EU foreign policy towards the BRICs and other emerging powers: objectives and strategies

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The Committee on Foreign Affairs adopted the report by Jacek SARYUSZ-WOLSKI (EPP, PL) on the EU foreign policy towards the BRICS and other emerging powers: objectives and strategies.

Members recall the growing political and economic relevance of Brazil, Russia, India, China and South Africa (the BRICS) entails an increased relevance of these countries in foreign policy terms. Seven emerging countries (Brazil, Russia, India, China, Indonesia, Mexico and Turkey) are projected to have larger economies than, collectively, the G-7 countries (USA, Japan, Canada, United Kingdom, Germany, France and Italy) in 2050. In terms of gross domestic product, China is projected to become the world's largest economy before 2020 and in 2050, China, the USA and India could together represent 50% of the world's economy.

Members stress that with the process of consolidation of strong economic and foreign policy powers such as the BRICS, a **multi-polar system has emerged**, where global leadership is increasingly shared amongst several countries and regional blocs of countries, this may entail a progressive shift in global economic power to the BRICS and other emerging economies and may further entail a shift of leadership and positive leverage in foreign policy terms from established powers to emerging powers.

The report stresses how the current economic crisis has demonstrated the **interdependence between the emerged powers and the BRICS and other emerging countries**. It points to the deep,mutual link between stable economic growth of developed economies and stable economic growth of emerging economies. It believes that further political dialogue and understanding with the BRICS and other emerging countries, including on an **individual basis**, should thus be pursued by the EU and its Member States in a spirit of partnership and with the overall aim of achieving an inclusive new system of governance, based on shared responsibility, common approaches and more closely coordinated actions.

Political aspect of relations with the BRICS: Members believe that relations between, on the one hand, the established powers and, on the other, the BRICS and other emerging powers maintain a relevant economic dimension, but are essentially political and should thus be **politically framed**, as all the countries concerned share an interest in ensuring an effective system of global governance and in tackling together, global stability and security risks. Political systems vary from strong authoritarian regimes to credible and stable democracies. They call, in this respect, on the EU to step up relations and develop synergies, in particular, with those BRICS that genuinely share and respect democratic values and strive for a social market economy.

Towards global governance: the report points to the need to develop an **inclusive system of global governance**, based on cooperation and coordination with the BRICS and other emerging countries, as appropriate, for the benefit of all. Members take the view that the EU should act more strategically so as to bring Europe's true weight to bear internationally, in particular by managing the implications of interdependence, instigating reforms of global governance, and mobilising collective action in areas such as the rule of law, sustainable environment and regional security.

Members welcome the concept of **bilateral strategic partnerships** and urge the Council and the EEAS to operationalise it. They recommend that this instrument be used by the EU to pursue both multilateral and bilateral agendas and to develop meaningful linkages between the two. They note that in the past the BRICS have appeared to coordinate their stances in foreign policy terms in the UN Security Council in

certain instances, most notably at the onset of the Libyan and Syrian crises and, additionally, by deferring the vote on the role of the EU in the UNGA and by adopting coinciding positions on Côte d'Ivoire and Sudan. A true partnership may bring to the fore positive synergies and facilitate a new inclusive system of global governance.

Country-by country relationships: Members believe that, in light of their political and economic interests and their scale, regional role and aspirations, the BRICS may attempt to act as a group in foreign policy terms, but acknowledges that **individual dimensions** are also relevant. They consider, in this connection, that besides focusing on the BRICS as a potentially cohesive group of States in foreign policy terms, the EU should focus also on the BRICS on a country-by-country basis, whilst maintaining a systemic and coordinated approach. They believe further that the considerable divergences in the political and economic systems, demographic and social trends, and foreign policy outlooks of the BRICS should inform, and be reflected in, a nuanced EU policy towards these countries aimed at creating synergies with individual BRICS countries and other emerging countries and at discouraging the creation or consolidation of potentially cohesive alternative groups of States in foreign policy terms.

Bilateral dialogues: Members take the view that relations with the BRICS countries should be built upon bilateral dialogues focusing on and fostering further democratisation and the consolidation of the rule of law, good governance, regulatory convergence, coordination of common positions in international fora and intensified relations with the EU. The report focuses on the relations to be established with each of the countries:

- **Brazil**: Members welcome the renewed EU-Brazil Strategic Partnership Joint Action Plan 2012-2014, and the mutual commitments made in the areas of democracy promotion and reforms of the multilateral system of governance. They express support for a balanced and fair conclusion of the Doha Development Agenda and the EU-MERCOSUR Association Agreement, which will be the most important association agreement ever signed by the EU, encompassing 750 million people and trade worth USD 125 billion a year.
- **Russia**: Members highlight the indispensable role of the EU-Russia strategic partnership in maintaining peace and security in Europe. This cooperation is vital for progress on issues of global importance, such as nuclear proliferation, terrorism, climate change or illegal migration.
- **India**: the report highlights the importance and potential of the EU-India strategic partnership. It states that in the current global economic crisis, issues such as the social crisis, climate change, migration flows and global security should be addressed in a more comprehensive partnership between India and the EU. Members want to go beyond bilateral agreements on trade issues.
- **China**: Members underscore the importance of China as a major economic power and highlight its essential role in global economic recovery. However, it is called upon to meet its agreed WTO obligations and tackle common challenges and threats to international peace and security, in particular through improved cooperation on a diplomatic solution to Iran's nuclear crisis. An EU-China strategic partnership should also be implemented.
- **South-Africa**: Members urge the EU and South Africa to conclude, as soon as possible, negotiations on a new Economic and Partnership Agreement. They contend that South Africa can be a major force in promoting democracy and good governance, fostering regional economic integration, and supporting national reconciliation across Africa, and a key partner for the EU in these efforts.

G-20: Members believe that the G-20 could prove a useful and particularly appropriate forum for consensus building and for a decision-making process which is inclusive. They support the G-20 parliamentary dimension and believe that it should be further consolidated and involved in the decision-making processes to ensure reinforced democratic dialogue and scrutiny. They also support the creation of a parallel G-20 consultative forum bringing together non-governmental organisations and leading

representatives of civil society and business from G-20 states. They believe that the current sovereign debt crisis will be an important test for the G-20 as an effective forum for strategic political dialogue able to promote a truly global system of economic and financial governance.

Regional organisations and transatlantic relations: Members consider that the emerged powers should support regional organisations which include the BRICS and other emerging countries, such as ASEAN or Mercosur. Both the USA and the EU may progressively shift their primary attention, political investment and resources to the Pacific and perceive the North Atlantic dimension and mutual cooperation as less strategic. The report calls for more coordination of the US and EU policies towards China, India and other emerging countries in Asia in order to avoid a decoupling of such policies. It recalls that transatlantic relations are of utmost importance both economically and politically and stresses the mutual strong economic relationship between the US and the EU. Members believe that, with a view to achieving a coherent policy stance towards the BRICS and other emerging powers, it is of fundamental importance that Member States develop their bilateral relations with maximum transparency and bearing in mind the potential impact of such relations on EU policies and stances.

Strengthen the EU's position on the international scene: Members believe that the EU should strive to achieve more political and economic cohesion and growth in order to maintain political leverage and a key role in the **multipolar system** that is taking shape and be perceived as a necessary valuable counterpart by the BRICS and the new emerging countries.

They stress that the overall coordination of EU foreign policy towards the BRICS and other emerging powers should be ensured by the High Representative of the Union for Foreign Affairs and Security Policy /Vice-President of the Commission in accordance with Articles 18(4) and 21(3) TEU. They believe that the EU should strive to achieve a better linking of foreign and security policy with EU sectoral policies, such as development, energy security, trade, access to raw materials and rare earths, climate change and migration, with a view to exploiting synergies and ensuring a coherent and systemic foreign policy approach. Members take the view that a coherent foreign policy approach at EU level also entails enhanced coordination between the President of the European Council, the High Representative, the Council, Parliament and the Commission on issues related to the agendas of the G-7, G-8 and G-20. In this context, Members stress the role to be played by the **EEAS** and state that it should establish an *ad hoc* coordinating mechanism to ensure that all individual policies towards the BRICS are compatible from a systemic point of view and that the policy lines adopted are reflected in the EU dialogue with emerged powers such as the USA, Canada and Japan. Moreover, the **EU delegations** in BRICS countries should analyse the positions of BRICS countries on governance and global challenges and on relations with other BRICS countries.

Members believe that the staff of EU Delegations in BRICS countries should include Parliament liaison officers in order to foster a greater understanding of the national parliamentary dimension in each of those countries.

Democratic scrutiny: Members believe that, with a view to ensuring effective democratic scrutiny of EU policy-making towards the BRICS and other emerging countries, and in order to facilitate an enhanced interparliamentary dialogue with such countries, relevant Parliament staff should develop specialised competence and thus have appropriate analytical tools and monitoring capacity and be able to assist Members in promoting effective dialogue.

Budgetary issues: Members welcome the Commission Communication on 'A Budget for Europe 2020', which draws up a proposal for the design of financial instruments and programmes under the next Multiannual Financial Framework 2014-2020. They underlinethat the new partnership instrument aimed at supporting EU political and economic interests in the rest of the world and including non-ODA-eligible activities should be a foreign policy instrument. They take the view, however, that provision should also be made for **additional resources** supporting democratisation, the consolidation of the rule of law, better

education and the reduction of social disparities. These resources should give particular relevance to ad hoc financing lines supporting emerging powers and potentially emerging powers in consolidating democratic structures and developing good governance and the rule of law. Lastly, they welcome the proposal by the Commission to include the principle of conditionality in all EU programmes and instruments.