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**JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT AND THE
COUNCIL**

The EU strategy for cooperation in the Indo-Pacific

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THE EU STRATEGY FOR COOPERATION IN THE INDO-PACIFIC

INTRODUCTION

The Indo-Pacific – a vast region spanning from the east coast of Africa to the Pacific Island States – is increasingly strategically significant for Europe. The region’s growing economic, demographic, and political weight makes it a key player in shaping the international order and in addressing global challenges. The **EU intends to increase its engagement with the region** to build partnerships that reinforce the rules-based international order, address global challenges, and lay the foundations for a rapid, just and sustainable economic recovery that creates long-term prosperity. This engagement will be based on promoting democracy, the rule of law, human rights, and universally agreed commitments such as the 2030 Agenda and its Sustainable Development Goals, and the Paris Agreement on Climate Change.

Building on EU Member States’ renewed commitment to the region in the Council Conclusions of 19 April 2021, this Joint Communication sets out the EU Strategy for Cooperation in the Indo-Pacific by:

- Outlining the EU’s rationale for strengthening its engagement in the Indo-Pacific;
- Presenting the EU’s principles guiding its engagement with the Indo-Pacific;
- Setting out the EU’s approach to partnership and cooperation in the region, and
- Detailing how the EU will pursue this vision in cooperation with partners.

1. THE EU’S RATIONALE: A STRONG BASIS FOR A MUTUALLY BENEFICIAL RELATIONSHIP

The futures of the EU and the Indo-Pacific are inextricably linked given the interdependence of the economies and the common global challenges. The region includes seven G20 members - Australia, China, India, Indonesia, Japan, the Republic of Korea and the Republic of South Africa - as well as the Association of Southeast Asian Nations (ASEAN), an increasingly important partner for the EU. The region is home to three-fifths of the world’s population, produces 60% of global GDP, contributed two-thirds of pre-pandemic global economic growth and is at the forefront of the digital economy. The EU outermost regions and overseas countries and territories, constitutionally linked to its Member States¹, are an important part of the EU’s approach to the Indo-Pacific.

The EU and the Indo-Pacific are natural partner regions in terms of trade and investment. The EU is the top investor, the leading provider of development cooperation, and one of the biggest trading partners in the Indo-Pacific region. Together, the Indo-Pacific and Europe account for over 70% of the global trade in goods and services, and over 60% of foreign direct investment flows. Trade exchanges between the Indo-Pacific and Europe are higher than between any other geographical regions in the world, with annual trade reaching EUR 1.5 trillion in 2019. The region is the second largest destination of EU exports and is home to

¹ La Réunion, Mayotte; French Southern and Antarctic Territories, New Caledonia, Wallis-and-Futuna, French Polynesia

four of the EU's ten biggest trading partners. The region hosts **major waterways** that are of vital importance to EU trade, including the Malacca Straits, the South China Sea, and the Bab el-Mandeb Strait.

The Indo-Pacific is both an important source of global environmental challenges as well as a potential beneficiary of their remedies. The share of the region in global carbon dioxide emissions has grown from 37% to 57% since 2000 and the region will account for more than 70% of growth in global energy demand by 2030. Climate change is expected to further increase pressure on marine biodiversity, natural resources and fish stocks, leading to changes in ecosystem dynamics. The Indo-Pacific region includes a number of marine biodiversity hotspots, such as the Coral Triangle which accounts for 76% of the world's coral species and sustains 120 million people living in the area. The South China Sea alone accounts for around 12% of the global fish catch and hosts more than half of the world's fishing vessels. Therefore, the region is vital for mitigating climate change and protecting our planet's delicate ecological balance.

In recent years, **geopolitical dynamics** in the Indo-Pacific have given rise to **intense competition**, including tensions around contested territories and maritime zones. There has been a significant **military build-up**, including by China, with the Indo-Pacific's share of global military spending increasing from 20% of the world total in 2009 to 28% in 2019. The display of force and increasing tensions in regional hotspots such as in the South and East China Sea and in the Taiwan Strait may have a direct impact on European security and prosperity. There is also an increase in hybrid threats, including on cyber security.

Democratic principles and human rights are also under threat from authoritarian regimes in the region, putting the region's stability at risk. Similarly, efforts to establish a global level playing-field based on transparent trade rules are increasingly undermined by unfair trade practices and economic coercion. These developments increase tensions in trade, supply and value chains. The COVID 19 pandemic has tested the resilience of economies, further exposed the interdependence of EU and Indo-Pacific partners, and highlighted that both gain resilience from open, diversified and undistorted access to world markets. Finally, the ongoing crisis in Afghanistan also demonstrates the direct impact that events in the region have on Europe's security.

In light of these factors, it is essential for the EU to **reinforce cooperation with Indo-Pacific partners**, including in bilateral, regional and multilateral contexts, and to promote the rules-based international order and access to open markets and ensure a stable trading environment. This will entail a further deepening and diversification of trade and investment ties and collaboration to help accelerate the green and digital transitions. This engagement should contribute to strengthening Europe's strategic reach and security and to securing the resilience of its supply chains.

2. THE EU'S VISION: PRINCIPLES OF ENGAGEMENT WITH INDO-PACIFIC PARTNERS

The EU's engagement with the Indo-Pacific region will be **principled and long-term**. It will seek to:

- Solidify and defend the rules-based international order, by promoting inclusive and effective multilateral cooperation based on shared values and principles, including a commitment to respecting democracy, human rights and the rule of law.
- Promote a level playing field and an open and fair environment for trade and investment.
- Contribute to achieving the Sustainable Development Goals (SDGs), to addressing climate change and environmental degradation on land and in the ocean, and to supporting sustainable and inclusive socio-economic development.
- Engage in bilateral and multilateral cooperation with partners to meet the objectives of the Paris Agreement on Climate Change and the Convention on Biological Diversity (CBD)
- Pursue its long-standing multilateral and regional cooperation with the United Nations and Bretton Woods Institutions, as well as regional organisations such as ASEAN and the African Union in the Western Indian Ocean.
- Support truly inclusive policy-making and cooperation, where the voices of civil society, the private sector, social partners and other key stakeholders count.
- Establish mutually supportive trade and economic relations with the region that foster inclusive economic growth and stability, and promote and facilitate connectivity.
- Engage in the region as a partner in our efforts to raise awareness on the impact of global demographic trends.

The EU will remain a consistent defender of **human rights and democracy** and continue to use all tools at its disposal: political and human rights dialogues and consultations, trade preferences and the mainstreaming of human rights considerations in all EU policies and programmes. The EU will continue to use its restrictive measures (sanctions) regime against individuals, entities and bodies responsible for, involved in, or associated with serious human rights violations and abuses worldwide. In international fora, the EU will work with like-minded Indo-Pacific partners to push back any initiative that undermines the human rights enshrined in customary international law and in international human rights instruments.

As a priority, the EU will continue supporting women's and girls' full enjoyment of human rights and gender equality, empowering them for active involvement in civic and political decision-making, and working towards eliminating all forms of violence against them. The EU will also continue to support steps to combat all forms of discrimination², the rights of ethnic and religious minorities, and to advocate the abolition of the death penalty that remains on the books in several Indo-Pacific countries. The EU will also promote decent work and respect of international labour standards of the ILO, with a view to eliminate child labour and forced labour in global supply chains.

Finally, the EU will continue to promote compliance with International Humanitarian Law. It will continue to advocate humanitarian access and to provide life-saving assistance to people in need. The EU will support durable solutions to large-scale and protracted refugee situations, like Afghanistan and the Rohingya crisis.

3. PARTNERSHIP AND COOPERATION

² Including on grounds of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

The EU's relations with the Indo-Pacific region are based on historic, cultural and commercial ties, and decades of significant cooperation and assistance. In this context the EU will:

- Deepen its engagement and reinforce its role as a reliable partner bringing added value to long-standing relations with all its partners in the region.³
- Reinforce cooperation with multilateral and regional organisations such as ASEAN, as well as international financial institutions to promote effective rules-based multilateralism in the Indo-Pacific region.
- Undertake crisis management, conflict prevention and resilience building initiatives.
- Work together with Member States through a Team Europe approach with concrete initiatives at country and regional levels.

The EU has bilateral Partnership and Cooperation Agreements (PCAs) with many of its partners in the region, and has finalised negotiations for a new Partnership Agreement with the African, Caribbean, and Pacific (ACP) countries. It intends to conclude new PCAs with Thailand and Malaysia and to start PCA negotiations with the Maldives in the near future. The EU will also aim to deepen its engagement with **partners that already have Indo-Pacific approaches** of their own - ASEAN, Australia, India, Japan, New Zealand, the Republic of Korea, the United Kingdom and the United States. The EU would also be interested in engaging with the QUAD⁴ on issues of common interest such as climate change, technology or vaccines.

The EU will also pursue its multifaceted engagement with **China**⁵, engaging bilaterally to promote solutions to common challenges, cooperating on issues of common interest and encouraging China to play its part in a peaceful and thriving Indo-Pacific region. At the same time, and working with international partners who share similar concerns, the EU will continue to protect its essential interests and promote its values while pushing back where fundamental disagreements exist with China, such as on human rights.

The EU intends to strengthen partnerships with all relevant actors in the Indo-Pacific, taking into consideration sub-regional dynamics and specificities.

The Indian Ocean: a gateway for Europe into the Indo-Pacific

The Indian Ocean is the principal passage for Europe to and from Indo-Pacific markets. Stability and freedom of navigation in this area are therefore vital. The EU is committed to supporting its partners in the Indian Ocean in dealing with the various challenges they face such as the intensifying effects of climate change, marine pollution and biodiversity loss or illegal, unreported and unregulated (IUU) fishing activities. To do so, the EU can already rely on a **strong network of partnerships**⁶.

³ See, inter alia, *Council Conclusions on an EU Strategy for Cooperation in the Indo-Pacific (19 April 2021)*, *Joint Communication towards a Comprehensive Strategy with Africa (9 March 2020)* *Council Conclusions "The Horn of Africa: a geo-strategic priority for the EU (10 May 2020)*, *The EU's Strategy for Connecting Europe and Asia* and the *Council Conclusions on Enhancing the EU's Security Cooperation in and with Asia*.

⁴ The QUAD is a quadrilateral security dialogue between Australia, India, Japan and the United States.

⁵ Joint Communication: EU-China; a Strategic Outlook, 12 March 2019,

⁶ Examples of such partnerships include the African Union (AU), the Indian Ocean Commission, the Indian Ocean Rim Association, and the Southern African Development Community (SADC), the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Intergovernmental Authority on Development and the South Asian Association for Regional Cooperation.

The EU will work towards becoming a Regional Economic Communities partner, help efforts to strengthen the Indian Ocean Commission, continue to implement its Economic Partnership Agreements with its African partners in the region, and work towards a new Economic Partnership Agreement (EPA) with the East Africa Community.

The Centrality of ASEAN

The EU and ASEAN have developed a dynamic, multifaceted partnership over more than 40 years. This strategic partnership covers political, security, economic, environmental, climate and socio-cultural issues as well as connectivity⁷.

The EU appreciates ASEAN's commitment to effective multilateralism and supports the **principle of ASEAN centrality**, its efforts to build a rules-based regional architecture, and the multilateral anchor that it provides. The EU also supports the ASEAN-led process towards an effective, substantive and legally binding Code of Conduct in the South China Sea, which should not prejudice the interests of third parties. EU-ASEAN cooperation also covers a wide range of security issues, including through the ASEAN Regional Forum (ARF).

Cooperation with partners in the Pacific

The EU has a **long term partnership with the Pacific region**, which it seeks to reinforce through the Partnership Agreement with the Organisation of African, Caribbean and Pacific states that will succeed the Cotonou Agreement. Together with the EU's Economic Partnership Agreement with Pacific States, it will provide the basis for stronger political and strategic engagement based on common values and objectives.

In addition to its ACP partnerships, the EU maintains close relations and political dialogue with all **Pacific Island States** and cooperates closely with the Pacific Islands Forum, the Pacific Community and other members of the Council of Regional Organisations of the Pacific.

4. OUR PURSUIT OF THE VISION: SEVEN PRIORITY AREAS

In the wake of the COVID-19 crisis, the EU will focus on creating the conditions for a sustainable and inclusive socio-economic recovery and will work actively with its partners in the following seven areas:

- Sustainable and inclusive prosperity;
- Green transition;
- Ocean governance;
- Digital governance and partnerships;
- Connectivity;
- Security and defence;
- Human security.

⁷ <https://www.consilium.europa.eu/nl/press/press-releases/2020/12/01/eu-asean-joint-ministerial-statement-on-connectivity/>

4.1 SUSTAINABLE AND INCLUSIVE PROSPERITY

The COVID-19 pandemic has tested the resilience of societies, economies and supply chains. The EU and the Indo-Pacific region need to cooperate to “build back better”. The **13th ASEM (Asia-Europe) Summit** to be held on 25-26 November 2021 will aim to propel the recovery in a green and sustainable manner. It will be bolstered by multilateral cooperation at the G20 level, and supplemented by bilateral macroeconomic dialogues with G20 regional partners. The EU will also seek to develop exchanges on macroeconomic issues with partners such as Indonesia and the ASEAN+3 Macroeconomic Research Office.

Resilient and Diversified Value Chains

Resilient value chains are essential for the recovery. The EU will work with its Indo-Pacific partners to reinforce value chains by strengthening and diversifying trade relations, implementing existing **trade agreements**, finalising ongoing trade **negotiations** and developing cooperation in strategic sectors, including to address strategic dependencies in supply chains. For semiconductors, for example, it will do so with partners such as Japan, the Republic of Korea and Taiwan. The EU will also cooperate with partners to strengthen rules to protect international trade against unfair practices, such as industrial subsidies, economic coercion, forced technology transfers and intellectual property theft.

Decent work deficits and violations of fundamental labour rights will need to be addressed to make supply chains more sustainable and responsible. As a champion of **responsible business conduct**, the EU will aim to create a critical mass of countries supporting environmental, human and labour rights, due diligence and best practices.⁸ Bilateral and multilateral efforts will be accompanied by EU initiatives under the European Green Deal to ensure responsible business conduct and support the fight against deforestation and biodiversity loss. The EU will also continue to promote the integration of developing and least-developed countries into regional and global value chains.

In order to reduce technical barriers to trade, the EU will work with likeminded Indo-Pacific partners on standard setting and other regulatory priorities, in compliance with WTO principles. The EU will also initiate regulatory cooperation in areas to support the green and digital transitions, as for example the EU and India agreed to do in May 2021.

In light of the fundamental role of the transport sector in securing **resilient supply chains** and promoting a **green socio-economic recovery**, a key objective of the EU will be to ensure the resilience of the Indo-Pacific region’s transport systems against future crises. Cooperation to maintain and ensure **maritime security and freedom of navigation**, in accordance with international law and in particular the United Nations Convention on the Law of the Sea (UNCLOS), will be essential.

Building Blocks of our Trade Relationship

⁸ Upcoming EU legislation on this issue will create the need to scale up the EU’s “Responsible Supply Chains in Asia” project with China, Japan, Myanmar, the Philippines, Thailand and Vietnam. The EU and the UN are working with India, Indonesia, Malaysia, Myanmar, Sri Lanka and Thailand to promote the uptake of the UN Guiding Principles on Business and Human Rights in Asia.

The EU is committed to further engagement on open, sustainable and rules-based trade with partners in the Indo-Pacific region, including on building support for the modernization of the World Trade Organisation. Particular attention will be paid to implementing and enforcing the comprehensive **trade agreements** with Japan, the Republic of Korea, Singapore and Vietnam, and the Economic Partnership Agreement (EPA) with the Pacific States⁹, as well as the EU investment protection agreements with Singapore and Vietnam that are expected to enter into force in the coming years.

Progress in ratifying the Comprehensive Agreement on Investment (CAI), on which negotiations were concluded with China at the end of 2020, is in the EU's and China's mutual interest.

The EU will aim to conclude **trade agreements** with Australia and New Zealand, continue to work towards an agreement with Indonesia as well as an Economic Partnership Agreement with the East Africa Community. In May 2021, the EU and India agreed to resume trade negotiations and to launch negotiations for a separate investment protection agreement and for an agreement on geographical indications. Once concluded, these agreements will considerably enhance the EU-India trade and investment relationship. The EU will also pursue its deep trade and investment relationships with partners with whom it does not have trade and investment agreements, such as Taiwan.

In addition, the EU remains interested in further engaging with ASEAN and its member states, including through the possible resumption of trade negotiations with Malaysia, the Philippines and Thailand, once the conditions are right, and by the eventual negotiation of a region-to-region trade agreement.

Several Indo-Pacific countries benefit from EU tariff preferences under the **Generalised Scheme of Preferences (GSP)**, facilitating access to EU markets. While the least developed countries in the region benefit from the duty-free, quota-free *Everything But Arms* arrangement¹⁰, Pakistan, the Philippines and Sri Lanka gain from the incentive arrangement for sustainable development and good governance (GSP+). These instruments have contributed considerably to the economic development of these countries, their respect for human and labour rights, and the protection of environment and improvements in governance.

4.2 GREEN TRANSITION

EU action in the Indo-Pacific is based on a long-term plan to work with partners to fight, mitigate and adapt to **climate change** and to counter biodiversity loss, pollution and other forms of environmental degradation. This will be achieved by tackling the drivers of these phenomena and by moving to a more circular economy.

As part of the strategy, the EU will:

⁹ The coverage of the existing EPA with the Pacific Island States (Papua New Guinea, Fiji, Samoa and Solomon Islands) is likely to extend to new members (Tonga, Timor-Leste and possibly Kiribati, Tuvalu and Vanuatu), and its scope is likely to be deepened to services and investment.

¹⁰ All countries categorised as Least Developed Countries by the UN qualify for the "Everything but Arms" scheme. In the Indo-Pacific region this concerns inter alia Bangladesh, Cambodia, Djibouti, Laos, Madagascar, Mozambique.

- Conclude **Green Alliances**¹¹ with like-minded partners that have signed up to the goal of climate neutrality by 2050 and other ambitious climate and environmental objectives. The first such alliance was agreed with Japan in May 2021. The EU will also build **Green Partnerships** with other partners.
- Continue to use the **International Platform on Sustainable Finance**¹² to share best practices and seek common ground with like-minded partners on approaches and tools.
- **Engage with the largest emitting countries** or regional organisations that can play a decisive role in fighting climate change and promoting the global green transition.
- Continue to prioritise the transition away from coal in bilateral and multilateral engagements and international fora, including ending new coal investments, phase-out of unabated coal-fired power generation and coal mining, and engage on just transition with the partners in the region.
- Step up its work with the region to **protect biodiversity** and restore degraded ecosystems on land and in the oceans. This will include work with key partners on an ambitious post-2020 Global Biodiversity Framework.
- Cooperate to create the conditions for more circular-production models, more resilient supply chains between the EU and the region, and more responsible resource extraction
- Promote deforestation-free supply chains.
- Continue to promote enhanced regional and global action to tackle plastic pollution¹³, notably by cooperating with ASEAN, Japan and China.
- Continue high-level dialogues and other forms of engagement on environment in the region notably with ASEAN, Australia, China, India, Indonesia, Japan, Republic of Korea, South Africa and other partners showing interest.

The Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe¹⁴, has increased the spending target for actions focusing on fighting climate change to 30%. Around 35% of the **Horizon Europe** research programme will also be dedicated to climate action, offering significant cooperation opportunities for EU and Indo-Pacific partners to address climate change and biodiversity loss.

Clean Energy and Transport

In this area, the EU intends to focus on:

- Mobilising energy dialogues, partnerships, and financial instruments for sustainable, secure and affordable energy.¹⁵
- Prioritising a just transition towards a decarbonised, integrated energy system that takes into account and mitigates the impact on more vulnerable countries and regions.

¹¹ Green Alliances and Partnerships https://ec.europa.eu/international-partnerships/topics/green-deal_en

¹² Platform on Sustainable Finance https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/overview-sustainable-finance/platform-sustainable-finance_en

¹³ Notably through the Re-thinking Plastics project

¹⁴ Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe.

¹⁵ Existing partnerships include projects such as the Turkmenistan–Afghanistan–Pakistan–India TAPI Pipeline and the Central Asia–South Asia CASA1000 energy project.

- Continuing cooperation with Indo-Pacific partners on R&D on clean energy technology, including renewable hydrogen as a priority area, to enable a faster, cheaper and more efficient energy transition.¹⁶
- Boosting cooperation under the Global Covenant of Mayors for Climate and Energy, focusing on cities as drivers of climate action and clean energy transition, in order to double the number of signatories in the region (nearly 300 cities by 2023).
- Implementing its *Sustainable and Smart Mobility Strategy* to address the issues of decarbonisation and digitalisation with Indo-Pacific partners and at the International Civil Aviation Organisation (ICAO) and the International Maritime Organisation.
- Continuing its engagement with several Indo-Pacific economies on **digitalisation of transport**, as well as in the **rail sector**, in particular with regard to the deployment of the European Rail Traffic Management System.

4.3 OCEAN GOVERNANCE

The EU will take forward action to strengthening ocean governance in the Indo-Pacific in full compliance with international law, in particular UNCLOS, and with the main objective to ensure the sustainable management of the ocean's resources and safeguarding biodiversity.¹⁷ Through its various Sustainable Fisheries Partnership Agreements in the region¹⁸ and its dialogues and working groups¹⁹ on Illegal, Unreported and Unregulated (IUU) fishing, the EU will continue supporting Indo-Pacific partners in achieving reforms of fisheries management and control systems. This should improve fisheries compliance, and contribute to the conservation and sustainable management of marine biological resources across the region.

As the largest export market for seafood products from the Indo-Pacific region, the EU is an active member of several Regional Fisheries Management Organisations²⁰ which play a fundamental role in the sustainable management of fisheries resources. The EU also intends to become a member of the North Pacific Fisheries Commission. The EU will continue its efforts to increase the performance of these bodies and engage with like-minded partners within the RFMOs in the Indo-Pacific region to support them in delivering sustainable fisheries.

In addition, the EU will:

- Help broker agreement at the Commission for the Conservation of Antarctic Marine Living Resources on the designation of three new Maritime Protected Areas (MPAs) in the Southern Ocean.
- Build capacity for better ocean governance by creating an international marine data network and a regional ocean forecasting system.
- Continue engaging with the region to promote better regional ocean governance, pollution prevention and marine conservation, notably by supporting the

¹⁶ The 2015 Mission Innovation (MI) framework has stimulated investments of over \$4.9 billion in clean energy innovation per year and over 70 new collaborations over the past 5 years, now focusing on innovation on shipping, hydrogen and power.

¹⁷ In line with the Joint Communication on International Ocean Governance JOIN(2016) 49 final

¹⁸ Cook Islands, Kiribati, Federated States of Micronesia, Solomon Islands, Madagascar, Mauritius, Mozambique and Seychelles. Discussions with other partners in the region will be pursued.

¹⁹ with Taiwan, Thailand, China, Thailand, Ghana, Korea, the US and Japan.

²⁰ The Indian Ocean Tuna Commission, the Southern Indian Ocean Fisheries Organisation, the Western and Central Pacific Fisheries Commission and the South Pacific Regional Fisheries Management Organisation.

implementation of relevant Regional Seas Conventions and Action Plans. The effective management of Marine Protected Areas will be ensured through initiatives like the EU-South East Asia twinning project.

- Continue its high-level dialogues on ocean affairs and fisheries with Australia, Indonesia, Japan, New Zealand as well as “Ocean Partnership” with China.
- Continue to play a key role as a **global maritime security provider** (see section 4.6).
- Promote living and working conditions of fishers in accordance with the labour standards of the ILO.

4.4 DIGITAL GOVERNANCE AND PARTNERSHIPS

In line with the Communication 2030 Digital Compass: the European way for the Digital Decade²¹, the EU will seek to enhance its international **digital partnerships** in the Indo-Pacific region and set up new ones. These partnerships aim to enhance technical, policy and research cooperation with partners on infrastructures, digital transformation of business and public services, and skills development, also with a view to facilitating digital trade. They will allow the EU and like-minded partners to ensure the development of standards for emerging technologies, including in areas like artificial intelligence, in line with democratic principles and fundamental rights. They will be underpinned by a toolbox, drawing on regulatory cooperation, capacity building and skills, and investment in international cooperation and research partnerships.

In the most advanced cases, the EU will seek to formalise such partnerships through **Digital Partnership Agreements** to be negotiated with like-minded partners in the Indo-Pacific. Such agreements would expand the bilateral trade and investment relationship by enhancing cooperation on and interoperability of standards for emerging technologies, such as Artificial Intelligence, based on democratic principles and fundamental rights, building more resilient technology supply chains, supporting values-based innovation and facilitating business opportunities for start-ups and SMEs. They would enable deepened cooperation on data governance, trusted flows and data-based innovation. They would complement ongoing negotiations on e-commerce within the World Trade Organisation on specific issues that are relevant for the facilitation of digital trade. At an initial stage, the EU proposes to explore the launch of negotiations with **Japan**²², **Republic of Korea** and **Singapore**.

The digital partnership between the EU and **India** was strengthened in May 2021 with an agreement to deepen cooperation on emerging technologies, ranging from Artificial Intelligence to High Performance Computing and from Quantum Technologies to secure 5G technology and public sector digitalisation.

In the years ahead, the EU will enhance its cooperation with ASEAN by supporting the **ASEAN Digital Masterplan 2025**. The EU is considering proposing an EU-ASEAN approach covering digital connectivity and science, research, technology and investment in innovation.

²¹ 2030 Digital Compass: the European way for the Digital Decade: [Digital decade \(europa.eu\)](https://europa.eu)

²² At the Summit held in May 2021, the EU and Japan set out to strengthen their Digital Partnership by agreeing to a cooperation roadmap for expanding cooperation on 6G, standardisation, Artificial Intelligence, block chain, quantum technology or cyber security, as well as to cooperate towards more resilient supply chains for semiconductors, and to explore cooperation on innovation in advanced semiconductors

The EU will also continue its engagement in the region to promote convergence between **data protection** regimes to ensure safe and free data flows, both within the region and beyond, including with the EU. This includes actively engaging with key partners to reach an “**adequacy finding**”, where the conditions are met. This has already yielded results, such as the creation of the world’s largest area of free and safe data flows between the EU and **Japan** in 2019 and the conclusion of adequacy talks with the **Republic of Korea** in 2021. In addition, important work is ongoing with **New Zealand** to ensure the continuity of the adequacy decision adopted under the EU’s previous data protection regime. Other partners such as **India, Indonesia, Sri Lanka, Taiwan and Thailand** have adopted, or are putting in place, modern data protection laws. This could possibly pave the way for future adequacy talks. The EU is also stepping up its dialogue with regional organisations and networks such as **ASEAN** that are playing an increasing role in shaping common data protection standards.

Research and Innovation

International cooperation on research and innovation is crucial for the green and digital transitions and for promoting growth, prosperity and social well-being. Cooperation with partners in the Indo-Pacific will be promoted under ‘**Horizon Europe**’, in line with the EU’s Global Approach²³ to Research and Innovation. It will be based on the principle of openness, balanced with greater levels of reciprocity and seeking a level-playing field based on respect for fundamental principles such as academic freedom, gender equality, ethics, integrity and inclusiveness of research, open science and evidence-based policy-making.

The Horizon Europe programme offers the possibility for partners sharing common values to become **associated**, in order enable more systemic joint Research and Innovation opportunities. Informal discussions have started with Australia, Japan, the Republic of Korea, New Zealand and Singapore. The EU will also continue to promote cooperation in **human capital development**, including training and **mobility of researchers** through the Marie Skłodowska-Curie Actions programme. Scientific cooperation and development of collaborative regional activities is also part of the EU-ASEAN partnership.

Education

EU investments in education will be increased to at least 10% of the Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe²⁴ with a view to strengthening education systems. The recent Team Europe pledge of EUR 1.7 billion to the Global Partnership on Education will translate into increased funding for primary and secondary education, as well as Technical and Vocational Education and Training.

The new **Erasmus+ programme** will also provide continued opportunities for **academic exchanges** of students and teachers between the Indo-Pacific region and Europe, in key policy areas linked to the green and digital transitions in particular.²⁵

²³ Global Approach to International Cooperation on Research and Innovation

²⁴ Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe

²⁵ Over the 2014-2020 period, Erasmus+ allowed more than 18 000 exchanges of students and teachers between the Indo-Pacific region and Europe, with two thirds of the beneficiaries coming from the Indo-Pacific region to Europe.

4.5 CONNECTIVITY

The EU will aim to promote all dimensions of connectivity with Indo-Pacific partners. The principles of the EU's approach²⁶ (sustainable, comprehensive and rules-based) are a core part of this Indo-Pacific Strategy.

Full partnership between the EU and its Member States will be crucial in developing this cooperation. The EU will promote investments in digitalisation and better connect Europe to its partners in the Indo-Pacific, including by means of Team Europe initiatives and in line with the March 2021 EU Declaration on "European Data Gateways"²⁷. This will be achieved in part by helping partners to put in place a **regulatory and policy environment** that will attract private and public investment, level the playing field, ensure the fulfilment of sustainability criteria and the adoption of international standards and principles.

Mobilising private investment will need to involve Member States' public banks and export credit agencies, in partnership with the EU's private sector and EU institutions. Where appropriate, and in addition to the Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe, complementarity will be sought with other EU instruments such as 'Connecting Europe Facility', 'Horizon Europe' or InvestEU, along with resources and technical assistance from the European Investment Bank, the European Bank for Reconstruction and Development and International Financial Institutions.

The EU's first two "**Connectivity Partners**", Japan and India, are core Indo-Pacific partners, as is **ASEAN**, with which the EU agreed a joint Ministerial Declaration on Connectivity in December 2020. The EU will seek to collaborate with these partners on joint projects, while seeking increased collaboration with other regional partners such as Australia and the Republic of Korea as well as with international actors such as the United States and Canada, both multilaterally (G7/G20) and bilaterally. The conclusion of the negotiations on the **ASEAN-EU Comprehensive Air Transport Agreement (CATA)**, the first such region-to-region agreement, encompassing 37 countries, shows the EU's determination to deepen connectivity with this region.

The EU will further:

- strengthen relations at the highest technical level through its **Transport Dialogues** with partners in the region, such as ASEAN, Singapore and Japan, and shortly with the Republic of Korea and Australia;
- continue to fund sector-specific technical cooperation such as Aviation Partnerships with a number of Asian regions;
- Continue the EU bilateral maritime transport and security dialogues with strategic partners.
- Pursue space dialogues, including a security component where appropriate, and establish new exchanges with partners in the region.

Further efforts will be made to engage on connectivity with partners and regional organisations in East Africa and the Western Indian Ocean, to ensure greater alignment with

²⁶ As set out in the 2018 Communication on EU-Asia Connectivity.

²⁷ European Data Gateways Declaration: [digital day 2021 data gateways declaration E5DAD6A3-ECB7-0A42-CB1F162C9F47AC25_74941 \(3\).pdf](#)

infrastructure priorities endorsed by the African Union for 2021-2030. The Pacific Community should also benefit from closer ties. The EU will seek complementarity with existing regional initiatives in South Asia.²⁸ More broadly, the EU will seek synergies on north-south links in the region, and will continue to participate in the ASEM sustainable connectivity framework.

4.6 SECURITY AND DEFENCE

The EU seeks to promote an open and rules-based regional security architecture, including secure sea lines of communication, capacity-building and enhanced naval presence in the Indo-Pacific in accordance with the legal framework established by the UNCLOS.

The EU and the Indo-Pacific partners face increasingly similar security challenges and threats.²⁹ The EU has expanded its security engagement with partners by deploying overseas missions and operations in the framework of the Common Security and Defence Policy (CSDP) including, in 2005, a civilian mission to monitor the Aceh Peace Process in Indonesia, which was conducted with five ASEAN partners: Malaysia, Thailand, Brunei, Singapore and the Philippines. The EU currently has **18 civilian and military missions** worldwide, including the EU naval operation **EUNAVFOR Somalia - Operation Atalanta** in the Indian Ocean, as well as **EUTM Mozambique**.

Naval Presence

Over the past year, EU Naval Force Somalia (EU NAVFOR) – Operation Atalanta conducted successful **joint naval activities** with Indo-Pacific partners, including Japan, Pakistan, India and Djibouti. The EU will seek to conduct **more joint exercises and port calls** with Indo-Pacific partners, including multilateral exercises, to fight piracy and protect freedom of navigation while reinforcing EU naval diplomacy in the region.

Given the importance of a meaningful European naval presence in the Indo-Pacific, the EU will explore ways to ensure enhanced **naval deployments** by its Member States in the region. Taking into account the lessons learned from the first assessment of the EU **Coordinated Maritime Presences (CMP) concept**³⁰, the EU will assess the opportunity of establishing **Maritime Areas of Interest in the Indo-Pacific** and engage with partners in the region, including by exploring the possibility for them to be associated with this initiative.

Maritime Security Capacity-Building

The EU will continue to implement its programme to promote Regional Maritime Security for the partners of the Western Indian Ocean, and also seek to **extend its Critical Maritime Routes in the Indian Ocean (CRIMARIO) capacity-building project to the Southern Pacific**, and increase synergies with likeminded partners. It will build maritime capacity against drug trafficking, human trafficking and wildlife crime, and also illicit financial flows

²⁸ Including the South Asia Regional Infrastructure Connectivity Initiative, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, and the Coalition for Development of Resilient Infrastructure.

²⁹ May 2018 Council conclusions on the Enhanced EU Security Cooperation in and with Asia.

³⁰ <https://www.consilium.europa.eu/en/press/press-releases/2021/01/25/gulf-of-guinea-council-conclusions-launching-the-pilot-case-for-the-coordinated-maritime-presences-concept/>

linked to terrorism. The EU will also encourage the consolidation of information-sharing mechanisms through **information fusion centres**, including through the Indo-Pacific Regional Information Sharing (IORIS) platform.

Broadening our Partnerships

The EU will seek to play a stronger role in the **ASEAN security architecture** and participate in the **ASEAN Defence Ministers Meeting Plus (ADMM+) structures and the East Asia Summit**. In addition, the EU will step up its engagement in other fora, such as the Indian Ocean Naval Symposium.

The EU will intensify its **dialogues** with partners on security and defence, including counter-terrorism, cybersecurity, non-proliferation and disarmament, space and maritime security dialogues. In this context, it is deploying **military advisors** to EU Delegations in the region (to date to China and Indonesia). The EU will establish an EU Cyber Diplomacy Network, working with the EU Delegations, as well as with relevant Member States' embassies around the world.

The EU will also step up activities with partners under the project **Enhancing Security Cooperation in and with Asia (ESIWA)**, which covers counter-terrorism, cybersecurity, maritime security and crisis management. The pilot partners are India, Indonesia, Japan, the Republic of Korea, Singapore and Vietnam, with EU military experts already operating in Indonesia and in Vietnam.

Indo-Pacific partners have already contributed to EU CSDP missions and operations for **peace and stability**. The EU has concluded **Framework Participation Agreements** with Australia, the Republic of Korea, New Zealand and Vietnam. The EU will encourage greater participation of Indo-Pacific partners in CSDP missions and operations, seek to conclude Framework Participation Agreements with other Indo-Pacific partners, and, in addition, support Indo-Pacific partners' efforts to develop their own peacekeeping capacity.

New Security Challenges

On cybersecurity, the EU will strengthen capacity-building for partners to tackle cybercrime, making use of existing standards and cooperation mechanisms (namely the Council of Europe "Budapest Convention" on cybercrime), and to increase cyber-resilience. **On counter-terrorism**, it will take action to empower communities to counter violent extremism. The EU will also promote cooperation between Europol and law-enforcement agencies of partners.

The EU will cooperate with partners on **nuclear safety and non-proliferation of nuclear, chemical and biological weapons**. It will support the implementation and universalisation of the **Arms Trade Treaty**, and seek to develop multilateral initiatives on **arm export control and dual use export control** with likeminded partners. The EU Chemical, Biological, Radiological and Nuclear (CBRN) Risk Mitigation Centres of Excellence Initiative (EU CBRN CoE), has been cooperating with ASEAN countries since 2010. It will continue to

support partners and regions in strengthening CBRN risk mitigation and all-hazards security governance, following a voluntary and demand-driven approach³¹.

The EU will help combat foreign **information manipulation and interference** by state and non-state actors in the Indo-Pacific region through new tools aimed at identifying, analysing, assessing, countering and imposing costs on information manipulation. It will expand expert networks in the region, share information and experience with likeminded partners, and raise awareness of information manipulation and interference. Action in this field will include support for independent content for media outlets. This will help foster a pluralistic and fact-based information environment, reduce dependence on state-controlled foreign outlets, and counter their impact.

4.7 HUMAN SECURITY

Health

The COVID-19 pandemic has revealed, worldwide, the weaknesses of healthcare systems, of epidemic response mechanisms and of research and manufacturing capacities in the field of viral diseases and vaccines. **Health has therefore become a key focus of our cooperation with many partners in the Indo-Pacific region.** The EU adopted two major regional programmes in 2020 to assist our partners in coping with the sanitary impact of the pandemic.

The EU will continue to work with all Indo-Pacific partners to ensure an effective multilateral response to the **COVID-19 and future global health crisis**. This would encompass:

- Helping low and middle-income Indo-Pacific partners to secure **access to the COVID-19 vaccine** through the **COVAX facility** and through other means. The EU has supported many countries in the region³² by providing personal and medical equipment, medicines and health expertise. India will be a focus for cooperation, including on the quality of active pharmaceutical ingredients. The future EU Health emergency and preparedness response authority will cooperate closely with global partners to address international supply chains and expand global production capacity and access to medical countermeasures
- Enhanced multilateral cooperation in line with the EU Pharmaceutical Strategy to secure **safe and diverse pharmaceutical and health-related industrial supply chains**, to facilitate access to quality medicines and health products.
- Collaborative research for combating communicable diseases and improving access to medicines and health treatments. Under the ‘**Horizon Europe**’ research programme, Indo-Pacific partners will be able to take part in EU-funded Research and Innovation actions.

³¹ https://europa.eu/cbrn-risk-mitigation/index_en

³² Afghanistan, Bangladesh, Bhutan, Cambodia, Fiji, India, Indonesia, Kiribati, Lao People’s Democratic Republic, Maldives, Mongolia, Nepal, Pakistan, Papua New Guinea, the Philippines, Samoa, Solomon Islands, Sri Lanka, Timor-Leste, Tonga, Tuvalu, Vanuatu and Vietnam

- Connecting interested countries that have put in place interoperable COVID-19 certificate systems to **the EU Digital COVID Certificate**. The EU has made the technical specifications as well as underlying software publicly available in open source format.
- Supporting transformation towards healthy and sustainable **food systems**. The EU aims to enhance cooperation on its Farm to Fork and Biodiversity Strategies with like-minded partners. The EU intends to establish dialogues on sustainable food systems with interested Indo-Pacific partners (some of which are planning their own sustainability policies and programmes) or enter into bilateral and multilateral arrangements with a view to support collaboration on food safety, animal and plant health and sustainability.
- Working together to fight air pollution, especially in urban centres.

Reinforcing the EU's disaster risk reduction and preparedness engagement

The Indo-Pacific region is highly exposed to natural and human-induced disasters. Climate change not only amplifies this exposure, but is also a threat multiplier that complicates and prolongs conflict situations, thus increasing humanitarian needs. In particular, anticipatory approaches to humanitarian action and early warning systems can help bolster the resilience of communities in vulnerable regions. The EU will use its Chairmanship of the Platform on Disaster Displacement in 2022 to promote global efforts to protect people displaced by disasters and climate change in the Indo-Pacific.

For the last 25 years, the EU has been working with actors in the region on disaster preparedness and response - including Afghanistan, Pakistan, Iran, Mozambique, Bangladesh, Myanmar, Philippines, Nepal and some ASEAN countries most affected by natural and human-induced disasters. The EU has provided relief items or emergency teams in response to emergencies or disasters and will continue to support disaster management capacity building with organisations like the ASEAN Coordinating Centre for Humanitarian Assistance (**AHA Centre**). Actions in the context of the Coalition for Disaster Resilient Infrastructure will also be considered.

The European Global Navigation Satellite system will offer a new service to broadcast alert messages using the Galileo infrastructure. Collaboration is ongoing with Japan towards a common emergency message format. The EU's Copernicus Emergency Management Service continues to assist relief effort of Indo-Pacific countries and provides early warning and monitoring information on floods, droughts and forest fires.

5. IMPLEMENTING THE AGENDA: KEY ACTIONS

The EU will mainstream this strategy into existing dialogues with its regional and multilateral partners, and coordinate approaches to the Indo-Pacific with EU Member States. Its implementation will be enhanced by summits, ministerial meetings, dialogues and future agreements with partners in the region. The European Parliament will be kept fully informed.

The implementation of the Strategy will be financed from a number of sources – including the Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe, – in accordance with its scope. The EU will maximise the impact of its budget by implementing guarantees and blended finance instruments supported by the European Fund for Sustainable Development “Plus” to ensure broad-based mobilisation of

development finance, including from the private sector, in cooperation with European and international financial institutions.

Highlights of proposed EU actions:

- *Engaging with Indo-Pacific partners to build more resilient and sustainable global **value chains** by diversifying trade and economic relations, and by developing **technological standards and regulations** that are in line with our values and principles.*
- *Completing **EU trade negotiations** with Australia, Indonesia and New Zealand; resuming trade negotiations and starting investment negotiations with India; completing an Economic Partnership Agreement with the East Africa Community; assessing the possible resumption of trade negotiations with Malaysia, the Philippines and Thailand, and the eventual negotiation of a region-to-region trade agreement with ASEAN.*
- *Concluding **Partnership and Cooperation Agreements (PCA)** with Malaysia and Thailand; starting PCA negotiations with the Maldives, and bringing the EU's upcoming Partnership Agreement with the African, Caribbean, and Pacific (ACP) to full fruition.*
- *Concluding **Green Alliances and Partnerships** with willing and ambitious Indo-Pacific partners to fight against climate change and environmental degradation.*
- *Strengthening ocean governance in the region, including increasing the EU's support for Indo-Pacific countries' **fisheries management** and control systems, the **fight against IUU fishing** and the implementation of Sustainable Fisheries Partnership Agreements.*
- *Expanding the network of **digital partnerships** with Indo-Pacific partners, as well as exploring the possibility of new Digital Partnership Agreements.*
- *Stepping up implementation of the Connectivity Partnerships with Japan and India; supporting partners in establishing an appropriate regulatory environment and facilitating the mobilisation of the necessary funding to improve **connectivity** on the ground between Europe and the Indo-Pacific.*
- *Strengthen cooperation on research and innovation under '**Horizon Europe**'; explore the association to this programme of eligible likeminded Indo-Pacific partners such as Australia, Japan, Republic of Korea, New Zealand and Singapore.*
- *Exploring ways to ensure enhanced **naval deployments** by EU Member States to help protect the sea lines of communication and freedom of navigation in the Indo-Pacific while boosting Indo-Pacific partners' capacity to ensure **maritime security**.*
- *Reinforcing **support to healthcare systems and pandemic** preparedness for the least-developed countries in the Indo-Pacific region, enhancing collaborative research on communicable diseases in the context of the Horizon Europe research programme.*

The Commission and the High Representative invite the European Parliament and the Council to endorse the approach set out in this Joint Communication and to work together on the implementation of its actions and their review.
