

# **POLICY BRIEF**

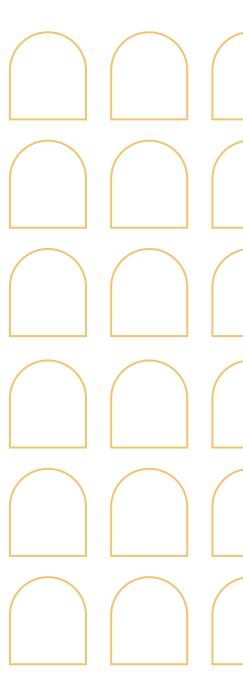
# The Indo-Pacific concepts of France, Germany and the Netherlands in comparison: Implications and Challenges for the EU<sup>1</sup>

#### **Abstract**

The Indo-Pacific as a geo-economic and geostrategic concept has at least partially replaced the term Asia-Pacific over the last decade, with Japan, Australia, the United States and India each adopting and promoting their own respective vision. Before 2020, France was the only EU country to develop an Indo-Pacific strategy, based mainly on the fact that it sees itself as a resident power in the region. Germany and the Netherlands reformulated their perspectives of the area in September and November 2020. Together, the three member states have initiated a debate at the EU level with the goal to adopt an EU position on the Indo-Pacific. Despite some notable differences in the three approaches, they agree on the region's economic and strategic importance for Europe and share fundamental interests and objectives. A major challenge for the national strategies as well as a possible future EU positioning on the Indo-Pacific will be how to address China and its role within this new framework. In this context, cooperation with the U.S., which is barely mentioned in the documents, also needs to be thought through. The comprehensiveness especially of the German Policy guidelines for the Indo-Pacific raises the (not at all new) question concerning which objectives will be given priority if hard choices are to be made. The biggest challenge will be to allocate the necessary financial and human resources to fulfil expectations that have been created among partners in the Indo-Pacific.

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# **Background and context**

Over the last decade, Japan, Australia, the United States and India have each adopted the concept of the Indo-Pacific region as a new geographic, geo-economic and strategic frame of reference, replacing - at least in part the previously dominant construct of the Asia-Pacific. The individual countries' conceptions of the Indo-Pacific vary considerably with respect to geographical definition, policy priorities (security versus connectivity), concrete initiatives, emphasis of multi-, mini- and/ or bilateral approaches to trade and security in the region as well as the question of excluding versus including China. While the U.S. and Japan use the term 'Free and Open Indo-Pacific', Australia and India have abstained from using these adjectives in connection with the Indo-Pacific in official speeches and documents. The countries also employ different terms to characterise their approach to the region. The U.S. has an Indo-Pacific strategy; Japan, which initially had also used the word strategy, switched to Indo-Pacific vision in 2018, signifying a 'lighter' approach. However, all four countries share the perception that the Indian and the Pacific Oceans constitute one contiguous and integrated space. There are also other common denominators like the commitment to a rules-based international and regional order and international norms like the Freedom of Navigation. The rise of China and the question of how to respond to the challenges that come with it plays a central role in all versions of the concept. Offering alternatives to China's Belt and Road Initiative (BRI) is a common feature in the four countries' agendas for the Indo-Pacific.

The main difference between the U.S. on the one hand, and Japan, Australia and India on the other, is that the U.S. – at least under the Trump admin-

istration clearly pursued the goal of preserving US strategic primacy in the region and of containing China.<sup>2</sup> For the latter three (smaller) powers, the aim is primarily to balance China's growing power and to preserve their respective sovereignty. This means that the US Indo-Pacific focus has been mainly on security and new technologies, while Japan, India and Australia additionally emphasise trade and investment.

China views the US version of the Free and Open Indo-Pacific (FOIP) in particular not only as an effort of containment, but also of anti-China coalition building. It tends to equate the Indo-Pacific with the Quadrilateral Security Dialogue (Quad), a format initiated in 2007 between the U.S., Japan, Australia and India<sup>3</sup> that was revived after an eight year hiatus in 2017. Initially, Beijing had expected the Indo-Pacific as a strategic framework and the Quad to be short-lived, but this turned out to be a miscalculation – not least due to China's own assertive and coercive behaviour in and beyond the region.

ASEAN responded relatively late with its own Outlook on the Indo-Pacific in June 2019, presenting an inclusive approach upholding ASEAN centrality and basically repeating and underlining longheld core principles of this group of ten Southeast Asian states.4 While New Zealand has not developed an Indo-Pacific strategy, it included the term (replacing 'Asia-Pacific') in the document of the Ministry of Foreign Affairs and Trade Strategic Intentions 2020-2024. One of seven strategic goals listed here is to '[e]mbed New Zealand as an active and integral partner in shaping an Indo-Pacific order that delivers stability and economic integration'.5 Canada and South Korea still seem somewhat reluctant to endorse the concept, mainly (but not only) because of China's negative response to it.6 As for the UK, it published a document on its

<sup>1</sup> For a systematic comparison of the different concepts see Felix Heiduk, Gudrun Wacker: From Asia-Pacific to Indo-Pacific. Significance, Implementation and Challenges, Berlin, July 2020 (=SWP Research Paper 9), <a href="https://www.swp-berlin.org/fileadmin/contents/products/research\_papers/2020RP09\_IndoPacific.pdf">https://www.swp-berlin.org/fileadmin/contents/products/research\_papers/2020RP09\_IndoPacific.pdf</a>, especially table on p.30.

<sup>2</sup> See the White House National Security Council's *U.S. strategic framework for the Indo-Pacific*, February 2018, declassified in January 2021, https://assets.documentcloud.org/documents/20455499/ips-final-declass\_ocr.pdf.

These four countries had formed an *ad hoc* group in response to the 2004 tsunami. On the Quad see e.g. Patrick Buchan and Benjamin Rimland, "Defining the Diamond. The Past, Present and Future of the Quadrilateral Security Dialogue", March 2020, <a href="https://www.csis.org/analysis/defining-diamond-past-present-and-future-quadrilateral-security-dialogue">https://www.csis.org/analysis/defining-diamond-past-present-and-future-quadrilateral-security-dialogue</a>

<sup>4</sup> ASEAN Outlook on the Indo-Pacific, 22 June 2019, <a href="https://asean.org/storage/2019/06/ASEAN-Outlook-on-the-Indo-Pacific\_FI-NAL 22062019.pdf">https://asean.org/storage/2019/06/ASEAN-Outlook-on-the-Indo-Pacific\_FI-NAL 22062019.pdf</a>.

New Zealand Foreign Affairs & Trade: Strategic Intentions, 2020-2024, <a href="https://www.mfat.govt.nz/assets/About-us-Corporate/MFAT-strategies-and-frameworks/MFAT-Strategie-Intentions-2020-2024.pdf">https://www.mfat.govt.nz/assets/About-us-Corporate/MFAT-strategies-and-frameworks/MFAT-Strategie-Intentions-2020-2024.pdf</a>, p.20f. The earlier version of Strategic Intentions for 2019-2023 still used "Asia-Pacific" as a frame (<a href="https://www.theprif.org/sites/default/files/documents/MFAT-Strategie-Intentions-2019-2023.pdf">https://www.theprif.org/sites/default/files/documents/MFAT-Strategie-Intentions-2019-2023.pdf</a>, p.20f.). For more detail on the position of New Zealand see Veerle Nouwens' podcast with David Capie "New Zealand's Indo-Pacific Calibration" here: <a href="https://rusi.org/multimedia/new-zealands-indo-pacific-recalibration">https://rusi.org/multimedia/new-zealands-indo-pacific-recalibration</a>.

<sup>6</sup> On South Korea see Andrew Yeo, "South Korea and the Free and Open Indo-Pacific Strategy", July 20, 2020, <a href="https://www.csis.org/analy-sis/south-korea-and-free-and-open-indo-pacific-strategy">https://www.csis.org/analy-sis/south-korea-and-free-and-open-indo-pacific-strategy</a>. On Canada see Hugh Stephens, "Canada's Indo-Pacific Future", Nov. 18, 2020, <a href="https://opencanada.org/canadas-indo-pacific-future/">https://opencanada.org/canadas-indo-pacific-future/</a>.

future foreign policy in March 2021 that adopted the term Indo-Pacific and outlined a 'tilt' towards this region in a short chapter. Its noted ambition here is to '[...] be the European partner with the broadest and most integrated presence in the Indo-Pacific [...].'<sup>7</sup>

It is important to note that while it is not clear yet how exactly US policy vis-à-vis China will develop under the Biden administration, the rivalry and strategic competition between the two great powers will definitely not disappear and the Indo-Pacific will remain the overarching strategic framework of the U.S. in this region. Moreover, the first ever Quad summit meeting held in March 2021, which focused on vaccine production, climate change and critical technologies, demonstrated that the four countries are planning to deepen their cooperation in the future, including in areas beyond security.<sup>8</sup>

# Comparing the French, German and Dutch approach to the Indo-Pacific

Within the EU, France published Indo-Pacific strategy papers in 2018 and 2019, and Germany and the Netherlands followed in September and November 2020 respectively. These three countries have also been working together to promote an Indo-Pacific strategy or vision to be adopted by the EU.

France was the first member state of the EU that developed its own Indo-Pacific strategy. French president Emmanuel Macron outlined the position of his country in a speech at the Garden Island naval base in Australia in May 2018,9 speaking

about a new Indo-Pacific axis, with India and Australia as 'critical partners'. Official documents were published by the French Ministry of Defence (in 2018, updated in May 2019<sup>10</sup>, and another one later in 2019<sup>11</sup>) and by the Ministry of Foreign Affairs (June 2019)<sup>12</sup>.

The German *Policy guidelines for the Indo-Pacific*<sup>13</sup>, published first in German in September 2020 and shortly afterwards in English, were approved by the German cabinet; they represent a whole-of-government approach on the issue. A relatively short Dutch 'non-paper'<sup>14</sup> followed in November 2020. It is noteworthy that in May 2019 the government of the Netherlands also came out with a new China strategy.<sup>15</sup> Both, the German and the Dutch guidelines on the Indo-Pacific make it clear from the beginning that they are to be understood as contributions and building blocks to developing an EU position towards the Indo-Pacific.

# Structuring the approaches

France: The Indo-Pacific strategy document of the French Ministry of Foreign Affairs, with the subtitle 'For an Inclusive Indo-Pacific', covers in detail France's role as a player in the region. It starts off by describing the Indo-Pacific as being at the heart of global challenges characterised by tensions and crises, the new assertiveness of China, the rise of religious extremism, and also the demographic and urban transition and a growing middle class. France's ambition is to strengthen its 'presence and activities in the region in the political, strategic, economic and environmental spheres [...]'. (p.16) This is to be accomplished by first, continuing to strengthen and balance the

<sup>7</sup> Full text HM Government: Global Britain in a competitive age. The Integrated Review of Security, Defence, Development and Foreign Policy, March 2021, <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/975077/Global Britain in a Competitive Age- the Integrated Review of Security Defence Development and Foreign Policy.pdf, part on "The Indo-Pacific tilt: A framework", p.66-67, here: p.66.

<sup>8</sup> Joint Leaders' Statement: "The Spirit of the Quad", March 12, 2021, https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/12/quad-leaders-joint-statement-the-spirit-of-the-quad/

Discours à Garden Island, base navale de Sydney (video only), May 3, 2018, https://www.elysee.fr/emmanuel-macron/2018/05/03/discours-a-garden-island-base-navale-de-sydney

<sup>10</sup> France and Security in the Indo-Pacific, https://franceintheus.org/IMG/pdf/France\_and\_Security\_in\_the\_Indo-Pacific\_2019.pdf

<sup>11</sup> France's Defense Strategy in the Indo-Pacific, <a href="https://www.defense.gouv.fr/content/download/559608/9684004/file/France's%20Defence%20Strategy%20in%20the%20Indo-Pacific%20-%202019.pdf">https://www.defense.gouv.fr/content/download/559608/9684004/file/France's%20Defence%20Strategy%20in%20the%20Indo-Pacific%20-%202019.pdf</a>

<sup>12</sup> French Strategy in the Indo-Pacific: "For an Inclusive Indo-Pacific", <a href="https://www.diplomatie.gouv.fr/en/country-files/asia-and-oceania/the-indo-pacific-region-a-priority-for-france/">https://www.diplomatie.gouv.fr/en/country-files/asia-and-oceania/the-indo-pacific-region-a-priority-for-france/</a>

<sup>13</sup> The Federal Government: Policy guidelines for the Indo-Pacific. Germany - Europe - Asia. Shaping the 21st century together, Sept- 1, 2020, <a href="https://www.auswaertiges-amt.de/blob/2380514/f9784f7e3b3fa1bd7c5446d274a4169e/200901-indo-pazifik-leitlinien--1--data.pdf">https://www.auswaertiges-amt.de/blob/2380514/f9784f7e3b3fa1bd7c5446d274a4169e/200901-indo-pazifik-leitlinien--1--data.pdf</a>.

<sup>14 &</sup>quot;Indo-Pacific: Guidelines for strengthening Dutch and EU cooperation with partners in Asia". Unofficial English translation made available by Clingendael.

<sup>15</sup> The Netherlands & China: a new balance, full text and summary available at <a href="https://www.government.nl/documents/policy-notes/2019/05/15/china-strategy-the-netherlands--china-a-new-balance">https://www.government.nl/documents/policy-notes/2019/05/15/china-strategy-the-netherlands--china-a-new-balance</a>

strategic partnership with China; second, developing and deepening other partnerships in the region (with Australia, India, Indonesia, Japan, New Zealand, Singapore and South Korea); third, working to strengthen the positioning of the European Union in the region; fourth, playing a greater role in regional organisations such as the ASE-AN Defence Minister's Meeting plus (ADMM+), the Indian Ocean Rim Association (IORA) or the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP); and fifth and finally, contributing to a comprehensive response to Islamist terrorism in the region. The French network in the region is visualised in several maps covering its presence in terms of military, diplomacy, economy and development, science and research, as well as culture, language and education. The last part of the paper presents recommendations, listing seven areas of action for French diplomacy with the following four priorities (p.18): the safety of French citizens, France's independence combined with EU ambition, transnational solidarity via the promotion of common goods and France's influence and attractiveness. It is noted three times in this document that France aspires to act as a mediating power in the region. This role had already been mentioned by Emmanuel Macron in his Garden Island speech. However, it has not been explained how France intends to play this particular role (while at the same time presenting itself as a resident power in the Indo-Pacific).

While the two papers published by the French Ministry of Defence focus more narrowly on security issues and France's military presence and activities in the Indo-Pacific, it is noteworthy that the nexus between security and the environment is given special attention in this context.

Germany: The German Guidelines are structured along eight interests concerning the Indo-Pacific: (peace and security, diversifying and deepening relations, a region that is neither unipolar nor bipolar, open shipping routes, open markets and free trade, digital transformation and connectivity, protecting our planet and access to fact-based information), followed by seven principles: (European action, multilateralism, the rules-based order, United Nations Development Goals, human rights, inclusivity, partnership among equals). Then they list a plethora of initiatives under seven policy fields that fall partly into the category interests, partly into the category principles, and, in one case ('bringing people together') in neither of these categories. The seven policy fields are presented in more detail in the second and main part of the *Guidelines*. The third and final part provides a visual overview of Germany's existing network in the Indo-Pacific. From the maps presented here it can be concluded that the German government shares the narrower Dutch geographical definition of the Indo-Pacific (pp. 64ff., see below).

The Netherlands: The short Dutch non-papers raises six key issues in the beginning, summarising the dynamic and growing importance of the Indo-Pacific, the necessity to step up the Dutch and EU roles and to strengthen partnerships in the region, with a focus on 'the international legal order, democracy and human rights, sustainable trade, security and stability, safe passage and maritime security, climate change, global healthcare and poverty reduction'. The Netherlands and the EU could help widen strategic options for countries in the region and not become a pawn in the great power rivalry. The EU should neither over- nor underestimate its role, especially as an economic heavyweight. COVID-19 is seen as an accelerator of geopolitical trends, but also as a driver of more international cooperation. (p.1) The chapters in the main text address the following issues: towards a European vision of the Indo-Pacific, referring to EU policy documents already in place as well as to economic linkages with the region and geopolitical interests of the EU in the region. Next is a chapter on the elements of a European vision, namely, peace and security, working with partners in the region, sustainable trade, effective multilateralism and the international legal order, sustainable connectivity and global challenges (climate and Sustainable Development Goals). For each of these elements, a list of recommendations for the EU is included. The final chapter on 'The Netherlands and the Indo-Pacific' covers contributions the Netherlands is willing to make to these different elements, either nationally or through the EU or within other contexts.

## Main differences

The respective starting points for France on the one hand, and for Germany and the Netherlands on the other, regarding the Indo-Pacific are quite different. France (post Brexit) is the only EU country that still has territories in the Indian and Pacific oceans, spanning from the eastern coast of Africa (Mayotte, Scattered Island, La Réunion) and the French Southern and Antarctic territories in the South Pacific (Vanuatu, New Caledonia, Wallis & Futuna, French Polynesia) all the way to Clipperton Island off the western coast of

Central America. French citizens (1.6 million), a permanent military presence (including 7,000 military personnel) and the second biggest area of Exclusive Economic Zones (EEZs) in the world, more than 90 percent of which are located in the Indo-Pacific, make France a 'resident power' in the region in its own right. Given the geographical location of these overseas assets, the Indo-Pacific covers French interests more adequately than did the Asia-Pacific and also accounts for France's – very broad geographical definition of the Indo-Pacific space.

In absence of a 'natural' role in the region, Germany and the Netherlands raise two arguments for their stronger engagement with and in the region: first, their interests as big trading nations, making them dependent on open sea lanes and free access to markets, and second, their support for maintaining and/or defending a rules-based order globally, but also at the regional level. The Indo-Pacific is presented here as the new political and economic centre of gravity in the world, where the major strategic competition between the US and China is playing out and where the future of the international order is likely to be decided. The COVID-19 pandemic is perceived as an accelerator of the existing strategic trends. In geographical terms, both documents are less clear about what is included in the Indo-Pacific space than are the French ones.

The German paper acknowledges that there are different geographic understandings of the region and focuses more on its main features:

The Indo-Pacific region is not clearly delineated in geographical terms and is defined variously by different actors. The Federal Government considers the Indo-Pacific to be the entire region characterised by the Indian Ocean and the Pacific. Strategic projections compete with each other and global value chains are intertwined here.<sup>16</sup>

The Netherlands defines the Indo-Pacific as the space between Pakistan and the Pacific islands:

For the Netherlands, the region encompasses

in any event the countries around the Indian and Pacific Oceans, including the South China and East China Seas. The shipping routes through the Indian and Pacific Oceans that link Europe with Asia and Oceania are central to the concept. The region extends from Pakistan to the islands of the Pacific.<sup>17</sup>

The documents of the three countries also vary significantly in terms of their status (official versus non-paper), the government institutions involved (in the German case, whole-of-government), length/detail and structure, as shown above. But it is France's starting point as a 'resident power' that sets it apart from Germany and the Netherlands.18 After Brexit, France is also the only EU member state that has a permanent seat in the United Nations Security Council and it is the only nuclear power in the EU. All three factors together explain France's different, more strategic perspective. Since two of the French papers were published by the Ministry of Defence, there is understandably a stronger focus on the security dimension. Moreover, this is the area where France has put most the effort over the last years, building up a strong network of bilateral security dialogues and cooperation with countries in the region (especially India, Australia and Japan), membership or observer status in regional organisations such as the IORA and participation in regional military exercises.

# Common interests and principles

All three countries have an inclusive approach to the Indo-Pacific. In contrast to the US FOIP, this also applies to China. None of the three adopted the 'free and open' rhetoric of the U.S. In this respect, the European approach is closest to the *ASEAN Outlook on the Indo-Pacific*, published in June 2019. Actually, the fact that ASEAN had, after some hesitation, adopted its own position on the Indo-Pacific might have made it easier for Germany and the Netherlands to overcome their reservations about using the term Indo-Pacific. <sup>20</sup>

There is fundamental agreement between France, Germany and the Netherlands when it comes to

<sup>16</sup> Policy Guidelines, p.8

<sup>17</sup> Unofficial English translation of the Dutch non-paper on the Indo-Pacific, p.2.

<sup>18</sup> The fact that France argues strongly from a national position might also be one of the reasons why the re-orientation and re-definition initially did not find a broad echo within the EU.

<sup>19</sup> Australia and India also don't speak of a "free and open" Indo-Pacific.

<sup>20</sup> See also Felix Heiduk, Nedim Sulejmanović, *Will the EU take view of the Indo-Pacific? Comparing France's and Germany's approaches*, Research Division Asia, Working Paper 2021/Nr. 1, January 2021, <a href="https://www.swp-berlin.org/fileadmin/contents/products/arbeitspapiere/WP\_EU\_Indopacific\_Heiduk\_Sulejmanovic.pdf">https://www.swp-berlin.org/fileadmin/contents/products/arbeitspapiere/WP\_EU\_Indopacific\_Heiduk\_Sulejmanovic.pdf</a>, p.18.

the assessment of the major trends in the Indo-Pacific and the importance of the region for Europe/the EU. They also share core objectives to be achieved: the goals of strengthening the role and profile of the EU (as well as their own, of course) and of preventing military conflict in the region. All three concur that a unipolar or bipolar regional order is definitely not in the European interest and that everything should be done to preserve a rules-based order where countries don't have to choose sides. They all want to strengthen partnerships with countries in the region beyond (but not excluding) China. ASEAN is attributed a central role as a partner for the EU in the region. and all three are committed to increasing their contributions to ASEAN-centred and other regional organisations. Contributing more to security and stability in the region is seen in the context of safeguarding the economic and political/strategic interests of the three countries and of the EU in general.

It is remarkable that cooperation with the US is hardly mentioned in any of the European papers - the focus is clearly on deepening relations with partners in a more narrowly defined Indo-Pacific space such as South Korea, Japan, Australia, New Zealand, India, some ASEAN members and with ASEAN as a whole. This can be explained by the fact that the growing strategic rivalry between the US and China is perceived with great concern by EU countries. In light of this great power competition and the Chinese perception of the Indo-Pacific as a US containment strategy against China, the explicitly China-inclusive approach of the Europeans to the region would have been less credible had the U.S. been given the role of a vital partner for Europe in the Indo-Pacific. Moreover, the French and German documents were published before the presidential election in the U.S. in 2021, so it was not clear at the time if there would be a second term for the Trump administration. Trump's re-election would have made a more confrontational stance between the U.S. and China more likely and would have made any prospect of transatlantic coordination and/ or cooperation in the Indo-Pacific almost impossible. Even with Trump's departure, a come-back of 'America first' with all negative implications for multilateral institutions in the future cannot be excluded. Consequently, the perspective presented in the European documents is one of smaller and medium powers which do not want to become a battleground and/or be forced to choose sides in the great power competition between the U.S. and China, and for this reason have the biggest stake

in a rules-based order rather than one based on might. Diversifying relations, deepening partnerships with other middle and small powers and reducing dependencies on China (economically) and on the U.S. (for security) are objectives that the EU and member states share with many countries in the region, even if this is not always articulated in clear terms.

# (National) Initiatives in comparison

Listing all the initiatives mentioned in the documents is beyond the scope of this paper. The three countries elaborate on what should be done by the EU and what they are prepared to do themselves, either nationally or in coalitions within the EU or in other contexts such as the UN and its organisations, the G7, G20 and the alliance for multilateralism. Many of the projects and initiatives are either already on the way or even have been recently accomplished, such as upgrading EU-ASEAN relations to a strategic partnership (the agreement was signed on December 1, 2020). The majority of commitments made at the respective national levels are about increasing or intensifying dialogue and cooperation with individual countries and ASEAN as well as with ASEAN-centred and other organisations in the Indo-Pacific. France (in 2006), the EU (in 2012) and Germany (in 2019) have already acceded to the ASEAN Treaty of Amity and Cooperation; the Netherlands plans to do so. The Asia-Europe Meeting (ASEM) is seen by all three countries as a venue to strengthen dialogue and cooperation with the Indo-Pacific.

Germany and the Netherlands, but not France, mention intensifying security cooperation through NATO's 'partnerships across the globe' with countries in the region (namely Australia, New Zealand, Japan and South Korea).

So far, France is the only country that has created a new ambassadorial position for the Indo-Pacific, appointing its then ambassador to Australia, Christophe Penot, in October 2020. This underlines the importance attributed to the region in France's foreign policy. It is expected that France will publish a more comprehensive strategy paper on the Indo-Pacific in the course of 2021.

One of the few really new projects mentioned in the German *Guidelines* is the establishment of a regional information centre in Singapore. (p.10, 17) The mandate of this centre – ostensibly countering disinformation in the Indo-Pacific in general or disinformation on Germany and the EU is not clear from the information currently available. Another new development, a few months after the publication of the *Guidelines*, was the announcement by the German defence minister in virtual meetings with her counterparts in Australia, Singapore and Japan that Germany planned to dispatch a frigate into the region in August 2021. Germany and Japan also held their first 2+2 meeting (foreign and defence ministers of both countries) in

# The EU moving toward a strategy for its engagement with the Indo-Pacific

April 2021.

To get the discussion on the Indo-Pacific at the EU level started, France, Germany and the Netherlands together prepared a non-paper on the Indo-Pacific in fall 2020. Their initiative found support from some of the other member states in the EU (among them Portugal, Poland, Italy, Sweden). It was first discussed on December 8, 2020 at the meeting of the Asia-Oceania Working Party (COASI). The debates on an EU position on the Indo-Pacific will continue in 2021 with the goal of coming to a consensus. Four areas in particular have been earmarked for EU focus in this context: trade, connectivity, maritime security and global issues such as climate change and biodiversity. While trade is a given, since free trade agreements can only be negotiated by the EU, for connectivity with Asia and for maritime security and climate change the EU has broad frameworks in place that could be modified to accommodate a shift of focus to the Indo-Pacific. In the meantime, the term Indo-Pacific has already found its way into the official language of the EU. The Joint Communication to the European Parliament, the European Council and the Council: A new EU-US agenda for global change in December 2020 includes the following paragraph:

Increased EU focus on the challenges and opportunities in the Indo-Pacific region will help deepen cooperation with like-minded partners in the region. Working closely with the US to align our strategic objectives and support democratic progress in Asia will be essential.<sup>21</sup>

In a blog published on March 12, 2021, High Representative of the EU for Foreign Affairs and Security Policy Josep Borrell signals that the EU is moving forward with its deliberations on the Indo-Pacific.<sup>22</sup> He briefly summarises the progress made in strengthening partnerships in Asia (beyond China) over the last years. He underlines the stake the EU has in the Indo-Pacific space and its interest in an 'open and rules-based' regional architecture. The common vision on the Indo-Pacific that the EU is developing emphasises areas of trade and investment, climate and biodiversity, emerging technologies and new security threats, states Borrell. India is assigned a pivotal role in the region and as a partner of the EU, including on connectivity.<sup>23</sup> Connectivity in general is highlighted as the field where the EU is already a super power and, due to its standard-setting power, can change the perception that it is only a payer and not a player.

The EU foreign ministers discussed the Indo-Pacific in mid-April 2021 and adopted a 10 page long document, Council Conclusions on an EU Strategy for cooperation in the Indo-Pacific.<sup>24</sup> It consists of seven points stating the objectives and principles of EU engagement with the region (points 1-5). The geographical definition is identical with the French understanding, covering the space from the east coast of Africa to the Pacific Island States (point 6). The EU is determined to 'reinforce its strategic focus, presence and actions in the Indo-Pacific with the aim of contributing to the stability, security, prosperity and sustainable development of the region, based on the promotion of democracy, rule of law, human rights and international law' (point 1). The main areas where new impetus will be provided are covered under point 6, again listing six broad topics, each specifying EU activities and initiatives: 1. working with partners in the region, 2. supporting the international community's global agenda, 3. advancing the EU's economic agenda and securing supply chains, 4. playing a stronger role in security and defence, 5. ensuring high quality connectivity, and

<sup>21</sup> European Commission, High Representative of the European Union for Foreign Affairs and Security Policy, *Joint Communication to the European Parliament, the European Council and the Council: A new EU-US agenda for global change*, Brussels, 2.12.2020, <a href="https://ec.europa.eu/info/sites/info/files/joint-communication-eu-us-agenda">https://ec.europa.eu/info/sites/info/files/joint-communication-eu-us-agenda</a> en.pdf.

<sup>22</sup> Josep Borrell: "The EU needs a strategic approach for the Indo-Pacific", March 12, 2021, https://eeas.europa.eu/headquarters/headquarters-homepage/94898/eu-needs-strategic-approach-indo-pacific\_en

<sup>23</sup> Borrell mentions the upcoming EU-India summit in Porto in May 2021, which will also be attended by the EU-27 heads of state/government, where it is hoped that a connectivity partnership will be signed (similar to the one between EU and Japan).

<sup>24</sup> Council of the European Union, Council Conclusions on an EU Strategy for cooperation in the Indo-Pacific, 16 April 2021 (7914/21), <a href="https://data.consilium.europa.eu/doc/document/ST-7914-2021-INIT/en/pdf">https://data.consilium.europa.eu/doc/document/ST-7914-2021-INIT/en/pdf</a>.

6. advancing collaboration in research, innovation and digitalisation. The final paragraph of the paper (point 7) tasks the High Representative and the Commission to draw up a Joint Communication on the topic until September 2021.

Overall, the Council Conclusions are basically in line with the three member states' papers, but with some nuances. The document shares the concerns about destabilising dynamics in the region. The explicitly inclusive approach is also adopted, and by declaring that the EU's strategy is 'pragmatic, flexible and multifaceted', it acknowledges the diversity of the region, where cooperation on specific issues can be based on shared values and principles or on mutual interests. It is underlined that the EU's engagement with the region should enhance its capability as a global actor and also reinforce strategic autonomy (while the U.S. or transatlantic cooperation is not mentioned). It is noteworthy that the part on the EU as a security actor in the region covers quite a specific agenda.25

# Challenges ahead

The political will of the three governments of France, Germany and the Netherlands to work with the support of other EU member states towards an EU positioning on the Indo-Pacific because of the growing economic and strategic importance of this region is reflected in all the documents issued so far. As Borrell's blog and the *Council Conclusions* demonstrate, the discussion within the EU on developing a strategy has been moving forward faster than expected by many observers.

One of the biggest challenges for any positioning on the Indo-Pacific remains the role of China in this context and Beijing's response. Despite the fact that all three European governments and the EU have stated in their documents that they pursue an inclusive approach to the region involving China as an important partner on issues like climate change and nuclear non-proliferation, it will be difficult to convince Beijing that the Indo-Pacific concept is not directed against China. After all, China's rise and growing assertiveness in its

neighbourhood and at the international level as a challenge to peace and stability in the region and to the rules-based order figure prominently in the European Indo-Pacific papers, and it will not be easy to navigate the three dimensions of the EU's China policy as outlined in the *Strategic Outlook* paper<sup>26</sup> – to deal with China as a partner, a competitor and a systemic rival –, be it for EU member states or for the EU as a whole. The agreement between the EU and the U.S. to establish a high-level dialogue on China and the inclusion of the Indo-Pacific in the new *US-EU agenda for global change* make it clear that there will be closer coordination with the new US administration.<sup>27</sup>

How to ensure coordination and cooperation with the UK in the region will also need to be addressed. The UK has formulated an ambitious agenda for the Indo-Pacific. It has already applied to become a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). It has also been pushing for a D-10, which would add three regional (democratic) countries to the G7: South Korea, Australia and India, and it plans to dispatch its new aircraft carrier to the region (joined by a Dutch frigate). Whether it will be possible to pursue a coordinated approach encompassing the UK, EU member states and the EU in the Indo-Pacific remains to be seen.

Finally, the comprehensiveness, especially of the German Guidelines, raises a long-standing guestion for the EU: how to prioritise objectives and goals, especially if hard choices have to be made? The biggest challenge for any vision or strategy vis-à-vis the Indo-Pacific, however, will be to fill the documents with life. This will require not only sustained political will, but also considerable financial, material and human resources to follow-up on the commitments made. It will, moreover, require the flexibility and pragmatism (as rightfully mentioned in the Council Conclusions) in a region as diverse as the Indo-Pacific, where shared geostrategic interests and concerns do not necessarily coincide with shared values across the board. Expectations have been created among the partners in the region and the EU and its members cannot afford to underperform.

<sup>25</sup> For a summary of the Council Conclusions see also Eva Pejsova, "The EU's Indo-Pacific Strategy in 10 Points", *The Diplomat*, April 20, 2021, <a href="https://thediplomat.com/2021/04/the-eus-indo-pacific-strategy-in-10-points/">https://thediplomat.com/2021/04/the-eus-indo-pacific-strategy-in-10-points/</a>.

<sup>26</sup> European Commission and HR/VP Contribution to the European Council, *EU-China – A strategic outlook*, March 12, 2019, <a href="https://ec.europa.eu/info/sites/info/files/communication-eu-china-a-strategic-outlook.pdf">https://ec.europa.eu/info/sites/info/files/communication-eu-china-a-strategic-outlook.pdf</a>.

<sup>27</sup> It came as no surprise that Chinese media insinuated that EU sanctions on several officials and entities in Xinjiang in March 2021 were in fact a result of US pressure. See GT staff reporters, "US pressure, value bias behind EU sanctions against China", *Global Times*, 17 March, 2021, <a href="https://www.globaltimes.cn/page/202103/1218728.shtml">https://www.globaltimes.cn/page/202103/1218728.shtml</a>.

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