coordination, which is needed to enhance European cybersecurity and resilience in a better and more strategic manner. The multilateral approach of several national and international frameworks already available in Member States for a collective response to large scale cyber incidents and crises, as well as on creating mandates and competencies of Member States, EU institutions, bodies and agencies, while also being ambitious to increase coordination and cooperation at the EU level. Bringing closer together existing communities, i.e. civilian, law enforcement, diplomacy and defence is an important, as well as a highly challenging undertaking. It has to be done in a careful manner to be able to preserve and strengthen the necessary trust. In addition, further integration of cybersecurity crisis management into overall crisis management, including the integrated political crisis response (IPCR) is needed. This work is complementary to the efforts aimed at strengthening resilience and security of EU institutions, bodies and agencies – especially to the future Commission proposal. It is of significant importance in light of the growing attempts to undermine and alter existing international law, norms and rules. The Presidency is strongly supporting the ongoing efforts of close coordination among Member States, as well as with the like-minded partners and the multistakeholder community for the ongoing processes, as well as for other fora, such as the International Telecommunications Union (ITU). Strong European cyber diplomacy reinforces European digital sovereignty.

Partnerships are also a lot about cybersecurity building. Slovenia attaches special importance to the EU and Western Balkans partnerships – a priority region for cyber capacity building in the 2020 EU Cybersecurity Strategy. Slovenia attaches importance to the 2020 EU Cybersecurity Strategy. The EU does not work in isolation. Importance of partnerships, with third countries, international organisations, especially NATO, as well as with the multi-stakeholder community, is at the top of the European agenda. In this regard, the EU is currently examining Commission’s Recommendation on building a Cyber Unit. It is important that the next steps build on the existing achievements and frameworks already available in Member States for a collective response to large scale cyber incidents and crises, as well as on creating more strategic approach towards the Western Balkan and the Eastern European region. Slovenia attaches importance to the European cyber ecosystem as an essential element of building trust and secure environment for digital transformation. It is also a contribution to European cybersecurity and global stability in cyberspace.

The EU does not work in isolation. Importance of partnerships, with third countries, international organisations, especially NATO, as well as with the multi-stakeholder community, is at the top of the European agenda. In this regard, the EU is currently examining Commission’s Recommendation on building a Cyber Unit. It is important that the next steps build on the existing achievements and frameworks already available in Member States for a collective response to large scale cyber incidents and crises, as well as on creating more strategic approach towards the Western Balkan and the Eastern European region. Slovenia attaches importance to the European cyber ecosystem as an essential element of building trust and secure environment for digital transformation. It is also a contribution to European cybersecurity and global stability in cyberspace.

The work in the area of cyber does not stop with the areas named so far. Important efforts are devoted also to the improvement of capacities of law enforcement to investigate cybercrime, with a particular focus on combating child sexual abuse online, as well as to advancements in cyber defence capabilities. The EU is in the process of the review of the Cyber Defence Policy Framework, which feeds also in the work of the Strategic Compass, as well as in the process of setting up the Military CERT-Network, another piece of the cyber crisis management puzzle that was missing so far.

In conclusion, cybersecurity (encompassing not only internal elements of cyber security, but also cybercrime, diplomacy and defence) is not a standalone or a technical issue. It is a horizontal matter that requires a truly comprehensive and well-coordinated approach of several national and international stakeholders. The EU can contribute on building bridges among different communities with the aim of working closer together for a stronger and more resilient Europe in an ever changing security environment.

NOTES:


Bled Strategic Times, 29 August – 2 September 2021
Artificial Intelligence changing the Future of Policy-Making

AI: get on board or get left behind

The unstoppable pace of digitalization, which produces an enormous amount of data that is there to be processed, has a significant impact on policy-making.

Leaders and policy-makers are making decisions that affect our daily lives and our society on every level, from economic life, security, infrastructure, energy, innovation, health, social relations, international relations etc. Policy-making in today’s fast paced and interconnected social environment is complex and demands proper decisions and policies fast. The amount of information about the functioning of various aspects of our societies that is now available in digital form and that can be processed is immense. It is far greater than any single person or a group of people can process and analyze using traditional analytical methods. This is where the great leap in Artificial Intelligence (AI) comes in. AI holds the key to improving the process of policy-making.

Challenges for policy-makers

The interconnectedness of the world means that far away events can have an unimaginable impact in our local environment and that events in one area, such as health, will impact on all other aspects of our lives, from social and economic to political.

Covid-19 outbreak is a good example that demonstrated immense challenges that the policy-makers are facing. The lessons for policy-makers are stark. After 18 months of the global Covid-19 crisis we can conclude that the speed of decision making increased enormously, but systems were not prepared for the speed-up. Adaptation to new situations became a necessity, but adaptation processes were also hampered by the issues worked well, but without a proper understanding of societal consequences in various other areas. Data to support decision making existed but not integrated and often not accessible also because of limitations related to legal rights and privacy and security aspects. Technology is available but not used at the critical spots.

Policy-making today is in many ways still a process where results are mostly produced manually by individuals, which are more or less knowledgeable about the internal and external environment (but have limited situational awareness), and are mostly oriented to the short sighted goals (hence also have limited foresight). Therefore, policy-making often feels like correcting mistakes of the past with lots of political compromises in order to achieve desired outcomes. The ‘evidence based’ approach is present, but shallow far from what could be done. The problems that policy-makers are addressing are complex and the ‘manual’ approach is no longer adequate. This is one of the key reasons why efficient and effective policy-making is hard to imagine without an extensive use of AI technology.

AI leap: solving complex problems

AI is today’s key technology which primarily deals with complex tasks, mainly in the domains where humans can perform, but typically far from optimally. In that sense, AI is taking the role of augmenting human intelligence to the levels which were not use or even known before. Policy-making of tomorrow is a complex task that combines understanding social, business, political and natural domains, intertwining local, national and global dimension and the need to act fast with predicted consequences. Without the help of AI technology-driven tools in their daily work, policy-makers will lack situational awareness of such a complex environment that is required to make proper decisions.

The role of Situational Awareness and Strategic Foresight in policy-making

The aim of the policy-making process is to understand the situation, develop options, solve problems and reach a decision. Therefore, policy-makers need, firstly, to be able to follow events affecting their environment (organization, country, region, world) daily. Secondly, they need to be able to have a bird-eye view of the complex processes and interactions within their environment. Thirdly, they need to be able to understand how external events and what trends might significantly affect their environment. Fourthly, they need to connect all this information into a coherent picture and make decisions for the future of the system. The methods that assist them doing so are ‘Situational Awareness’ and ‘Strategic Foresight.’

Situational awareness gives us knowledge of what is happening in an organization and around an organization that affects its performance – current and future. Strategic Foresight is the discipline of exploring, anticipating and shaping the future. Policy-makers of today need to complement both methods and use them in their work processes. Policy-makers use of the tools will give them better situational awareness as well as foresight and will have a fundamental impact on the quality of the outcome.

The most groundbreaking leap is the ability to predict consequences of actions, to predict what will happen or what will be needed in the future. AI technology, predictive analytics in particular, is already being successfully used in some domains to predict future actions. In the social domain the team at JSI has already implemented AI to predict consequences of actions or events. Therefore, all the policy-making will require the use AI technology-driven tools in their daily work they will not have neither the situational awareness nor foresight required for proper and timely policy-making.

We already have tools for policy-makers today!

An example for an automated ‘policy-making’ tool accessible today is the system produced in the collaboration between OECD and JSI called ‘OECD AI Policy Observatory’ (oecd.ai). It includes a complete and continuously updated global observation of the area of AI across 12 causally interrelated dimensions including academia, patents, projects, companies, investments, job market (supply and demand), education, incidents, media, perception, and policies. Beyond rich visualizations the tool is getting transformed into the ‘Digital Twin of AI’ capturing influences across the whole ecosystem of the global AI. This will include projection of the future AI’s impact on the society, early detection of innovations which will shape our future, recommendations to the policy makers on how to shape and balance normative side of the technology regulation. The Digital Twin is complemented with a kind of a managerial tool. We expect that use of such tools will start growing also in other areas of policy-making in the future using also country level Digital Twins.

There is a gap between the current technology developments, especially in the AI and related fields, and its usage in policy-making. Policy-makers need to adopt AI into their work processes. By doing so they will have a better understanding of events, trends, and society’s needs and will be able to ‘play’ different scenarios and select the most proper one. This will give them an advantageous position when planning for the future. There are numerous companies which are already using the AI technology to their business advantage. Leaders and decisions-makers must keep up with the pace. After all, it is up to them to ensure that our countries and societies prosper. Getting left behind will have drastic consequences for our well-being in the future.
The world has not been left wanting for climate alarm bells. We are already seeing the effects of climate change on our doorstep. All over the world, extreme weather is on the march. From wildfires in North America to floods in China, across Europe and parts of Africa. And yet, our collective response continues to fall short of what is necessary.

August’s IPCC Report represented the most authoritative and comprehensive assessment to date of the physical science of climate change and it underlined an important home truth - that human activity is damaging our planet at an alarming rate.

But the future is not yet written. If we act now, the worst impacts of climate change can be averted. Science tells us that we must halve global emissions by 2030, and reach net zero emissions by 2050 if we are to keep 1.5 degrees Celsius alive.

In November, the UK will host the crucial UN climate change conference COP26 in Glasgow. World leaders will meet with the aim to agree how to tackle the urgent threat of global climate change. Under the G7 and COP26 Presidencies, the UK has been working hard to drive real progress on a global scale to meet our four key goals with governments around the world.

First, we must increase global ambition to mitigate climate change. We must halve global emissions by 2030, and reach net zero emissions by mid-century. The UK presidency is addressing this by pressing for greater ambition on countries Nationally Determined Contributions (NDCs).

The G20 group of nations, who represent 80% of global emissions are critical to this goal. Yet only 13 of the G20 have committed to net-zero. And only 8 have submitted new NDCs that are more ambitious than their previous ones. This must change before COP26 in November. The IPCC report made clear that 1.5 degrees Celsius requires decarbonisation from every sector of the economy. At COP26, we will send a clear market signal to get the transition moving faster. We are focussing on four crucial areas: Power, Transport, Deforestation and Methane.

The second goal is adaptation. Climate disruption is now inevitable. And its impacts are fundamentally unequal. The world’s poorest and most vulnerable communities are on the frontline of climate change and limit the rise of global temperatures. Our future depends on their delivery. This is what success at COP26 looks like.

The UK Presidency calls on all countries to take immediate action in delivering these goals. Addressing climate change is the single biggest global challenge of this century. It necessitates a global response, every country has an important role to play. The UK itself has a strong track record – decarbonising faster than any other country, reaching net zero by 2050 was an important milestone.

We are determined to take an ‘all of society’ approach to COP26 through working together with governments, civil society, businesses and youth.

These four goals are equally vital in our effort to avoid the worst effects of climate change and limit the rise of global temperatures. Our future depends on their delivery. This is what success at COP26 looks like.

We are working with development banks, the MDBs, to mobilise finance to develop economies. And we are urging developed countries to honour their promise to raise $100 Billion a year in international climate finance. The UK alone has pledged £1.6 Billion in climate finance between 2021-2025. We call on other donor countries to match our ambition.

And finally – the fourth goal is collaboration. We are determined to take an ‘all of society’ approach to COP26 through working together with governments, civil society, businesses and youth. The inclusion and collective effort from all parts of society will be crucial in keeping 1.5 degrees Celsius alive.

We look to Slovenia to support a strong outcome at COP26. Slovenia has a unique role to play as the Presidency of the Council of the European Union – both in leading by example and by prioritising climate change throughout their Presidency to ensure that the EU supports an ambitious negotiated outcome at the Summit.

We are working closely with Slovene colleagues in the run-up to COP26 and beyond. Slovenia has a unique role to play as the Presidency of the Council of the European Union – both in leading by example and by prioritising climate change throughout their Presidency to ensure that the EU supports an ambitious negotiated outcome at the Summit.

Climate change is the defining challenge of this century. We will witness impacts across the board on magnitudes never before seen. To address this global challenge successfully, we must have a global response. Each and every country has a role to play. The world must work together to tackle climate change – to secure a successful outcome at Glasgow and to close off the outstanding elements of the Paris rulebook – the UK, Slovenia and the EU will play a crucial role in achieving this.
The urgent need for an ambitious and equitable Climate deal at COP 26

By Tim Benton, Research Director and Antony Froggatt, Senior Research Fellow, Chatham House

The world is already experiencing extreme and deadly extreme weather events due to human-caused climate change. According to an analysis by NASA, the earth’s global average surface temperature in 2020 tied with 2016 as the warmest year on record, with the global average temperatures 1.84 degrees Fahrenheit above pre-industrial levels. This year witnessed extreme events with deadly and far-reaching impacts, including the heaviest snow in over fifty years in Madrid in January; an unprecedented ‘heat dome’ in July in the United States and Canada, resulting in record temperatures and forest fires; while also in July heavy rains caused massive floods in Germany and China. In August the latest report of the International Panel on Climate Change outlined the unequivocal human influence on the climate, and how it is causing changes unprecedented for at least 2000 years: exposing societies everywhere to increased climate-related risks. The IPCC report also emphasized the choices open to global society, and that tackling climate change to minimize future risks remains possible: “1.5 degrees of climate change remains alive.”

As concentrations of global greenhouse gas emissions continue to rise, the impacts of climate change will become more severe, frequent and complex. People will increasingly be affected by fire, heat and floods, human displacement will occur, and our globally-embedded economies are likely to be increasingly disrupted by impacts on the movement of goods, finance and people. As John Kerry, the United States Special Presidential Envoy for Climate, said in a speech hosted by Chatham House in July, when referring to the economic consequences of not addressing climate change, “we’re looking at a world in which we ultimately spend so much money, the potential of the world, and effort just coping with disasters, that we can’t invest in tomorrow. It undermines everything we have been fighting for. And no country, rich or poor, will be spared.”

However, there is now broad political recognition of the scale of the climate crisis and the urgency of the task ahead. In November, the UK and Italian Governments will co-host the 26th Session of the Conference of the Parties of the United Nations Framework Convention on Climate Change (COP26). This will be the first occasion in which world leaders convene to apply the ‘ratchet mechanism’ to raise ambition in furtherance of the objectives of the 2015 Paris Agreement and propose new actions to attempt to stem the most significant impacts of climate change.

The Paris Agreement is a legally binding international agreement entered into force by 196 Parties at COP21 in December 2015 and entered into force in November 2016. It aims to limit the rise in the global average temperature to “well below 2°C, above pre-industrial levels, preferably 1.5°C, increase the ability to adapt to climate change, and make ‘finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.” The Agreement adopts a “bottom-up” where Parties set national emission reduction targets and communicate these in the form of Nationally Determined Contributions (NDCs). However, the combined impact of the pledges in 2015 did not match the temperature targets mandated under Paris, and further action, and urgency, is needed.

In the run-up to COP26, 81 Parties have revised their 2030 carbon reduction plans (80 countries plus the EU27). Furthermore, 130 countries have pledged or have indicated that they will have net-zero emissions by 2050. In 2016, the UK announced its own NDC, pledging a 68 per cent reduction in emissions by 2030 (based on 1990 levels) and the EU raised its target, from 40 per cent to 55 per cent reduction target relative to 1990 levels. However, probably the biggest geopolitical shift has been in the United States with the election of President Biden, the country re-joining the Paris Agreement and at a Leaders’ Summit on Climate, hosted by the US, the administration announced an NDC with a target to reduce emissions by 50-52 per cent (based on 2005 levels).

As of July 2021, 77 Parties have not yet updated their NDC targets. These include G20 countries like India and China. Several Parties have submitted new NDCs without increasing ambition, including Australia, Mexico, and Brazil. Unless major emitters put forward revised, short-term carbon reduction plans global temperature rises will likely exceed 2 degrees Celsius, perhaps by some margin.

Unless major emitters put forward revised, short-term carbon reduction plans global temperature rises will likely exceed 2 degrees Celsius, perhaps by some margin.

The Green Transformation

Decarbonizing the global economy requires detailed policies, but relies on changing market incentives, and ultimately economic transformation. Renewable energy is now less expensive than fossil fuels: the International Energy Agency (IEA) has found that building new solar utility-scale projects is cheaper than simply running existing coal plants in countries, including in China and India. This year, Saudi Arabia commissioned a new solar plant in at a world record low of $1.95/Wh. Electric vehicles, hydrogen production and many energy-efficiency technologies are also benefiting from falling costs. Progress in these areas will accelerate decarbonization and have significant co-benefits for reducing fuel poverty and improving local air quality.

Businesses and the financial sector are recognizing the need to accelerate decarbonization and its competitive opportunities. Consequently, the private sector plays a crucial role in addressing climate change within COP26 and wider society. The Marrakech Partnership for Global Climate Action was launched in 2016 and provides a framework to strengthen collaboration between governments and key stakeholders (international and regional initiatives and coalitions of cities, regions, businesses, investors, and civil society).

Global action requires global trust

While it is crucial that the Glasgow meeting advances national carbon plans in line with the temperature targets agreed in Paris, this is not the only issue on the agenda. Many countries, especially those most vulnerable to a changing climate, insist that developed countries uphold their promise to make available $100 billion annually for climate finance – to help them both for a transition to a low-carbon economy and to build adaptation to climate’s growing impacts. Developing countries believe that the current pledges, which fall short of the agreed target, are a breach of trust, which is likely to impact the outcome of Glasgow.

The best hope for effectively addressing the threats posed by climate change in this crucial year is an ambitious outcome from COP26 that builds and accelerates momentum – for mitigation, adaptation and equity – and rapidly translates into national-level implementation across the world.

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2 https://www.ipcc.ch/
3 https://www.nasa.gov/content/nasa-unveils-results-of-2020-temperature-analysis
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8 Climate Action Tracker (2021), EU - Climate Action Tracker
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17 Bled Strategic Times, 29 August – 2 September 2021
Strengthening Europe against economic coercion

A proactive approach to minimize European vulnerabilities

/ By Jonathan Hackenbroich, Head of Task Force and Policy Fellow, European Council on Foreign Relations (ECFR)

It could be a taste of things to come. China in March imposed personal sanctions on European policymakers and think-tanks. Among other things, the measures introduced prevent Chinese people and organisations from doing business with the European entities and individuals, and bans them from entering Chinese territory. Beijing could have responded reciprocally to the European Union’s listing of four Chinese officials with links to the repression of Uyghurs in Xinjiang province, by simply listing four EU officials of similar (local, low-level) importance. Instead, it chose an asymmetric approach, acting against the United Kingdom, Canada, and the United States, but first and foremost against Europeans (and even their families). At the end of the same week Beijing also engaged in a bout of economic punishment, although there was no explicit link to the personal sanctions face-off, retailer H&M suddenly disappeared from a vast range of Chinese consumer and e-commerce apps. Alongside many other retailers from Europe, America and Canada it became faced with “popular boycotts” – an increasingly common Chinese sanctions tactic – because of a pledge it had made to stop using cotton from Xinjiang. Just as with personal sanctions, China hit European companies hardest: Adidas disappeared from app stores, too, although no one faced as harsh a punishment as H&M.

China’s sanctions were likely intended to send a message to Europeans: their asymmetric character might be a clear warning that China will respond vigorously to even moderate European attempts to adopt stronger policies and close ranks with the US. For all the vagueness of its sanctions on Europeans, China could not have been clearer in its resolve to counter any more determined European stand against the country, including through economic punishment. China’s sanctions were likely intended to send a message to Europeans: their asymmetric character might be a clear warning that China will respond vigorously to even moderate European attempts to adopt stronger policies and close ranks with the US. The economic punishment of H&M and other companies comes months after they made their pledges on cotton but right after the EU’s sanctions. This drives home the point to the business community that China is ready to use economic coercion in direct response to European policy choices whether by governments or companies. At the same time, the economic damage is negligible for now, especially compared to the fallout Australia is still facing for doing less – namely, Carsbeth’s call in 2020 for an independent inquiry into the Covid-19 outbreak, which led China to curb imports on key Australian products in 13 sectors, amounting to 10 per cent of Australian exports overall. In the recent past, China has also threatened or imposed coercive measures on Canada, Germany, the Netherlands, and Sweden. Beijing will be more potent in the future. Chinese sanctions have increased in magnitude in parallel to the country’s growing weight in the international arena. They are likely to continue to do so as China grows stronger. Chinese scholars are contemplating how Beijing could identify several areas, or economic networks, where it wants to occupy a critical central position in the global economy – their writings are suggestive of government thinking. This would also allow it to use chokepoints and dependencies for political advantage in much more sophisticated ways than today. If everyone needs access to the Chinese market, systems, or technologies, Beijing can try to split Transatlantic partners, to water down ambitious human rights positions, or to restrict Europeans’ freedom of trade where it views its national security threatened.

European businesses already had cause to worry. China recently adopted a new export control law which has significant extraterritorial reach. Under this new law, European companies may have to ask Beijing’s permission to sell their products to other European firms or to third countries even if they are not for military use (as is American or European practice). China can deny re-export on national security grounds in such cases. In fact, China might already be doing this through informal pressure. China’s efforts also include a “Blocking Statute” recently enacted by Beijing. This law prohibits companies from complying with rules or sanctions imposed by other countries without stating which rules these are. European subsidiaries in China could now get into trouble if they comply with a European or US sanction or export control measure. Most importantly, European companies have to provide compensation to Chinese counterparts for damages they cause by complying with American or European laws that China identifies. H&M essentially just experienced what the Blocking Statute could do to other European firms. The company cited international supply chain standards for reconsidering its dealings in Xinjiang. Many of these standards will soon be firm rules under new laws that oblige firms to ensure labour and human rights are respected along their supply chain. For H&M and others, adherence to those already brought punishment in China. At the European Council on Foreign Relations, we have put in place a Task Force for Strengthening Europe against Economic Coercion which brings together high-level European public and private sector actors from the Czech Republic, France, Germany, the Netherlands, Sweden, and Spain to analyse a range of policies Europe could adopt to improve its resilience. Drawing on this systematic consultation process, the ECFR toolbox analysed concrete options for the EU to resist economic blackmail and punishment such as Chinese sanctions, and to avoid them in the first place.

Close Transatlantic relations, mindful of a squeeze

Many of China’s new instruments for economic coercion are difficult to implement if Europe and America are closely aligned with each other, and with their like-minded partners, from Japan to India and Australia. China’s Blocking Statute and export con-
trols, for instance, could make life incredi-

bly challenging for European companies if

the European Union was on its own. This is

one of many reasons why it is important to

rebuild the Transatlantic relationship.

At the same time, China could easily ex-

ploit Europe’s vulnerability of relying much

more on trade than America does. In 2019

trade accounted for more than 40 per cent

of the EU’s GDP and wealth, significantly

more than America’s (26 per cent of GDP)

or any other big market’s. This is an import-

ant lever for Beijing. As underscored by a

strikingly detailed statement released by

the Chinese regime following a phone call

between President Xi Jinping and Chancellor

Angela Merkel, China would like Europe “to

make correct judgments independently.”

But open strategic autonomy for Europe,

which Xi explicitly refers to according to the

statement, has never meant equidistance

between the US and China, even if Beijing

might want to view it like this. It means the

capacity to act, even under pressure from
great powers, with Europe’s own strategic

situation in mind. It will be important for
Europe to resist the (economic) pressure

that China is threatening to place Europe under.

And the incident in march shows that

the EU cannot simply rely on the US to
take care of the threat for it. Europe faces a

differently situation – and is, in fact,

more vulnerable – than the US. It needs to
create its own tools, firstly by building up

its economic strength. China’s new dual

circulation strategy will make Europe more
dependent on China and will replace Euro-

pean companies (or make them more Chi-

nese) unless Europe now begins to invest

heavily in its own innovative base, and its

protection of data and intellectual property.

The EU also needs like-minded countries

like Japan and Australia to join it in taking

a determined stances vis-à-vis China. And

the US and Europe could both benefit from

clarifying that it is legitimate to have a dif-

ference of interest or opinion in a particular

situation, without calling into question their

joint stance or shared values. A narrative of

division – in which the US is a bully under

President Joe Biden or the EU is a slacker
– could help China drive a wedge between

America and Europe.

An EU Resilience Office

While other countries use uncertainty in

their sanctions policy, China’s sanctions are

particularly vague, and come without any

guidance or legislative basis. They establish

travel bans on MPs and academics, but ev-

erything else is highly unclear. And where

China lists entities such as the EU’s Political

and Security Committee, there is not even

clarity about who has been banned. Eco-

nomic punishment of businesses has come

through “popular boycotts” – which ob-

tains companies than punishing them; in-

serting an obligation into the instrument to

provide information to regulators, possibly

enabling countermeasures against the coer-

cive actor; and providing compensation to

European companies in select cases.

By making clear that grave forms of economic

coercion against Europeans are likely to come

to a cost, Europe could dissuade third countries

from engaging in such coercion in the first place.

The EU also needs like-minded countries

who would like to join it in taking

measures to provide more clarity. It could

comprise experts from different fields and

systematically assess instances of coer-

cion against Europeans, and identify sub-

tle and informal forms of coercion, as well

as their cost to European businesses. The

office could issue guidelines on what Chi-

nese measures mean and how Europe views

them in cases of uncertainty. It could serve

the policy and its impact. Economic

coercion in China often involves even more

subtle and informal methods of pressuring

companies.

The EU could establish a Resilience

Office that would provide more clarity. It
could comprise experts from different fields

and systematically assess instances of coer-

cion against Europeans, and identify sub-

tle and informal forms of coercion, as well

as their cost to European businesses. The

office could issue guidelines on what Chi-
nese measures mean and how Europe views

them in cases of uncertainty. It could serve

as a central European interlocutor with Chi-
nese State Export Control Administrative

Departments and other Chinese agencies

responsible for potentially coercive tools.

Levelling the playing field

Regardless of whether it creates a Re-

silience Office, Europe needs regular, sys-

tematic assessments of the cost and market
distortions caused by economic coercion.

Such assessments could look at the direct
costs of coercive policies, disadvantages in-
curred relative to Chinese companies, and

opportunity costs. After careful evaluation,

EU institutions could use a new measure to

offset the impact of these distortions, treat-
ing them as market access barriers or unfair

competition practices – even ones that affect

the European market.

Blocking European compliance with

Chinese measures

European companies might soon be in a

situation where they have no choice but to comply with

Chinese regulations that

harm them, Europe’s trade,
or European policy. For in-

stance, Chinese export con-
trols could prevent re-export
to third countries if a Euro-

pean company had import-
ed goods from China – potentially as a way
to significantly interfering with European

trade in sensitive goods. The only tool the

EU has for such situations is a dysfunctional

Blocking Statute, which prohibits compa-
nies from complying with certain identified

measures (and thereby puts them between a
rock and a hard place, facing punishment
in both a third country and the EU). The

EU could adopt a more strategic approach

to the instrument and prepare it for possi-

ble use on Chinese measures. It could do so

by: making the instrument more about pro-
tecting companies than punishing them; in-

serting an obligation into the instrument to

provide information to regulators, possibly

enabling countermeasures against the coer-

cive actor; and providing compensation to

European companies in select cases.

An Anti-Coercion Instrument

The EU could establish a deterrent

to economic coercion, threatening
countermeasures based on violations of in-
nernational law. By making clear that grave

forms of economic coercion against Euro-

peans are likely to come at a cost, Europe

could dissuade third countries from engag-
ing in such coercion in the first place. The

EU currently lacks tools to rapidly react to

correction. Typically, the tools that it has cre-

ate division between member states. Even

China’s boycotts (which may not be de-

tigned to divide the EU) bit some member

states much more than others. An Anti-Co-

ercion Instrument could give the European

Commission the power to react to econom-

ic coercion swiftly. Indeed, the Commission

has launched a process to propose such an

instrument. Such a last-resort instrument
could involve European tariffs, investment

restrictions, or data or services restrictions

countermeasures against grave forms of
economic sanctions or coercive measures

such as those China imposed on Australia.

There are many difficulties and chal-

lenges that come with some of these poli-

cy options. Europe is facing a dilemma as a

union of trading nations: it needs to uphold

the rules of free trade as much as possible,

but it also needs to be prepared to resist

stronger and more frequent economic co-

ercion. It cannot just give in to such coer-

cion by changing its policies. In the case of

China’s March sanctions, which would have

meant backing down on human rights and

accepting a setback in the efforts to rebuild

Transatlantic relations.

At Toyota, zero isn’t our destination. It’s another step

on our electrification journey. We began over 20 years

ago with Hybrid and continue with Plug-in Hybrids and

Electric vehicles. We’ve made Hydrogen powered cars.

We’ve brought Hydrogen power to buses, trucks and

even boats that leave nothing behind but water. From

low emissions to zero restrictions, from greater mobility

to a better society for all.

Why stop at zero, when you can go beyond?

Let’s Go Beyond Zero

Toyota. Breaking Through Barriers and Going Beyond.
A recovery for everyone

Communities, companies and governments must work together to educate and equip people with digital skills

/ By Matt Brittin, President, EMEA Business and Operations, Google

Technology has been a lifeline for more than half the planet during lockdown.

The key word here is everyone. It’s clear that the pandemic is widening existing social and economic divides within and across countries: women, underrepresented groups and those on low incomes are harder hit and will find climbing out of this situation more difficult.

On starting this role at Google over six years ago, I read an EU report highlighting a digital skills gap that might see as many as a quarter of people may need to transition to new jobs due to the pandemic. And almost all growth in labor demand will occur in high-wage jobs, meaning people need different skills to remain employed. That’s why last year, when the pandemic hit, we worked quickly to respond to governments and partner on new training and investment programmes to support each country’s specific challenges. This started in Greece with a program to support jobs with the Ministry of Labor, and we now have programmes in more than 30 countries across Europe, the Middle East and Africa.

Yet, we have seen that while education and skills training are often free and widely available, they are not reaching everyone. Underserved groups are still more disadvantaged than others and are less likely to be able to benefit from or access new training. Closures from lockdown have also affected sectors that traditionally have a higher proportion of women working in them like tourism and retail - women-owned businesses have faced 10% greater revenue challenges during Covid and women are still carrying out most housework and childcare. Conversely, research shows that women-led businesses grow faster than male-led businesses when they deploy digital tools successfully.

We’ve worked hard to reach everyone, with women making up more than half of the people trained, and by partnering with a diverse group of organizations like MEKos in Greece, which supports women, refugees and LGBT+ women in entrepreneurship. Youth Business International who supports underserved small businesses across the world, or trade unions in Germany and Northern Europe to support workers whose jobs are at risk of automation. There is much more to be done.

Digital acceleration during the pandemic has knocked down borders for businesses looking to go global and reaching new customers in all corners of the world. In CEE, where growth opportunities are limited by the scale of domestic markets, the export potential is especially huge. Export accounts for 64% of the GDP in CEE countries, but up until now has been heavily focused on offline. Hooray Heroes, a personalisation children’s book company based in Slovenia, has been digital-first and online-only from the very start.

In 2020, the retailer was already operating in six markets, but it wanted to expand into new regions to balance out the seasonality of its sales cycle. After looking at demand during impactful events, like holidays, paired with market research conducted on Market Finder, Hooray Heroes set its sights on Australia, Spain, and Canada.

It is clear that digital will be a key driver of the recovery. Research shows that businesses that used digital tools in the pandemic reported 80% better sales and hired three times as many people than those that didn’t. But collectively we need to rethink how to equip people with these digital skills, and develop new public and private partnerships to target those most vulnerable or at risk of job displacement. This includes:

• investing in new forms of learning, like helping people learn new skills for future-ready jobs in new and more flexible ways,
• providing support for people who face significant barriers to learning like providing career advice, interview preparation, childcare and language support,
• and importantly, ensuring the infrastructure is in place so that you don’t have to be in London, Paris or Berlin to succeed online.

Efforts like these do not seek to replace traditional education, but provide more ways for everyone to learn new skills throughout their lives. Google continues to join policy efforts led by the European Commission and others to help bridge this skills gap and drive digitization. This helps people like Korina in Greece who attended our local training and built an app that connects farmers with workers looking for jobs and La Maison Des Soeurs Macarons in France who gained 200 new customers after following coaching sessions.

Jobs will continue to be created and displaced, as they have been throughout history. New skills are needed for people to take advantage of those changes. Unless communities, companies and governments work together and rethink how we educate and equip people with new skills, we are facing an even more unequal future and risk missing out on achieving an accelerated, sustainable and inclusive recovery. Only through partnership can we find the path forward, to a different and more equitable future that works for everyone.
Slovenia can and should use its EU Council presidency to instill a strategic perspective into the Transatlantic economic relationship, for without that perspective, disputes between the two will foster and hopes for broader cooperation will be dashed.

This assessment may sound unnecessarily bleak. After all, the clouds that hung over EU-US trade when Donald Trump was US president have dissipated, and the mood was upbeat when Presidents Biden, Michel and von der Leyen held the first EU-US Summit in years in Brussels on June 15. Among other things, they agreed to suspend the retaliatory tariffs they had imposed on €11 billion of bilateral trade because of the Airbus-Boeing dispute, and agreed to establish the Trade and Technology Council (TTC), which meets for the first time September 29-30. But suspending retaliation does not resolve the underlying problem. And without a vision for the broader relationship, the TTC is also unlikely to resolve other disputes, be it bedeviling Transatlantic economic relations, including US “national security” tariffs on Europe’s steel and aluminum exports, long-standing food safety problems, privacy concerns and digital taxes.

Bickering over these issues will disrupt cooperation at the international level, on WTO reform as well as on the political environment to manage those issues together, more such agreements can be found, especially if coupled with reason- able labeling. Even the GMO problem can be gradually resolved, as the EU’s robust ap- proval system approves imports of more va- rieties and as GM technology is left behind in favor of new genetic techniques to seed develop- ment, including in Europe.

Avoid Digital Divides: Central Europe is thriving with digital start-ups and has most to lose from tech “sovereignty” that disrupts the internet. This is where the Slo- venian presidency, as it guides deliberations over the Digital Services, Markets and Gov- ernance Acts, can help ensure Europe does not create new regulatory divides. American politicians share many of Europe’s concerns about platform power, the scourge of dis- information and the need for eth- ical approaches to AI; the TTC and the new Joint Technology Competition Policy Dialogue provide fora for this.

The bigger issue is privacy; here, the EU has a law that explicitly excludes national security from its scope within Europe must consider it when applied to third countries. Under this, all transfers of personal data to Russia, China, Turkey and many other countries should halt immedi- ately. Also, the European Court cannot help here; ultimately, the ECI will need to rule again to bring proportionality back.

The China Challenge: China has a right to aspire to be the greatest country in the world, but this also require it to be a responsible global citizen. As seen at NATO and in recent naval deployments, Europe understand- its too must demonstrate concerns about China’s overly aggressive posture in East Asia. EU member states also know that many of the TTC issues related to security concerns – on exports controls, investment screening and tech transfer – need careful management. Here Slovenia can truly help by ensuring the TTC works differently from its predecessors, with the Council included in deliberations where the member state role predominates. Also on subsidies the member states must play a role, both with the Commission’s legislative pro- posals, and as their origins in the economic distortions from China’s export-led growth, which must be addressed as well in the IMF, World Bank and other such fora.

EU and US leaders at the Summit under- scored that the two are most powerful when working together. The member states have a critical role in ensuring that we do, by re- affirming a strategic vision of Transatlantic collaboration and using the power of the presidency to realize it.
Fighting disinformation: the truth is still the truth

Countering disinformation through inclusive dialogue

/ By Burak Ünveren, Journalist, BMW Foundation Responsible Leader, Member of the Global Diplomacy Lab (GDL)

As Europeans, we need a constructive and inclusive conversation to face this challenge. Disinformation is not a new phenomenon. Quite the contrary: It has been with us for quite a long time. In the fifth century B.C., one of the greatest military strategists of history, Sun Tzu, wrote that all warfare is based on deception. However, in the recent years, we have been observing that it has become easier to create and disseminate disinformation owing to the popularization and the consolidation of social media. In the Information Age, disinformation has even surpassed the boundaries of being a theoretical threat and verifiably determined the fate of many European societies by influencing election and referendum outcomes.

As European societies, one of our distinguishing characteristics is that we are organically grown, bottom-up democracies. Our state structures receive their legitimacy from the demos. Another thing which distinguishes us from many other societies in the world is that one of our values is the freedom of speech. Everybody can express their opinion freely.

However, just like all the freedoms, these pillars of the Euro-Atlantic institutions and structures can easily be manipulated, often by manipulation itself. The more we are in structures can easily be manipulated, often pillars of the Euro-Atlantic institutions and society, the more we are in direct involvement in elections or referenda to influence or determine their outcomes.

As an example, fake news have played a decisive role in the Brexit referendum, which led to United Kingdom leaving the EU. On the other side of the Atlantic Ocean, the Transatlantic alliance. They are trying to influence as a long-term threat to the values and the security of the Transatlantic alliance and the EU, as the line between information and disinformation is fading.

As a journalist, political scientist and citizen, I have observed that the recent years have been marked by the normalization of disinformation. The extent to which this phenomenon has become mundane is concerning. It has become so ordinary that the newsworthiness of disinformation campaigns, cyberattacks and various developments regarding fake news have decreased. We are becoming insensitive to it. Over the course of the past five years, the issue has been discussed on every level and certain political steps have been taken, yet I argue that these are not sufficient to overcome the problem. Neither qualitatively nor quantitatively.

The issue has indeed become a main topic of discussion at NATO meetings. While the world leaders are trying to find a solution to the existing problem of foreign perpetrated disinformation within our societies, we should be asking ourselves the following pressing questions: How come the Transatlantic alliance has not been able to efficiently prevent disinformation campaigns before they arrived and infiltrated the European and American public spheres? Are we not capable of dismantling these threats beyond our borders? Is disinformation, by its very nature, unstoppable? Or is it that we are just not doing enough?

When we talk about the EU, we talk about one of the most successful supranational organizations in human history; the majority of EU members (21 out of 27) constitute the main body of the NATO. The EU is also a major world trading power. Furthermore, we, as Europeans, have the aspiration to have a more influential say in global politics. Under these circumstances, how come we almost exclusively blame the hackers employed by foreign governments for determining our election results but not search for the deficiencies in ourselves and improve them?

Disinformation and fake news affect all of us in our daily and professional lives, regardless of our occupations, identities and political beliefs. The burning topic which we talk about one of the most pressing questions at NATO meetings, the burning topic which we will talk about in Bled is about the future, it’s about strategy and it’s about conversation. What we want to achieve at this year’s Bled Strategic Forum is an interactive debate, in which we will develop solutions that will improve the European defense against disinformation and fake news.

We might have the best technologies, the best engineers, doctors, journalists, philosophers, poets, machines, bridges... The lingua franca of the world, which the entire world is eager to learn, might be a European one. But if the basis of our society is highly vulnerable to manipulation by the post-truth or alternative facts, none of that will matter. That’s why we immediately need an inclusive conversation to co-develop a sustainable, long-term solution to the undeniable problem of disinformation. By doing that, we need to consult with actors from various fields who are dealing with this problem on a daily basis: Politicians, journalists, bureaucrats, fact-checkers, decision-makers on cybersecurity issues, researchers, and most importantly, citizens.

This is not an easy task, especially when MIT researchers find that lies spread faster than the truth, owing to their novelty. We won’t be able to decontaminate the European public sphere overnight. It is going to cost us time and energy. But it’s worth it. Let’s not forget one thing: The post-truth might be attractive, but the truth is still the truth.
We need to talk about Europe: addressing the communication deficit of the EU

The CoFoE provides an invaluable opportunity to change how the EU communicates by dialogue on the EU on local and national levels

If there was an award for the worst communication strategy in the history of world politics, the European Union would be a serious contender. Prof. Alexander Stubb

The citizens have a right to information to be able to benefit from the opportunities that the EU offer, to participate fully in European politics, and to engage in the debate on their future and the future of Europe. Furthermore, there is a strong correlation between people's level of knowledge and interest and support for the EU.

As the consultations on the Future of Europe showed, there is also demand from the citizens that the EU actively shows that it at the service of its citizens by being transparent and communicating effectively about its concrete actions.

Communicating about the EU is a shared responsibility

The real challenge is to engage the people who have little knowledge of or interest in the EU politics and demonstrate the EU’s real life impact, value and relevance. In the last 30 years, the EU institutions have been gradually taking steps to improve their direct communication with the people by explaining the policies, trying to engage the disinterested. However, reaching out to and engaging almost half a billion people in 24 languages in today's crowded communication environment is an obstacle too big to be dealt with by the EU institutions alone.

The European Institutions have only a few points of contact with the citizens. They mostly rely on their social media accounts, whose impact is limited, and the citizens receive the information on the EU mostly from their national news. Research shows that communication by national representatives - from government or civil society - has a greater impact in shaping the perceptions of citizens, compared to the communication initiatives developed by international organisations.

The EU is no different from any other actor in political life; its success and survival depends on how the public perceive it and on how the citizens feel empowered through their membership in it.

Shifting the language

Although the EU is one of the most transparent political organisations and the information on EU policies and laws are available on the Commission, the Parliament and the Council’s websites for the perusal of all citizens, it is hard to navigate them if you are not familiar with the EU jargon.

As Pat Cox once said, “Europe is not short of information but short of communication.” Jargon and technocratic language are the biggest barriers for achieving the transparency the EU desires. This only reinforces the idea that the EU is run by detached elites.

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“EU literacy” is very low among the general public. Until there is an EU-wide, mandatory European citizenship class, there will always be confusion and lack of understanding about what the EU does and how it does it.

To extend the target of the EU communication from a very specialized audience to the wider public, a language shift is necessary. A clear and simpler language with a focus on the Europe of values and a Europe that has a direct impact on people’s lives has more potential to speak to the hearts and minds of the Europeans. This type of communication is more risky in terms of triggering challenging discussions. But so far, the “safer” style of communication with a technocratic mindset, that mostly focuses on “forming” rather than “dialogue engagement”, has not been successful in communicating the values of the EU effectively. The words of Robert Schuman on world peace apply to the European project too. “It cannot be safeguarded without the making of creative efforts proportionate to the dangers which threaten it.”

Building social proof for pro-Europeanism

As social beings, people tend to check the appropriateness of their opinions and behaviours in reference to other people, through social comparison. This is called social proof. This psychological and social phenomenon stems from people's inclination to trust others' opinions and desire to conform. Disinformation campaigns work by creating 'faked' social proof, changing people's perceptions by 'fabricating' opinions. Exposure to information on European politics and engagement in political discussions increases citizens' interest and engagement in European affairs. If this information is negative and the public space is dominated by Eurosceptic discourse, the undecided and uniformed people will be more susceptible to the negative social proof around the EU.

For this reason, reacting to events and setting the right narrative early is important. Unfortunately, Eurosceptic messaging is more visible, especially because negative content attracts more attention.

To counter this, the EU institutions and the member states must encourage national and local policymakers, community leaders and young people to play a more active role in creating a positive dialogue space about the EU and multiplty the positive messages.

The CoFoE can help with opening up new fora for debate and information sharing and creating a social stamp of ‘approval’ for the EU.
The future of the EU enlargement is at stake and the blame is not only on the candidate countries’ side

With the amount of political capital invested into the accession process, the time is running short for the EU to deliver on its promise of a credible EU perspective for the Western Balkans

By Žiga Faktor, Head of Brussels Office, EUROPEUM Institute for European Policy

For the second time within a year, the adoption of the negotiating framework for North Macedonia has been vetoed by Bulgaria. This veto caused a serious harm not only to its western neighbour but also to Albania, hindering both countries from further progress on their European path. After receiving much anticipated green light on the opening of the accession talks by the European Council in March 2020, the process turned into yet another turmoil. For North Macedonia, which received the candidate status already in 2005 as one of the first countries in the region, the situation painfully resembles the long-lasting dispute with Greece which was only settled by the Prespa Agreement three years ago. With the amount of political capital invested into the accession process, the time is running short for the EU to deliver on its promise of a credible EU perspective for the Western Balkans.

The deal with Greece was a showcase example of North Macedonia’s strong commitment to the membership in the EU. The country displayed impressive improvements in only few years after it freed itself from the authoritarian regime of Nikola Gruevski. In Albania, the government is also implementing some major and difficult reforms which are necessary for its European future. As the negotiations with Montenegro and Serbia have been stagnating for past few years, the start of accession talks with Albania and especially North Macedonia presented a much-needed impulse that could highlight the progress in the region, put pressure on stagnating countries and generally revitalize the enlargement agenda, once seen as the strongest tool in EU’s Foreign Policy. Instead, the process is put on hold, and it can last years, if not longer, to resolve the issue. By then, many argue that the perspective of joining the EU might not be interesting anymore for the countries of the Western Balkans as there are other geopolitical actors offering closer ties.

In fact, the EU already lost most of its credibility in the Western Balkans, be it because of its lukewarm and ever-changing approach to the enlargement agenda, lack of understanding of the region, or lately also due to its approach during the Covid-19 crisis. Although there are still many shortcomings that have to be addressed and various challenges ahead for the Western Balkan countries, it seems that the main problem for any future enlargement lies within the EU itself.

It would be very easy to put the blame solely on Bulgaria and argue that the EU enlargement to the Western Balkans as such is well under way as many new tools have been implemented, such as the revised methodology or new investment packages. However, the recent vetoes are only part of a broader problem as Bulgaria only followed a playbook that was used many times before. Unanimous decision-making in the Council on the enlargement policy is one of the crucial problems that provides space for misuse driven by nationalistic tendencies. Moreover, the current situation is setting a dangerous precedent by opening the formal technical and merit-based accession process to sensitive questions of national identity and interpretation of history. Especially in the context of the Western Balkans, this opening of Pandora’s box of nationalism would put the perspective of any future enlargements into a serious danger.

As argued by various experts, the only way to ensure sustainability of the enlargement policy is for the EU to adopt Qualified Majority Voting (QMV) in the process which would provide more effective and fair evaluation of the progress made by candidate countries. If the EU really wants to support its future enlargement, the adoption of the QMV in this area would be a first necessary step, implemented hand in hand with a significant increase in funds available to the Western Balkan countries. Despite the often-emphasised financial support to the region from the EU, in comparison to the funds available to EU member states it is still a mere fraction. For example, the current budget approved for the financing from IPA III for the WB6 is more than eight times smaller compared to funds available in the period of 2021-2027 to Romania, which is by size, population and various other factors an ideal comparison to the region. With such discrepancies, it is hardly imaginable, that the WB6 would ever be able to “catch-up” with the EU economically and is therefore understandable that these countries are exploring other opportunities how to improve their economic situation, no matter how short-sighted.

However, when discussing the future of EU enlargement, it is necessary to address the elephant in the room. Do the EU member states actually want further enlargement of the block? Or do they prefer status quo in which blocks on the road such as the Bulgarian veto actually serve the interests of many other countries? There is a clear divergence between member states that support or oppose the enlargement and there is a valid reason on both sides. However, the Western Balkans are part of Europe, surrounded by EU member states, and belong to the EU not only geographically but also culturally and economically. The EU can hardly fulfill its aspirations to act as a global power if it does not consolidate its influence in its own backyard. And the history showed that the most efficient and sustainable way how to achieve stability and prosperity is through the EU enlargement policy, despite its many shortcomings. The Western Balkans can neither be omitted from discussions on many crucial aspects of EU policies such as migration, security and defence, climate policy or foreign policy. Simply put, there is no version of EU’s future without the Western Balkans included.

The continuation of EU enlargement also ties closely to the very core EU values as the spirit of openness of the European family based on shared values to new members is encompassed already in the founding treaties. The EU hasn’t lost its transformative power yet, it just lacks the will to enforce it. Albania and North Macedonia have the potential to turn into a success story of the enlargement policy and inspire the rest of the region to step up their transformation efforts. But it is now up to the EU Member States to hold a sincere and open discussion on their positions towards the enlargement. The Presidency in the European Council provides Slovenia, a strong advocate for the Western Balkans, with a great opportunity to bring this topic to the table. If it turns out that the EU is not willing to support the enlargement further, then be it. The current status quo is damaging the EU’s reputation outside of the block and most importantly it plays with the lives of citizens in the Western Balkans.

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3. https://www.bledstrategictimes.com/2021/01/where-is-the-western-balkans-
Digitalisation is entering every facet of life and digital transformation of our economies and societies will only quicken, expand and deepen, especially after the Covid-19 pandemic. It does not only contribute to productivity and efficiency, but also to broader socio-economic development.

This especially holds true for Central and Eastern Europe where digitalisation promises to be a spark that will ignite robust growth the region experienced in the last two decades. When Covid-19 struck in 2020 and large parts of the economy and social life stopped, the region, like the rest of the world, increasingly turned to digital tools and solutions, trying to mitigate the negative effects of the necessary closure of public life.

Instantly adopting a wide variety of digital solutions, most non-European, made the EU become aware of what is often perceived as EU’s over-dependence on third country providers of hardware and software. Concerns around industrial self-sufficiency, data gathering and data usage provided impetus for calls to include the digital sector into the EU’s quest for strategic autonomy.

The Commission is trying to assert that strategic autonomy means simply giving the EU a choice, reducing the dependency to better defend the EU’s interests and values. Raising resilience, thus making the EU better prepared for future threats is also an important and undoubtedly valuable aim of strategic autonomy. Nevertheless, due to high potential for digitalisation as the next driver of growth in CEE, any and all actions, that may limit this potential are met with stark scepticism and mistrust. Strategic autonomy is therefore still often feared as a tool, a disguise for self-sufficiency, for disrupting market conditions that helped CEE develop remarkably well since the end of the Cold War. Self-sufficiency would deprive the CEE of the tools for the growth they need and expect.

While self-sufficiency in the digital sector is not the aim, strategic autonomy still stifles negative reactions and emotions from the countries of CEE. Firstly, because it rests on four conditions (cybersecurity, technology, infrastructure and services), some of which are not easily achieved and would require huge public investments for uncertain results.

Secondly, it would be opening a new front, a further discussion with the USA. Most of CEE feel close to the USA in terms of values and especially in terms of security. If anything, Europe should mend the relationship with the USA and not endanger it.

Thirdly, if strategic autonomy does lead to any sort of self-sufficiency, it threatens to deprive CEE of top-class digital tools and solutions. Reinventing the wheel, trying to establish anew tools and solutions that already exist, with the only difference of them being European, may lead to waste of public money; it may produce less-than-optimal results and most importantly, it undermines the potential of digitalisation on economic growth and social change. Digitalisation must happen now and not in five or ten years, when European equivalents to current, non-European digital tools is made available. CEE needs digital transformation now.

This will not happen via excessive regulation, but by creating a conducive digital environment. CEE should find such a path especially appealing. It is lagging behind in terms of digitalisation and therefore has the most to gain.

To create such an environment, national and EU-wide policies will be necessary. Digital world is fast paced and quickly changing, therefore any national strategies that boost digital literacy and enable people to adapt are indispensable. Investment in digital infrastructure as a key enabler of digitalisation is also critical. Small and medium enterprises often lack the knowledge and resources to embrace digitalisation and then keep up the pace with the speed of change. Policies that support their continued digitalisation and operation should be devised.

But only so little can be achieved by individual countries alone. Many positive effects of digitalisation can and will only be achieved if regional (CEE) and EU-wide cooperation and policies are in place. Firstly, a common vision on how to harness digital transformation is needed. All countries in the region and in the EU must benefit from it. Secondly, competition in the information and communications technology must be ensured – it is the primary driver for innovation. Thirdly, harmonisation of national standards will be unavoidable as it is the only way of achieving a true digital single market. This alone has the power to create the necessary economies of scale and financing that support innovation, new and emerging technologies, companies and business models. Harmonisation will also usher interoperability that supports the internet of things (IoT) and Industry 4.0 that depend on interconnectivity, automation, machine learning, and real-time data. The increasing reality of a data-driven (global) economy also calls for enhanced consumer protection. The consumer must have trust that his personal data is safe and secure, that is being used wisely and in his service. Only this way can we ensure the increased usage and data sharing that the IoT demands. Last but not least, cybersecurity must be enhanced, as means of building trust. Trust will determine whether we fully embrace the digital future or not.

And while I have been generalizing, it is important to note that there are great differences in the level of digital infrastructure and digitalisation of society within and among countries. The path towards a digitally advanced society is therefore not a uniform process, instead it requires a carefully crafted and nuanced approach, based on openness and competition. Because as much as we see the positives in digitalisation, we must not allow it to be yet another driver/ factor of social stratification, of further division between developed and underdeveloped. Central and Eastern Europe wants better than that and deserves better than that.

Due to high potential for digitalisation as the next driver of growth in CEE, any and all actions, that may limit this potential are met with stark scepticism and mistrust.

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is new book on the lessons of the pandemics for Europe, The seven revelations (Sedem razodetij, Zalozba Totaliteta publishing, September 2021) is published this September in Slovenian.

The future of common European values in a system of nation states.
The future of Europe is not always a tangible or quantifiable concept. The EU is composed from a patchwork of different historical, social and political experiences localised in its member states. Has the EU Covid-19 pandemic response and solidarity changed how Europe is perceived?
The motto of the EU is United in diversity and this motto translates itself nowadays into concrete political, cultural and social realities. By essence, the European project respects the diversity of histories, political and social experiences and cultural practices. At the same time, it is based upon shared fundamental common values such as the dignity of the human being, the banning of death penalty, the effective respect of fundamental rights such as the one of the European Convention of Human Rights, it promotes liberties such as the freedom of movement of death penalty, the effective respect of fundamental rights such as the one of the European Convention of Human Rights, it promotes liberties such as the freedom of movement, the freedom of conscience, values and a community of destiny without precedent in the human History. It constitutes what I would name a "Great Society". While the awareness of this community is not developed enough within the minds of leaders and citizens, this community is still a reality: what gathers us is much stronger than what divides us. The Covid-19 pandemic revealed that the spirit of solidarity is much more rooted than what could have been expected. The European Council agreement on the 750 billion Euros recovery plan in July 2020 required only some weeks and it was widely supported by European citizens everywhere in the Member states. There was no debate on the fact that the EU should promote equal access to the vaccine for every citizen. This appeared to be natural whereas the EU had no competence in this field. It would not have been the case in any other place of the world. This means that the EU is much more than a system of national states, it is also a de facto transnational political community. However, in the public debate the emphasis is placed on what divides us and or on the failures of the EU rather than on what unites us and on the successes of the EU. What unites us is clearly much stronger than what divides us. The successes of the EU are also many more numerous than its failures.

The future of the EU from the standpoint of Covid-19.
The EU has been strongly affected by the ongoing Covid-19 pandemic, which shook the foundations of Europe's economic, social and political structures. While responses are in action, the search for comprehensive solutions continues. How will the Covid-19 pandemic affect the future of the EU?
With the benefit of hindsight, we can observe the performance of the European response compared to the one of the financial and economic crisis of 2008-2012 but also to what is done in most other countries in the world. The EU has developed for the first time a systemic approach. With respect to the monetary field, the European Central Bank has been supporting without limits the economy. This support combined with the European recovery plan has prevented from a major economic, financial and social crisis. In the social field, the SURE program, a new EU instrument to mitigate unemployment risks, was very efficient. In the health domain, the EU has conducted a consistent strategy to speed up vaccine development and favour access to all EU citizens. In terms of vaccination, if we started some weeks after the EU, we caught up our delay relatively rapidly. Without this European response, most member states would have been in a situation of political, economic, social and sanitary predicament as it is the case in most South American countries. The EU has proven its added value, but the communication is inconsistent or very poor. It is the role of a presidency of the Council of the European Union to communicate on the successes of the European Union. There is an opportunity to shape a realistic, positive narrative of the EU. In this respect, the responsibility of Slovenia during its presidency is high.

The tools (i.e. the increased budget with the recovery plan, the SURE program...) which have been deployed have been implemented for a temporary period. The question is now if they should become permanent tools. Should they become permanent, it would mean that the EU makes the choice of a federal way and consequently the choice of becoming a great power, it would certainly be the choice of reason in a period where European interests and values are challenged every day and everywhere in the world.
But for me the real key moment is the one when Europeans decided to favour equal access to the vaccine for every citizen of the European Union. It is a turning point to the extent that the EU has shown for the first time that it was able to protect concrete and immediately the life of each European citizen no matter his/her country of origin or social class. The EU is not any more a far concept; it becomes a reality of everyday life. It is a major shift.
EU’s foreign policy - From vaccine diplomacy to a new post-Brexit reality.

The relationship with a post-Brexit Britain remains an open issue. What is the short-term and longer-term impact of Brexit on the EU? However, no certain guarantees have been made that this new relationship will be fostered on the best of terms. How close will EU-UK relations be after the divorce agreement has been fully implemented and how must the EU act to prevent the recurrence of Brexit? What will EU-UK relations look like in the coming decade? Will it have a significant impact on the geopolitics of Europe?

First, let us remark that ‘pro-Brexiteers’ speculated that their success would contribute towards dividing the EU Member states and would have a domino effect with other countries leaving the EU. It was a total mistake. The exact contrary happened. The 27 member states have been rarely so united and, paradoxically, if you look at the Eurobarometer, the citizen attachment to the EU is going through a new golden era nearly everywhere in Europe since the Brexit referendum in June 2016. In fact Brexit further raised awareness about the importance of the European project, particularly at the time when we are seeing the rise of the Russian threats and the inconsistence of the United States, which worry many European citizens. It is striking to observe that in the Euro countries, there are no major political parties advocating for withdrawal from the Euro system. In the recent past, Rassemblement National in France and Liga in Italy touted for withdrawing from the Euro. This is not the case anymore, because the voters of these parties do not support and they do not wish their country to get out of the EU. This is also the case in countries such as Poland or Hungary, where public opinion is massively pro-European. When Dutch Premier Rutte suggested last July that Hungary could leave the EU, Premier Orbán answered that this was out of question. He did so because Hungarian citizens want to remain.

A short-term positive consequence of Brexit is a quick and united European systemic response to the pandemic crisis. For example, the SURE program or the European recovery plan would have been impossible with the Brits onboard. The UK would have refused to put these topics at the agenda of the European Council, so it would not even have been possible to discuss these topics between heads of state and government. This means that the UK’s exit has opened the universe of possibility for closer cooperation in the European Union.

In addition, let us hypothesize Brexit has not achieved its desired outcome for the United Kingdom. Paradoxically the dependency of the UK on the EU has increased without henceforth the UK having any say in the future of EU. Contrary to what the British government claimed, the vaccines were made possible thanks to the funding by the EU. It is the European Research Council, a federal EU body, which funded the fundamental research of the Oxford lab which led to the development of AstraZeneca vaccine, the same way it funded the BionTech vaccine. A third of the vaccines administered to British citizens was imported from the EU. If the EU had refused to export them, the British vaccination campaign would have been a debacle and a political turmoil would have possibly ousted Premier Johnson. The UK thought it could rely on the supply of vaccines by India, a member of the Commonwealth, but it was an illusion. The UK also thought its special relationship with the US would allow the country to be consulted in major US geopolitical choices, such as the conditions of exit from Afghanistan, it was not the case. The myth of Global Britain is de facto dead in the water. In addition, the level of trust between the member states and the UK has never been so low, bilateral relationships have never been so bad. Now trust needs to be rebuilt. If not, the relationship between the EU and the UK will be very difficult. Regarding the geopolitical consequences of Brexit, the pandemic had, paradoxically, a positive effect for the EU. Indeed it reduced the external impact of Brexit on the EU or rather the consequences of Brexit appeared as a secondary issue compared to the management of the pandemics in the EU. In the UK however the negative effects of Covid-19 pandemic and Brexit were combined and magnified the gravity of the situation. For an external observer, the UK could become a satellite of both the US and the EU. This was not the wish of the Brits.
Western Balkans as a springboard for Russia’s and China’s geostrategic positioning vis-à-vis EU and NATO

/ By Elmas Hasanovikj, Adviser for Defense Policy, Ministry of Defense, Republic of North Macedonia

Sino-Russian strategic intentions

Russia and China act in a synchronized manner and it looks like they are complementary in their efforts to take control over the crucial transportation (land, sea, air) and energy supply networks in EU and the Western Balkans.

Russia’s political influence in the Central and South-Eastern Europe is likely to grow. China has expressed willingness to invest in strategic infrastructure across EU, whereas the Western Balkans region is of particular interest for China because it lies between the port of Piraeus in Greece (67% of which was acquired by the Chinese state-owned company COSCO in 2016) and the European Common Market. Chinese companies control significant amounts of transportation infrastructure systems in Europe, and heavily invest in the Belgrade-Budapest railway, highways that connect Belgrade with Sarajevo, Montenegro’s Port of Bar with Belgrade, as well as the international airport in Tirana. Another key interest is the Port of Durres. For the period 2007-2017, the construction projects as part of the China’s 17+1 initiative were worth EUR 12.2bn in loans for 16 CESEE countries, out of which 29.4% goes to Serbia, 20.7% goes to Bosnia and Herzegovina and 7.5% goes to Montenegro. The huge loans offered by Chinese banks increase the debt-to-GDP ratio for many countries, leading to political dependency.

Like Russia, China has expressed interests for investment in the energy sector too. One of the largest Chinese investments in Albania is the investment in the largest oil company, Bankers Petroleum, as well as investments in the energy sector (coal and hydro power plants) in Albania, Bosnia and Herzegovina, Montenegro and Serbia. However, serious environmental concerns have been raised on the operation of the coal plants by Chinese companies, because they do not comply with the EU environmental standards and are contributing towards the air pollution in the region.

The EU and Western Balkan countries have to recognize that China is not only a trade partner, but a security challenge as well. Russia and China are currently acting in a synchronized manner and it looks like they are complementary in their efforts to take control over the crucial transportation (land, sea, air) and energy supply networks in EU and the Western Balkans.

The EU and Western Balkan countries must set the rules and principles of action (restriction) limiting the extent China and Russia can invest and penetrate in the region. Additionally, strict controls and procedures should be imposed and greater accountability and responsibility should be demanded from the Chinese and Russian companies when operating in the Euro-Atlantic area.

To that end, the countries from the Euro-Atlantic area should strengthen the national and collective resilience through the implementation of the whole-of-government and whole-of-society approach: in the first step the civil-military cooperation should be strengthened to include civilian and military actors, bodies and organizations in the civil preparedness and defense policy planning. Additionally, by establishing an effective and rapid communication tools in peace, crisis and conflict situations, the cyber resilience would be strengthened. This can be achieved through a collective engagement, by sharing knowledge and expertise and execution of joint exercises and trainings for strengthening the interoperability of resilience.

Neither Russia nor China can provide Western Balkan countries with a long-term viable alternative to their EU and NATO membership. Russia and China, on the other hand, are attracting all opportunities to undermine the deterrent and defense capabilities of NATO member-states and the EU, to create distrust and undermine the unity among the allies. To that end, both NATO and EU need a shared understanding of the security challenges within and outside the regions.

In the 1990s, Russia was treated as a partner in all NATO operations in the Western Balkans and China did not project its interests into the European space. Today both China and Russia have expressed willingness to invest in the strategic infrastructure in Europe and in Western Balkan countries. Russia has a long-standing political and strategic interest in Western Balkans region. Russia considers itself as natural ally and ‘saviour’ of the Orthodox Slavs through which it exerts its political influence in the region. Most importantly, Russia considers the Western Balkans as a geo-strategically important transport hub for the supply of gas and oil to Europe.

Most of the Eastern and Western Balkan countries mark an increase of natural gas dependency, which is dominantly imported from Russia. Natural gas dependency in EU reached 89.5% in 2019 which is an increase of 15.7% compared to 2018; by having Russia as the main supplier of natural gas, crude oil and hard coal to the EU for the period 2009-2019. While diversification of the energy market contributes towards reducing the prices of energy commodities, however, the other hand, with the new operational gas pipeline systems (Balkan Stream and Turk Stream) Russia’s political influence in the Central and South-Eastern Europe is likely to grow.

The opinions and comments expressed in this article are personal opinions of the author, and not necessarily reflect the views and positions of the institution where the author works.
Slovenia is the perfect option for a European adventure. Where better to start your adventure than Slovenia’s capital, Ljubljana, named the Green Capital of Europe in 2016 and you’ll soon discover why as you wander the many green spaces or enjoy a coffee along the leafy banks of the River Ljubljanica, which flows through its heart.

The city’s famous central market and relaxed restaurants bustle with local people seeking out the freshest Slovenian produce while the beautiful architecture of Slovenia’s great architect Jože Plečnik makes walking the cobbled streets a true delight.

Another undeniable Instagram-worthy highlight is Bled. Lake Bled is perhaps Slovenia’s most famous natural beauty – a picture-postcard church perched on a small islet surrounded by emerald green waters and the peaks of the mighty Julian Alps in the backdrop.

Adventurers can enjoy Bled’s many hiking, biking and canyoning opportunities while those who appreciate a slower pace can indulge in a slice of traditional Bled cream cake at one of the many cafes that populate the shoreline.

Alternatively, journey to the coast. Slovenia’s coastline is modest yet beautiful, with a handful of sun-drenched coastal towns famous for their production of wine, olive oil and salt. Of Slovenia’s three main seaside towns – Koper, Izola and Piran – it is Piran that is most impressive. With its Venetian Gothic architecture, Piran’s Old Town is one of the best-preserved historical towns anywhere in the Mediterranean.

Adventures even awaits underground at Postojna Caves. This subterranean paradise is one of the world’s most captivating caves with magnificent cave formations and diverse fauna. Postojna Cave boasts towering mountains, murmuring rivers and vast subterranean halls, not to mention Postojna’s most iconic inhabitant; the famous ‘baby dragon’.

Europe’s new culinary capital
In recent years Slovenia has established itself as one of Europe’s most exciting culinary destinations. The country has been named European Region of Gastronomy 2021 and a new Michelin guide to Slovenia has been unveiled to celebrate the chefs helping raise Slovenian cuisine to new heights. Amongst these is Ana Ros, named the world’s best female chef in 2017 and now proud owner of two Michelin stars at her restaurant Hiša Franko.

And what better to accompany first-class food than first-class wine? Slovenian wine-making tradition goes back centuries. The fertile soil accommodates 52 varieties of vine including the country’s own ‘Teran’, a full-bodied wine grown from the rich red soils of the Karst region.

Slovenia is one of Europe’s best-kept secrets, as well as being one of its greenest and safest countries. Sharing a border with the north of Italy, this is a land of natural beauty and diversity where the warm Mediterranean breeze rolls in towards the Alps and where mountains, rivers and thermal waters combine to create one of the greenest natural playgrounds on earth.

Adventure at every turn
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The country is also home to what has been voted the world’s best orange wine, a floral, honey-colored variety unique to the Goriska Brda region. The Vipava Valley, one of Slovenia’s most prominent wine growing areas, is just an hour’s drive from Ljubljana.

A Green&Safe destination for tourists
Already considered one of the world’s safest and greenest countries, Slovenia has gone one step further and created the GREEN&SAFE responsible travel standard to ensure that travellers remain safe as tourism reopens. In fact, Slovenia was one of the first countries in the world to receive a Safe Travels Stamp from the World Travel and Tourism Council.

The GREEN&SAFE label represents Slovenia’s commitment to responsible, green, and safe tourism. It has only been presented to those tourism businesses and destinations that guarantee travellers the highest possible hygiene standards and protocols. What’s more, Slovenia’s tourism sector is also a priority in terms of the country’s vaccination efforts to help keep travellers safe.
Getting around BSF: Map of Bled

1. Bled Festival Hall (Cesta svobode 11)
2. Hotel Krim (Ljubljanska 7)
3. Hotel Park (Cesta svobode 15)
4. Grand Hotel Toplice (Cesta svobode 12)
5. Best Western Premier Hotel Lovec (Ljubljanska cesta 6)
6. Kompas Hotel Bled (Cankarjeva 2)
7. Rikli Balance Hotel (ex Hotel Golf) (Cankarjeva 4)
8. Hotel Savica Garni (Cankarjeva 6)
9. Hotel Astoria (Prešernova 44)
10. Vila Zlatorog (Veslaška promenada 9)
11. Vila Bled (Cesta svobode 18)
12. Shuttle Point
Sunday, 29 August
11.15–13.15 | Session 2: Connected in diversity
@Hotel Lovec, Panorama Hall
In partnership with Regional Youth Cooperation Office
› Mr Jan Kulenović, Regional Youth Cooperation Office Director of Programs

13.15–14.45 | Lunch
@Hotel Lovec

14.45–16.45 | Session 3: Climate change and green transformation
@Hotel Lovec, Panorama Hall
In partnership with U4 SDG
› Ms Lilia Judit Bartusze, U4 SDG Secretary General

16.45–17.00 | Coffee break
@Hotel Lovec

17.00–18.30 | Drafting declaration
@Hotel Lovec, Panorama Hall

18.30–20.00 | Dinner
@Hotel Lovec

20.00–22.00 | Session 4: Night owl session: Towards successful digital communication, social listening and digital resilience
@Hotel Lovec, Panorama Hall
In partnership with European Digital Diplomacy Exchange
› Mr Matt Jacobs, Digital Coordinator at the Bureau of European and Eurasian Affairs of the US Department of State

Tuesday, 31 August
08.00–08.30 | Gathering
@Hotel Lovec, Panorama Hall
In partnership with Regional Youth Cooperation Office

08.30–08.45 | Introductory remarks to the day
@Hotel Lovec, Panorama Hall

08.45–10.15 | Third Fundamental Rights dialogue (Discussion on a topic identified by youth in the field of fundamental rights)
@Hotel Lovec, Panorama Hall
In partnership with European Union Agency for Fundamental Rights
› Mr Michael O’Flaherty, Director of European Union Agency for Fundamental Rights

10.15–10.45 | Coffee break
@Hotel Lovec

10.45–12.45 | Session 5: Civil society engagement in decision making
@Hotel Lovec, Panorama Hall
In partnership with EUS4R Facility Point and EUS4R PA-10
› Dr Stana Meseč, Government Office for Development and Cohesion Policy and European Union Strategy for the Adriatic and Ionian region (EUS4R)
› Mr Jernej Grahor, European Union Strategy for the Danube Region Priority Area - 10 Coordinator

12.45–14.15 | Lunch
@Hotel Lovec

14.15–16.15 | Session 6: European Neighbourhood Policy
@Hotel Lovec, Panorama Hall
In partnership with Regional Cooperation Council and Western Balkans Youth Lab
› Ms Petra Balžič, Regional Cooperation Council Political Advisor
› Mr Ognjen Markovic, Regional Cooperation Council Project Expert

16.15–16.30 | Coffee break
@Hotel Lovec

16.30–18.30 | Session 7: Youth participation in the EU
@Hotel Lovec, Panorama Hall
In partnership with National Youth Council of Slovenia
› Mr Patrik Bale, National Youth Council of Slovenia, Vice President for International Cooperation
› Ms Lucija Karnelutti, United Nations Cooperation Slovenia, Vice President for International Cooperation
› Mr Jaša Levstik, Project Manager of 94th Youth Delegate of Slovenia

18.30–20.00 | Dinner
@Hotel Lovec

20.00–21.30 | Closing of the Young Bled Strategic Forum
@Hotel Lovec, Panorama Hall

Sunday, 29 August
18.00–19.00 | Introductory remarks and opening of the Young BSF
@Hotel Lovec, Panorama Hall
› Mr Peter Grk, Secretary-General of the Bled Strategic Forum
› Ms Katja Geralik, Executive director of the Centre for European Perspective
› Mr Jernej Grahor, BSF project manager (Responsible for Young Bled Strategic Forum)
› Ms Dafina Peci, Young Bled Strategic Forum Master of Ceremony

Monday, 30 August
08.00–08.30 | Gathering
@Hotel Lovec, Panorama Hall
In partnership with Cooperation & Employability
› Ms Krisela Hackaj, Western Balkans Youth Cooperation Platform Executive Director
› Ms Gresa Smolca, Cooperation & Development Institute Project Officer

08.30–08.45 | Introductory remarks to the day
@Hotel Lovec, Panorama Hall

08.45–10.45 | Session 1: Economy & Employability
@Hotel Lovec, Panorama Hall
In partnership with Cooperation & Development Institute and Western Balkans Youth Cooperation Platform
› Ms Dafina Peci, Young Bled Strategic Forum Master of Ceremony

10.45–12.45 | Session 2: Connected in diversity
@Hotel Lovec, Panorama Hall
In partnership with Regional Youth Cooperation Office
› Mr Jan Kulenović, Regional Youth Cooperation Office Director of Programs

12.45–14.15 | Lunch
@Hotel Lovec
Wednesday, 1 September

08.30–09.30 | Gathering
@Bled Festival Hall

9.30–10.00 | Opening
@Bled Festival Hall

Welcome address by H.E. Dr Anže Logar,
Minister of Foreign Affairs of Slovenia
Address by H.E. Mr Charles Michel, President of the European Council
Address by H.E. Mr Janez Janša, Prime Minister of Slovenia

10.00–12.00
Leader’s Panel – Future of Europe – To Stand and Withstand
@Bled Festival Hall

Keynote address by H.E. Mr. David Sassoli, President of the European Parliament
H.E. Mr. Andrej Babiš, Prime Minister of the Czech Republic
H.E. Mr. Edward Heger, Prime Minister of Slovakia
H.E. Mr. Janez Janša, Prime Minister of Slovenia
H.E. Mr. Charles Michel, President of the European Council
H.E. Mr. Kyriakos Mitsotakis, Prime Minister of Greece
H.E. Mr. Viktor Orban, Prime Minister of Hungary
H. Em. Mr. Pietro Parolin, Secretary of State of the Holy See
H.E. Mr. Andrej Plenković, Prime Minister of Croatia
H.E. Mr. David Sassoli, President of the European Parliament
Ms Dubravka Šuica, Vice-President for Democracy and Democracy, European Commission
H.E. Mr. Aleksandar Vučić, President of Serbia

Moderated by Mr. Mario Balzaci, Political Analyst, Secretary General of Focus 2031

12.00–12.15 | Coffee Break
@Bled Festival Hall

12.15–14.00
Former Leader’s Panel – Future of Europe – Experience Counts
@Bled Festival Hall

Mr. Elmar Brok, Former Member of the European Parliament
Mr. Mikušič Dzurinda, Former Prime Minister of Slovenia

14.00–16.30 | Lunch
@Rikli Balance Hotel

15.00–16.30
Post-pandemic Recovery: Opportunity for a Better Tomorrow?
@Bled Festival Hall

H.E. Mr. Janez Janša, Prime Minister of Slovenia
Ms Ana Palacio, Former Prime Minister of Portugal
Mr. AndrazUntitled
Ms Odile Renaud-Basso, Managing Director, European Investment Bank

Moderated by Mr Marco Zanni, President, Identity and Democracy Group

16.30–18.15
Leader’s Panel – Future of Europe – Enhancement
@Bled Festival Hall

Keynote address by H.E. Mr. Borut Pahor, President of Slovenia
H.E. Mr. Štefan Džaferović, Member of the Presidency of Bosnia and Herzegovina
H.E. Mr. Janez Janša, Prime Minister of Slovenia
H.E. Željko Komšić, Chairman of the Presidency of Bosnia and Herzegovina

H.E. Mr. Zdravko Krivokapić, Prime Minister of Montenegro
H.E. Mr. Albin Kurti, Prime Minister of Kosovo
H.E. Mr. Charles Michel, President of the European Council
H.E. Mr. Mateusz Morawiecki, Prime Minister of Poland
H.E. Mr. Rumen Radev, President of Bulgaria
H.E. Mr. Ed Rama, Prime Minister of Albania
Mr. Christian Schmidt, High Representative for Bosnia and Herzegovina
Mr. Olivier Vărhelyi, European Commissioner for Neighbourhood and Enlargement
H.E. Mr. Zoran Zaev, Prime Minister of North Macedonia

Moderated by Dr. Andràs Zidar, Head of Diplomatic Academy, Ministry of Foreign Affairs of Slovenia

18.30–20.00
Future of Europe – Diversity and Consensus
@Bled Festival Hall

Mr. François Decoster, President, Renew Europe Group, European Committee of the Regions
Mr. Gergő Gerbő, President, European People’s Party Group, European Committee of the Regions
Ms. Giorgia Meloni, President of European Conservatives and Reformists Party
Mr. Christophe Rouillon, President, Party of European Conservatives and Reformists
Mr. Apostolos Tzitzikosta, President, European People’s Party Group, European Committee of the Regions
Ms. Christa Schweig, President, European Economic and Social Committee
Mr. Apostolos Tzitzikosta, President, European Committee of the Regions
Mr. Manfred Weber, Leader of the political group of European People’s Party, European Parliament
Mr. Marco Zanni, President, Identity and Democracy Group

Moderated by Mr. Federico Ottavio Reho, Strategic Coordinator and Senior Researcher, Wilfried Martens Centre for European Studies

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20.00–22.00 | Dinner
@Grand Hotel Toplice, Grand Hall

Address by Mr. Janez Fajfar, Mayor of Bled Address by Ms. Sviatlana Tsikhanouskaya, Belarusian human rights activist and an independent politician Chaired by Mr. Peter Grk, Secretary-General of Bled Strategic Forum

22.00–23.00
Night Owl Session
@Grand Hotel Toplice, Lake Lounge

Mr. Mark Boris Andrijanić, Minister for Digital Transformation of Slovenia
Sir Nicholas William Peter Clegg, Vice President for Global Affairs and Communications at Facebook, Inc

Moderated by Mr. Jaka Repanšek, Founder, RePublika d.o.o.
Thursday, 2 September

08.30–10.00 AmCham Breakfast: Small Steps in Space – Giant Leaps on Earth
@Rikli Balance Hotel, Arnold I Hall
In partnership with AmCham Slovenia

Dr Gordon Campbell, Head of Enterprise, Science, Applications and Climate Department, Directorate of EO Programmes, European Space Agency

Prof Dr Andrea Gombar, Center for Astrophysics and Cosmology, University of Nova Gorica

Mr Dušan Oslj, Director, Dual

Mr Tomáš Pavlíček, H.E., Deputy Minister at the Ministry for International Political Economy, Policy Fellow, Director, European Centre for International Political Economy

Moderated by Mr Jaka Vodnik, CEO, AmCham Slovenia

09.00–10.30 Building connectivity in CEE – The Case of the Three Seas Initiative
@Rikli Balance Hotel, Arnold II Hall

Mr Matthew G. Boyse, Deputy Assistant Secretary, Bureau of European and Eurasian Affairs, U.S. Department of State

Mr Pawel Jabłoński, Assistant Chief of Cabinet of Ms Ursula von der Leyen, First Vice President of the European Commission

Dr Tomaž Rotovnik, CEO, SkyLabs

Moderated by Ms Ajša Vodnik, CEO, AmCham Slovenia

10.00–13.00 The Future of European Tourism @Rikli Balance Hotel, Sonce Hall

Ms Maja Pak, Director, Slovenian Tourist Board

Mr Zdravko Počivalšek, Minister of Economic Development and Technology of the Republic of Slovenia

Ms Kirstin Jorna, Director-General of the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, European Commission

Mr Zurab Pololikashvili, Secretary-General, World Tourism Organization (UNWTO)

Prof Alessandra Pianta, Regional Director for Europe, World Tourism Organization

Mr Luís Araújo, President, Tourism of Portugal, President, European Travel Commission

Panel discussion:
- Ms Marija Audren, Director General, Caritas Internationalis
- Ms Meia Nouwens, Senior Fellow, Asia Program, The German Marshall Fund of the United States
- Mr Marko Pavliha, Assistant Chief of Cabinet of Ms Carola Schallenberg, German State Secretary for International Cooperation and Development

Opening remarks:
- Ms Maja Pak, Director, Slovenian Tourist Board
- Mr Zdravko Počivalšek, Minister of Economic Development and Technology of the Republic of Slovenia
- Ms Kirstin Jorna, Director-General of the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, European Commission

Ms Tomaž Matavž, Assistant Chief of Cabinet of Ms Ursula von der Leyen, First Vice President of the European Commission

Mr Uroš Salobir, Director of the Strategic International Cooperation Department, EULES

Dr Iztok Seljak, President, Management Board, Hidria

Moderated by Mr Peter Frankl, CEO and Publisher, Finance

11.00–12.30 Strengthening Europe against Economic Coercion
@Rikli Balance Hotel, Arnold I Hall
In partnership with European Council on Foreign Relations

H.E. Mr Jakub Kálnoky, Minister of Foreign Affairs of the Czech Republic

H.E. Mr Wolfgang Niedermayer, Member of the Executive Board, Federation of German Industries

Mr Peter Potmap, Deputy Director-General for Foreign Economic Relations, Ministry of Foreign Affairs of the Netherlands

Mr Danas Rodinovas, Deputy Director-General, Chief Trade Defence Officer, European Commission

Mr Milan Pohorič, Special Advisor of the President of Montenegro

Ms Marie-Pierre Vedrenne, Member of the European Parliament, Digital Speaker

Moderated by Mr Jonathan Hackenbroch, Policy Fellow, European Council on Foreign Relations

12.30–14.15 Lunch @Rikli Balance Hotel

14.15–15.45 Mediterranean: A Geopolitical Challenge @Rikli Balance Hotel

H.E. Mr José Manuel Albarèse, Minister of Foreign Affairs, European Union and Cooperation of Spain

H.E. Mr Evarist Bartolo, Minister of Foreign Affairs of Malta

H.E. Mr Nikos Christodoulides, Minister of Foreign Affairs of Cyprus

H.E. Mr Nikolaos-Georgios Dendias, Minister of Foreign Affairs, European Union and Neighbourhood Policy Fellow, Asia Program, The German Marshall Fund of the United States

Mr Mark Schrader, Advisor, Center on Countering Foreign Interference, International Republican Institute

Moderated by Mr Scott Mastic, Vice President for Programs, International Republican Institute

15.45–16.00 Coffee Break

16.00–17.30 Conversation with Mr Pedro Opeka, humanitarian, and Aloysius John, General Secretary of the Caritas Internationalis

@Rikli Balance Hotel, Voda Hall
In partnership with Global Diplomacy Lab

Ms Marie-Pierre Vedrenne, Member of the European Parliament, Digital Speaker

Mr Aloysius John, General Secretary, Caritas Internationalis

Mr Marko Pavliha, Assistant Chief of Cabinet of Ms Carola Schallenberg, German State Secretary for International Cooperation and Development

Moderated by Mr Prof Marko Pavliha, Professor at the Faculty of Maritime Studies and Transport, University of Ljubljana
@Rikli Balance Hotel, Arnold II Hall
In partnership with Chatham House

Ms Elina Bardram, Acting Director – International, Mainstreaming and Policy Coordination Directorate, DG Clima, European Commission
Ms Nick Bridge, Special Representative for Climate Change, Foreign, Commonwealth and Development Office, United Kingdom
Dr Werner Hoyer, President, European Investment Bank
Dr Lučka Kaštel Bogataj, Climatologist and Professor at Biotechnical Faculty, University of Ljubljana
Ms Tina Koblišek, Head of the delegation to UNFCCC, Ministry of the Environment and Spatial Planning of Slovenia
Dr Koko Warner, subdivision, Adaptation Division, United Nations Climate Change Secretariat

Moderated by Prof Tim Benton, Research Director, Energy, Environment and Resources Programme, Chatham House

14.15–15.45 European Foreign and Security Challenges in a Digital World
@Rikli Balance Hotel, Sance Hall
In partnership with Government Information Security Office of Slovenia and Microsoft

Ambassador Tadeusz Chomicz, Ambassador for Cyber & Tech Affairs, Security Policy Department, Ministry of Foreign Affairs of Poland
Ambassador Nathalie Jaarsma, Ambassador-at-Large for Security Policy and Cyber of Netherlands
Mr Casper Klynge, Vice President, International, Mainstreaming and Policy Coordination Directorate, DG Clima, European Commission
Ms Michelle Markoff, Deputy Coordinator for Cyber Issues, United States Department of State
Mr Yigal Unna, Director General, Israeli National Cyber Directorate

Moderated by Dr Uroš Svete, Acting Director, Government Information Security Office of Slovenia

15.45–16.00 | Coffee Break
@Rikli Balance Hotel

16.15–17.30 Lining up the Europe’s Defence
@Rikli Balance Hotel, Arnold II Hall
In partnership with the Ministry of Defense of Slovenia

Mr André de Araújo Azevedo, Secretary of State for the Digital Transition, Ministry of Economy and Digital Transition of Portugal
Mr Marko Grodanik, Chief Technical Officer, UNESCO International Research Centre on Artificial Intelligence (IRCAI), Jozef Stefan Institute, Slovenia
Mr Botšjan Konšnik, Minister of Public Administration of Slovenia
Mr Petro Očko, Deputy Minister at the Ministry of Industry and Trade of the Czech Republic
Mr Markus Reinsch, VP Public Policy, Facebook

Moderated by Mr Dr Dunja Mišmer, Head of Department for Artificial Intelligence, Jozef Stefan Institute

16.00–17.30 Partnership for a Rules-based Order in the Indo-Pacific
@Rikli Balance Hotel, Arnold II Hall
In partnership with Observer Research Foundation

H.E. Dr Subrahmanyan Jaishankar, Minister for External Affairs of India
H.E. Dr Anbe Logar, Minister of Foreign Affairs of Slovenia
Hon. Abubak Namwamba, Chief Administrative Secretary, Ministry of Foreign Affairs of Kenya
H.E. Dr Augusto Santos Silva, Minister of State and of Foreign Affairs of Portugal

17.00–17.30 Ambassador Atul Keshap, Chargé d’Affaires, United States of America, Embassy in New Delhi
Ms Usma Tchakarova, Head of the delegation to the EU, Ministry of Foreign Affairs of Bulgaria
Dr Daniel Twining, Director, Austrian Institute for European and Security Policy

Moderated by Dr Samir Saran, President, Observer Research Foundation

16.00–17.30 EU’s Challenging Eastern Partnership Summit 2021: Calibrating its Agenda
@Rikli Balance Hotel, Sance Hall
In partnership with German Council on Foreign Relations

Keynote address by Ms Sviatlana Tsikhanouskaya, Belarusian human rights activist and an independent politician
H.E. Mr Bogdan Aurescu, Minister of Foreign Affairs of Romania
Ms Orysia Lutsevych, Head of the delegation to the EU, Ministry of Foreign Affairs of Ukraine
Ms Yasemin Öztürkçü, Deputy Head of the delegation to the EU, Ministry of Foreign Affairs of Turkey

Moderated by Dr Stefan Meister, Chief of Staff, Head of the Delegation to the European Parliament from the European Parliament

16.00–17.30 Digital Europe - Unlocking the Potential
@Rikli Balance Hotel, Zral Hall
In partnership with BBVA Foundation

Mr André de Araújo Azevedo, Secretary of State for the Digital Transition, Ministry of Economy and Digital Transition of Portugal
Ms Katarína Mathernová, Director-General, Directorate-General for Neighbourhood and Enlargement Negotiations, European Commission
Ms Ambroise Gougeon, President, European Council of International Jewish Organizations
Ms Orysia Lutsevych, Head of the delegation to the EU, Ministry of Foreign Affairs of Ukraine
Mr Andrea Frisoli, General of the North Atlantic Treaty Organization (NATO)
Mr Mircea Geoană, Chief of Staff, Head of the Delegation to the European Parliament from the European Parliament

Moderated by Mr Dr Dunja Mišmer, Head of Department for Artificial Intelligence, Jozef Stefan Institute

16.00–17.30 Fighting Disinformation with Information: Securing Security through Facts
@Rikli Balance Hotel

Mr Abraham Weintraub, Director, Digital Forensics Research Lab, Atlantic Council
Dr Ivanka Karakolova, Founder and Leader, MissPulse Consulting and China Observers in Europe (CHOICE)
Mr Baybars Örsek, Director of The International Fact-Checking Network

Moderated by Mr Dr Dunja Mišmer, Head of Department for Artificial Intelligence, Jozef Stefan Institute

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ONLINE Who is who.

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TO PROTECT YOURSELF AND PROTECT OTHERS.

Wear a face mask in all enclosed public spaces.

Wash your hands or use a hand sanitiser regularly.

Keep the required safety distance of at least 1.5 meters.
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