



FUTURE OF EUROPE OBSERVER

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New transatlantic initiatives are desperately needed especially after the precipitous withdrawal of the West from Afghanistan which has been a severe blow to the credibility of the European Union and the United States. This issue of the Future of Europe Observer illuminates some lesser known fields of cooperation in which joint efforts by Brussels and Washington can make a positive difference.

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Future of Europe Observer

accompanies the debate on governance and regulation in the European Union. Authors are ZEI Scholars, Master of European Studies Fellows and Alumni.

Rethinking progress: universalism under pressure and ongoing transatlantic pragmatism

The defeat of the West and the new takeover of Afghanistan by the Taliban did not come as a surprise. The swift power shift and the iconic fall of Kabul within hours on the 15th of August 2021 ended a failed Western mission of twenty years. The cause was without doubt: After the horror of 9/11 and the inhuman terror attacks on the United States the leader of Al Qaeda had to be found. The initial Western military operation was consistent. Those had to be punished who allowed Bin Laden to operate from their soil. The Taliban regime was toppled and Afghanistan re-stabilized with the help of ISAF. Inconsistencies followed: Those protecting Bin Laden in neighboring Pakistan were never brought to justice. The original ISAF mission was prolonged beyond logic, creating and protecting a semi-Western elite in Kabul, gripped by corruption. The naive idea to impose modernization from above with the help of a powerful external military force clashed with the realities of a highly conservative Muslim society shaped by clans, conflicts and rural poverty. Whoever has seen these realities, as I did, understands why Afghanistan has always defeated external invaders since centuries. The future of Afghanistan is sad and grim.

The West is shattered. A honest assessment will have to go deeper than all political blame-games and self-imposed guilt-hype. It

has to address philosophical issues. The West needs to re-assess the notion of progress which has become more ambivalent than ever. The Western concept of universal norms is dramatically clashing with the counter-universalism of radical political Islam, the seedbed for contemporary totalitarianism. The challenge will remain big for a long time, in Afghanistan, in many Muslim societies and in Western societies, too. The West needs to combine realism with modesty, values with interests.

At the heart of the West are the democracies of Europe and North America. The European Union and the United States of America remain partners in leadership. More than ever they are facing the limits of their global power and the limits of their norms. Cultural counter-universalism represented by political Islam and conflicting political systems represented by China or Russia require new answers. Nevertheless: The pragmatic transatlantic agenda continues on a daily basis. Cooperation with the US remains essential for a sovereign Europe. This “Future of Europe Observer” offers insights and reflections on ongoing transatlantic issues contributed by alumni and partners from our ZEI network.

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How the Biden Administration can ease tensions around the Northern Ireland Protocol

Following the Brexit referendum in June 2016, concerns were immediately raised over the status of the border in Ireland and the continued existence of the fragile peace in Northern Ireland. From an early stage, officials from Ireland, the UK and the EU sought to prevent a hard border in Ireland from becoming reality and potentially heralding a return to the dark days of the “Troubles” from the late 1960s to the 1990s. However, given Prime Minister Theresa May’s wish for the UK to leave the single market and customs union, finding an ideal solution to the problem was made far more complicated than originally anticipated.

Several proposals were made to accommodate May’s wishes, including a “backstop” which would see Northern Ireland remain in the single market. However, this was met with fierce resistance by the Democratic Unionist Party, Northern Ireland’s largest unionist party which voted with May’s Conservatives to keep her in power. Following three defeats to the proposed deal, May resigned and Boris Johnson took over the role of Prime Minister. Under his leadership, and without the support of the DUP, the final Withdrawal Agreement with the EU was reached in 2019, including the Northern Ireland Protocol which would see Northern Ireland adopt single market rules on goods and remain a point of entry into the single market.

Of note during this process was the almost complete lack of input or comment from the United States, even as the global superpower’s closest allies engaged in bitter negotiations on their future relationship following Brexit. Instead, the Trump Administration often conducted a crude form of transactional politics with NATO allies by threatening to withdraw US troops from Europe if they did not increase their military budgets or curtail their economic relationship with Russia. Unionists in Northern Ireland have reacted to the passage of the Withdrawal Agreement with anger and have rejected the de facto customs border across the Irish Sea. Unionist ministers in Northern Ireland have been slow to implement key components of the agreement, including the construction of customs infrastructure in ports and the recruitment of customs officials. Officials who have been hired have often been subject to campaigns of intimidation by loyalist extremists and, in one shocking incident, a port worker was forced to relocate after receiving death threats from a loyalist paramilitary member.

In addition to reluctance by officials to implement the agreement, unionists have staged frequent protests against the Northern Ireland Protocol. In late March 2021, protests against the Protocol quickly devolved into rioting across several cities including Derry and Belfast which lasted for several weeks. This resulted in

dozens of police officers being injured and several small businesses being damaged and vandalised. In contrast to the apparent lack of interest from the Trump Administration, President Biden took the step of joining Irish Taoiseach Micheál Martin and British Prime Minister Boris Johnson in expressing concern over the violence being committed by loyalists and calling for calm. While a seemingly small gesture, this was nevertheless a departure from the previous administration, and sent a signal to Johnson’s government that the US was keeping a close eye on events in Northern Ireland.

Biden’s interest in preserving the peace in Northern Ireland stems partly from his Irish ancestry. In addition, he had close connections to the Clinton Administration who played an instrumental role facilitating the negotiations which resulted in the Belfast Agreement (or Good Friday Agreement) being reached in 1998. Further, the Biden Administration’s relationship with the EU is in stark contrast to its predecessor, with Trump often lashing out against key allies as described previously. Trump was also indifferent to the EU and promised an ambitious trade deal with the UK if it followed through on its promise to exit from the Single Market and Customs Union.

In many ways, it is difficult for outside actors, even those as powerful as the United States, to influence negotiations between the EU and the UK. Both sides must consider their own long term interests and, at present, the interests of the UK and EU appear to conflict with each other at a fundamental level. On the one hand, the EU considers the integrity of the Single Market to be of utmost importance. On the other hand, Eurosceptic British leaders have railed at the idea of any trade barriers existing between Great Britain and Northern Ireland as parts of the United Kingdom, even given Northern Ireland’s unique geographical position and the fact that the Withdrawal Agreement has already been signed into British law.

A clear sign of the increasing tensions can be observed by reading the op-eds that key political figures in both sides have published in recent times. Both pieces from the EU and UK perspectives blame the other side for causing problems in the implementation of the Northern Ireland Protocol. Nonetheless, there are options available to President Biden to keep the Withdrawal Agreement and the Northern Ireland Protocol alive, even as the British government continues to drag its feet in its implementation. Given the US’ influence in the UK, Biden can make public comments concerning events in Ireland as well as the relationship between the UK and EU. This would place a degree of pressure on Boris Johnson’s government to adhere to the conditions of the Withdrawal Agreement.

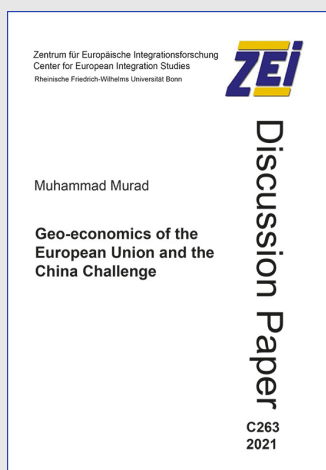
Biden has already made moves in this regard. In addition to the comments he made in response to loyalist violence earlier this year, Biden has also pressed Prime Minister Boris Johnson to return to the negotiating table with the EU to find a solution to the problems related to the implementation of the Northern Ireland Protocol. However, the US should also consider enticing the UK by offering to renew trade talks with its closest ally. This would be a welcome development in Britain, especially as the UK seeks to forge new trade relations globally after its exit from the single market.

In addition, the EU has repeatedly threatened to take legal action against the UK over its reluctance to fully implement the Northern Ireland Protocol. While this is a viable legal strategy, it has not helped to reduce tensions with the UK. Negotiations continue to take place, but Commissioner Maroš Šefčovič has expressed frustration at the lack of progress made. This is a chance for the Biden Administration to help both sides find creative solutions to the impasse within the mechanisms of the Withdrawal Agreement, perhaps including an agreed-upon alignment of regulatory standards and certain limited extensions of grace periods in exchange for speedier and more rigorous enforcement mechanisms going forward.

Just as the US played an important role in the Northern Ireland peace process through its appointment of special envoys George Mitchell and later Richard

ZEI Discussion Paper C 263/2021

This paper by Muhammad Murad discusses the European Union's geo-economics and its China challenge. The EU holds immense importance not only as a major geopolitical but also as a geo-economic player. As an ethical normative power and a torchbearer of multilateralism, the EU follows a rule-based strategy in its geo-economics. However, the EU is prone to challenges from China mainly in three geo-economic instruments namely; trade policy, investment policy and cybersecurity.



Haass, a similar approach may be warranted in ensuring smoother negotiations between the United States' closest allies. While the UK and EU may reject the idea, the Biden Administration can still make its voice heard through existing mechanisms, namely through its Special Envoy for Northern Ireland. The position will first need to be filled as it has been vacant since January 2021 following the riots at the US Capitol. Following this, the envoy can provide guidance and reasoned opinions on the state of the peace process in Northern Ireland and serve as a neutral observer in negotiations between the EU and UK in matters related to the Northern Ireland Protocol of the Withdrawal Agreement.

For its part, the UK has sought to present its own side of the story to the US by appointing Trevor Ringland, a well-known unionist figure, as Northern Ireland Special Envoy to the United States. This move has angered nationalists in Northern Ireland, who condemned Ringland's appointment as a unilateral move by the British government without consulting or seeking approval from the Northern Ireland Assembly. Nevertheless, the potential exists for Ringland and the Biden Administration to form close links and give impetus to EU-UK negotiations on finding arrangements within the Withdrawal Agreement.

In summary, the Biden Administration can pursue a three-pronged approach which involves putting pressure on the UK to follow its commitments as outlined in the Withdrawal Agreement, providing opportunities for further trade talks and playing a mediating role in negotiations between the UK and EU to help find creative solutions to the problems with implementing the Withdrawal Agreement without devolving into blaming and finger-pointing. These options are not guaranteed to ensure the success of EU-UK negotiations on the Protocol's implementation. However, a new approach is clearly needed, and an opportunity exists for the Biden Administration to help negotiations follow a smoother path.

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How to Better Include the Western Balkans Region in the Transatlantic Alliance

Since the end of the Cold War, which saw the bloody dissolution of Yugoslavia, the United States and the European Union have in many ways been active in the Western Balkans, seeking to pacify and stabilize the region and guide it towards liberal democracy via the process of euro-atlantic integration. In this regard, the transatlantic alliance has made significant strides.

The Dayton Accords, concluded in 1995, delivered more than 25 years of peace in Bosnia, albeit not a very functional political system. As a leading former Yugoslav republic in the transitional process, Slovenia first became a NATO and then an EU member in 2004. In 2009, Albania and Croatia joined NATO, with the latter becoming an EU member state four years later. Despite former U.S. President Donald Trump's aversion or at best indifference towards NATO, two more countries from the Western Balkans region became members of the most powerful military-political alliance in the world during his time in office – Montenegro in 2017 and North Macedonia in 2020.

All members of Western Balkans are formally committed to membership in the EU. With the exception of Serbia, which opted for a policy of military neutrality, all of them are either members of NATO or have the goal of joining the alliance. Nevertheless, the process of euro-atlantic integration of the Western Balkans is far from being complete and the region itself is rife with a series of issues and challenges such as bad governance, economic impoverishment, territorial disputes and rising influence of external actors such as China and Russia.

Considering the fact that President Joe Biden, a self-proclaimed transatlanticist committed to revitalizing the transatlantic alliance after four years of neglect by Trump, has become the new occupant of the White House, the prospect for a more coordinated and uniform approach between the U.S. and the EU towards the Western Balkans region is greater than during the previous American administration. The U.S. and the EU should not hesitate to take advantage of this window of opportunity to advance their common interests and values in the Western Balkans and bring it closer to the transatlantic community.

Firstly, regarding the dispute between North Macedonia (NM) and Bulgaria, the U.S. and the EU should make it clear that an agreement between NM and Bulgaria should not constitute a necessary condition for the start of accession talks with NM and its membership status in the EU. Tolerance and the absence of action with regard to the decision of Bulgaria to block the start of accession talks with NM risks having a negative effect on the integration process and aspirations

of the rest of the Western Balkans region. Therefore, it would be strategically wise for the EU to rally behind the Biden administration's intention to use sanctions for pressuring Bulgaria to abandon its sabotaging attempts against North Macedonia's advancement to the next stage of EU accession. By signing the Prespa agreement in 2018, which led the way to the successful resolution of the name dispute with Greece, and by joining NATO in 2020, the political leadership in Skopje has shown that it is strongly committed to bringing its country closer to the transatlantic alliance. Denying it the opportunity to start the accession talks with the European Union would be a hard blow to an already eroding euro-optimistic sentiment not just in NM but in the Western Balkans as a whole.

When it comes to the dispute between Belgrade and Pristina over the issue of the status of Kosovo, the U.S. and the EU should work more on encouraging and facilitating cultural dialogue as well as communication between the two sides. This should be followed by initiatives aimed at increasing economic integration in order to live up to the Washington Agreement, which represented a commendable step in the direction of greater economic interconnectedness and was concluded during the last year of the Trump presidency. By signing that agreement, Kosovo has, among other things, agreed to join the "Mini Schengen"-initiative, aimed at deepening regional economic integration. It was initiated by local political actors, specifically by the President of Serbia and the Prime Ministers of Albania and NM. However, it is likely that it will not be successful if it does not include all members of the "Western Balkans 6" (WB6). That is why it should be a key goal for the transatlantic community to persuade and encourage other members of the WB6 to join this initiative. For this to happen, not only diplomatic but also economic support is needed: through greater investments and cheap loans aimed at strengthening economic and especially infrastructural links in the region.

In the end though, the U.S. and the EU should practice patience and should not expect the Kosovo issue to be resolved anytime soon. The longevity and durability of this issue, which is now more than 10 years old with no mutually acceptable solution in sight, means that the U.S. and the EU should pay more attention to the **reform process in which Belgrade and Pristina are engaged**, but which has been marginalized in favor of stability and the **resolution of the Kosovo issue**. The former and the latter are in a way connected, as reaching an agreement on the status of Kosovo would release political energy and attention on both sides and in the EU for the process of nurturing greater regional cooperation, mobility and integration. The problem is



Former EU Commissioner Christos Stylianides has been appointed as Greece’s first minister for Climate Crisis and Civil Protection. In his visit to ZEI, the former EU Commissioner spoke to ZEI students (“Class of 2020”) and alumni about EU crisis management on the Union’s territory and in the world. On top of it, the former Commissioner put forward a ZEI Discussion Paper on European Emergency Coordination.

that the EU and the U.S. have given too much political weight to the Kosovo issue as compared to combating corruption and strengthening the rule of law. They should avoid treating the reform process and the resolution of the Kosovo issue as a zero sum game, in which one goal has to be sacrificed for the accomplishment of the other. Instead, stable and incremental progress can be made on both fronts.

Along with the issue of Kosovo, integrating Bosnia internally and into the transatlantic community is a burning question and one of the biggest challenges to the regional stability and security of the Western Balkans. As mentioned before, the Dayton Accords ensured more than two decades of peace and relative stability in this country but failed to deliver good and effective governance, which further erodes the legitimacy of its federal state institutions in the eyes of Bosnian Croats and Bosnian Serbs, who already have separatist tendencies. The political structure of Bosnia needs to be redefined, but this will be a difficult endeavor for the transatlantic community, which should nevertheless look for ways to enhance communication and cooperation and build trust between the three constituent peoples of Bosnia. One of the platforms that can bring closer not only the citizens of Bosnia but also all nations from the Western Balkans is the Regional Youth Cooperation Office (RYCO). RYCO is an intergovernmental organization

established by the “Western Balkans 6”, which aims to promote the spirit of reconciliation and cooperation between the youth in the region through supporting and funding projects. RYCO is one of the most concrete and visible outcomes of the Berlin Process.

Finally, the region of the Western Balkans increasingly looks like a geopolitical battleground between several major actors on the world stage, such as the U.S., the EU, China and Russia. China has economically penetrated the region via the Belt and Road Initiative (BRI) which brought significant geopolitical gains along with its mask and vaccine diplomacy during the COVID-19 pandemic, especially in Serbia. To counter and curb the rising influence of China in the Western Balkans, the EU and the U.S. should seek to launch their own version of the BRI. Leaving the region “in the cold”, which exposes it to greater influence from other external actors, such as Russia or China, would do nothing but harm to the interest of a transatlantic community. One way to safeguard and advance euro-atlantic goals would be a reengagement with a region that is losing hope in its European future due to the stagnating European integration process and the enlargement fatigue of the EU itself.

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Reviving the EU-US Trans-Atlantic Relations: An African Perspective

European – American relations have been the bedrock of the “liberal international order” which in many ways has created the post 1945 global governance architecture that is still operational and holding the world together. This Trans-Atlantic alliance has sought tirelessly to promote a number of principles and practices that sort of have universal claims. On one hand, these norms and principles include: a belief in the universal equality of individuals characterized by freedom, rule of law, and human rights, self-determination of states, multilateralism (which includes pooling and delegating authority), noninterference in internal affairs of states, the peaceful resolution of disputes, collective security, free movement of goods and capital as well as the liberal democratic polity and economy. On the other hand, the liberal international order emerged from colonial and imperial relations and contained inescapable tensions among the very underlying principles it espoused and its corresponding state practices.(Kundnani 2017) That said, it is in Africa’s interest that this very important relationship is revived, stays strong together, and is able to guide the world effectively and successfully through geopolitical and geoeconomic threats.

This commentary uses the three components of the liberal international order namely political liberalism, economic liberalism and liberal internationalism to frame and highlight one key change that needs to be made under each component to undermine common threats and reform the global order to fully include Africa and its citizens. So that it truly represents the ‘globality’ that a revived EU-US alliance seeks to spearhead. It argues that a politically liberal “open and rule-based international order” that is “enshrined in institutions such as the United Nations and norms such as multilateralism”(Ikenberry 2011, p. 56) must build mutual trust through a polycentric approach to global policy making. An economic liberal order that reforms the global financial architecture and makes it fit for purpose in dealing with the financing needs of Africa. Lastly, a liberal internationalism that is composed of a regionally balanced and representative UN Security Council that every nation respects and is able to rapidly deploy global public goods when required.

Political Order: Building mutual trust via a polycentric approach to global policy

Trust has been absent in the prevailing global governance system, especially in policy negotiations and in solving global collective action problems. This can be seen in the stalemate of the Joint Comprehensive Plan of Action (JCPOA), flip-flopping of the US regarding the Paris Climate Deal, Covid-19 Pandemic and vaccine nationalism, and the sudden and uncoordinated withdrawal from Afghanistan but to mention a few.

These instances may cause irreparable reputational damage and stall communication eventually affecting trust-building and cooperation in global governance. Trust is not equal to blind faith, where parties simply come to the table and ‘do the right things’ according to someone’s moral compass. Rather, trust is earned by mutual commitments that are not overly costly to monitor (Ostrom, Gardner and Walker 1994). Perhaps a more ‘polycentric’ approach to global public policy making and governance might improve and consolidate gains in trust-building and cooperation. This could be a new path a revived EU-US alliance could help chart in the global community as the first adherents.

The polycentric approach to governance and policy-making is a central pillar of the ‘Bloomington School of political economy’.(Aligică and Boettke 2009) An approach that was advanced and promoted by the late Elinor Ostrom to a diverse set of governance challenges but actually pioneered by her husband Vincent Ostrom (Ostrom, Tiebout and Warren 1961). The polycentric approach is based on a principle of subsidiarity meant to provide a polycentric architecture in which different and competing governance units are coordinating under an overarching system of rules and mechanisms in a transnational way. Instead of a monocentric hierarchical structure where governmental units at higher levels produce all collective choice decisions, and units at lower levels simply adhere to commands from above.

The chief point here is that an international governance regime which is polycentric in approach makes innovative use of the complementary strengths of diverse forms of governance polities and establishes a core network of relationships.(McGinnis 2008) In this case, if levels of cooperation are high, then parties learn to trust one another, develop new, or reinforce existing, norms of reciprocity and establish reputations of trustworthiness. Again, if levels of communication are high, it affects trust levels, which considerably determine levels of cooperation. Positive gains in cooperation foster an enhanced reputation for cooperators, which can further lead to increased trust and reciprocity.(Cole 2015) In effect, the literature on international business alliances confirms this goal of cooperation founded on communication to develop a reputation for trustworthiness thus building ‘relational capital’(Cullen, Johnson and Sakano 2000).

Economic Order: Reforming the global financial architecture

The power of increasing the frequency and types of interactions through polycentric global governance would bring to the fore emergent geoeconomic issues that are vital for Africa’s transformation, which unad-

dressed would have major geopolitical consequences. A revived trans-atlantic alliance must seek to remedy the deficiencies in the global financial system that excludes billions of people and is unable to deal with the financing needs of Africa in the long-term. To illustrate this challenge with the global financial architecture and its limitations, at the height of the COVID-19 Pandemic, nations that largely make up the Trans-Atlantic Alliance have been able to access more than 13 trillion dollar (approx. 11 trillion euro) within 15 months to keep them afloat in the midst of the pandemic. This underscores the fact that it is not an issue of a shortage in financial capital but a shortcoming in the financial system we have created under the liberal international order, which currently has about 100 trillion dollar (approx. 84 trillion euro) under management according to IMF data. Africa is unable to access 2 per cent of its GDP whereas the members in the euro-atlantic alliance are accessing about 20 per cent of their GDP based on IMF data. Therefore, you see a global finance architecture that is truly not fit for purpose.

This issue is exacerbated when African nations go to the capital markets to access capital through the issuance of sovereign bonds. The question is how costly is it in relation to other countries. African countries with similar ratings to Greece and Belarus go to the markets to issue bonds and they pay 500-600 basis points more; an incredible amount of extra money, which is labelled as a 'risk premium', is paid without any basis other than to have an African address.

The key idea then is that a revived EU-US alliance could accelerate a bold and efficient restructuring of the system and gradually move away from the short term liquidity measures such as IMF's Special Drawing Rights (SDRs) in order to ensure that Africa is fully and equally integrated as a network in the polycentric globalized financial system based on its productivity and not based on the benevolence of taxpayers abroad.

Liberal Internationalism: A reformed UN Security Council

At the core of this third pillar of the liberal international order theorized by IR scholars led by John Ruggie (Ruggie 1982) is the very idea of a principled multilateralism to solve global governance issues and the peaceful resolution of conflicts. A significant innovation after the 1945 UN Charter was the coming into being of the UN Security Council in 1946. Since then membership of the council has not reflected the present realities we face in the 21st century. There is an urgent need at the moment to reform this apex UN body to reflect the current status quo 75 years after its founding in order to correct the longstanding injustice the cur-

rent structure and composition represents particularly for the nations of Africa.

I am confident that a revived EU-US alliance would be in a better position to champion the need for a reformed UN Security Council; balanced and democratic in terms of representation so as to spearhead the adoption and endorsement of Africa's common position on UN reforms set out in the Ezulwini Consensus so we can create a modern United Nations fit for purpose in our time.

Looking ahead, at a time when everything is changing and compounded by extreme uncertainty we are entering into a new era of world history. Hence it is good to have a semblance of stability in the world in the form of a revived EU-US trans-atlantic relationship. Africa on its part does not want the trans-atlantic relationship to be shaken and finds it both essential and fundamental to stay stronger together for the common good of the world.

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“There are a lot out there counting on us Europeans” - Interview with Clara Prip

Clara, you have done your traineeship at the European Commission at a time when the EU's role as global actor is seriously tested. Coping with the Covid-19 pandemic has become a challenge for crisis management. What was your personal motivation for doing a Commission traineeship in the field of Civil Protection and Humanitarian Aid Operations?

After having completed the ZEI Master of European Studies to gain a deeper understanding of the work and the mission of the EU, my motivation in the first place was to contribute to this mission. I sort of



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developed a strong passion for European integration and the values of the EU. Now, four months into my traineeship, I am grateful that I found this opportunity; especially in the field of EU civil protection and humanitarian aid. There is no doubt that we have recently been faced with unprecedented challenges where COVID-19 of course is one of them. The EU has a crucial role in tackling these global issues and responding to them. COVID-19 has shown how interlinked we are across the globe and how big of a role European leadership plays.

In what way has your job enhanced your understanding of the European Commission's role in domestic and international crisis management?

Through my work with the Cabinet of the Commissioner of Crisis Management, I have been able to experience first-hand the effectiveness and vital role of a strengthened EU cooperation. One practical example is the European Civil Protection Mechanism, which aims to strengthen cooperation between the member states and six other participating states through three main objectives: prevention, preparedness and response to disasters both within the EU and beyond. As a consequence, this enables all member states and participant countries to come together when a crisis hits, which also leads to a bigger global impact.

One such example was when India recently requested help from the EU through the Civil Protection Mechanism as the COVID cases in India and Nepal were escalating. As a result, a group of member states came together, mobilizing support in terms of medical equipment and now also vaccines. To me this was an eye-opener of how we are really able to operate and respond in an organized and coordinated manner. Another example is Europe's wildfires which are getting steadily worse. Over the course of the past ten years, the EU's Civil Protection Mechanism has responded to more than forty large-scale forest fire emergencies by working closely together at all levels.

On the humanitarian side of it, it has become clear to me that the EU plays an indispensable role in mobilizing the member states and the international community as a whole for humanitarian needs. COVID-19 has further exacerbated many humanitarian crises in regions that were already facing dire conditions. It is encouraging to see the role the Commission can play to call upon the member states to scale up funding but also come together beyond the EU.

What is the significance of transatlantic relations here?

We held a joint pledging conference together with the United States to tackle the current situation in the Tigray Region in Ethiopia where the conflict and the humanitarian needs have been getting worse and worse. Some areas are even facing famine-like conditions. Seeing how the EU within a week or two – to

gether with the U.S. – organized a funding conference resulting in a large scale-up of funding was a powerful experience. It showed how important it is that we are able to come together, even though transatlantic relations, in order to mobilize urgent and lifesaving support in crucial moments.

The EU Civil Protection Mechanism is targeted at lending disaster assistance, natural hazards or catastrophes. Have you come across any points of disagreements between EU member states when it comes to giving assistance?

The Mechanism was for example activated after the explosion in Beirut, the floods in Ukraine and for earthquakes. EU member states and non-EU countries can request help through this mechanism which then alerts EU member states so they can figure out in which way they can support operations, for example by bringing men power or equipment. It becomes clear that to some extent this also becomes a national interest for some countries. As a result, some member states might tend to contribute from a national point of view rather than going through the mechanism and promoting EU visibility. This is hard to prove. Yet the EU Commission ensures team efforts as much as possible and to encourage EU visibility.

With regard to collaborating with NGOs, how significant has this cooperation been in your everyday work?

Our Directorate General “European Civil Protection and Humanitarian Aid Operations” (DG ECHO) is very dependent on these partnerships with respect to working on the ground. Here, NGOs in particular enable us to get a good understanding, also when it comes to partnering with the locals and funding specific projects in the regions that we aim to support. NGOs can report on the situations and provide us with valuable knowledge. This can really make a difference in implementing measures on the ground. Of course, other international organizations and UN institutions are important too.

What is your main take away from the traineeship?

Generally, these topics can make you very emotionally attached to the work. You also see that disaster response is a matter of hours or days because this is

something you cannot just sit and negotiate about. There are so many out there that rely on the support of the EU and the global community. So the traineeship has indeed provided me a better understanding of the role of the EU in this respect and new perspectives of the crises that are actually out there. Many of them are even called ‘forgotten crises’ because of how they get a lot of media attention for one week and end up losing it soon after, but this does not mean they do not exist anymore. So, for me this has been an experience which has evoked a sense of commitment in me because you get to realize that we actually can make a difference – whether you go to the field or work for governmental or international institutions. In the end, we can ensure that these crises are not forgotten by bringing attention to it every day and reminding people of the urgency. There are a lot out there counting on us Europeans.

Last but not least, what has been your personal highlight of the traineeship?

To me it’s the realization that you can contribute to the change you want. The EU Commission is built up by passionate people who believe in the mission and the work of the EU and it’s very valuable and exciting work. You also gain a lot of future perspectives with regard to activities in the context of “Next Generation EU” - the economic recovery package to support member states hit by the pandemic. It’s not only about how the EU is working at the moment but also about where it is heading. We can all play a role in developing the EU in the direction we want to see. Whether moving towards ‘more EU’ or towards a more advanced way of handling things. I strongly believe that European leadership is more pronounced than ever.

Transatlantic relations: rallying on climate and working together on green energy

The future of transatlantic relations is a looming question, and deservedly so. The experience of the past four years is now for the meantime over, and both sides of the Atlantic can breathe a sigh of relief. After all, there is still not a more closely aligned democratic partnership in the world. That being said, there is much work to do to restore trust, and the alliance cannot afford to move slowly. Working on areas of common ground only makes sense, and that should begin with tackling climate change and pursuing a green energy agenda.

Starting with climate is a no-brainer. The world needs urgent action and leadership to keep the planet from warming above 1.5 degrees. Furthermore, the transatlantic alliance needs a new wind in its sails, and the global crisis is an urgent rallying point. A history of climate cooperation and a renewed commitment to multilateralism makes the time ripe for collaboration once again. Addressing climate change together meets near to long-term strategic needs as well. It galvanizes missing US global leadership and positions the partnership to better handle the shifting global landscape and its accompanying risks and threats.

A reinvigorated transatlantic partnership that takes on climate first calls for greater ambition. As formally required by the re-signing of the Paris Agreement, the US submitted a new National Determined Contribution (NDC). The US' new NDC is a 50-52 per cent reduction of emissions from 2005 levels by 2030 and complete neutrality by 2050. The EU has also passed the European Green Deal, an ambitious climate law that binds the EU to a reduction of emissions by 55 per cent from 1990 levels by 2030 and neutrality by 2050. While these developments are positive, the rise in ambition must be paralleled with concerted cooperation to make goals a reality.

In this regard, the US-EU Energy Council ought to be revitalized with a dedicated purpose on the decarbonization of the energy sector. The council has been a forum for discussing transatlantic energy since 2009 and is critical for policy coordination and collaboration. During the Obama years, the council's agenda was tied to international climate action. That shifted under Trump, who neglected it and pushed its focus toward expanding natural gas trade. Returning the council to the forefront of technology and energy cooperation would be a positive step that the two are serious about tackling climate together. To avoid simply picking up from where they left off pre-Trump, the council should first prioritize emerging green technologies linked to decarbonization efforts, and that begins with green hydrogen.

Green hydrogen, a type of hydrogen fuel produced using only renewable energy, is a fast emerging zero-carbon energy option. It is derived from electrolysis, a process that splits water into hydrogen and oxygen using electricity using a critical piece of infrastructure called an electrolyzer. It is an ideal pathway because the end product can be used in a variety of emissions-intensive industries such as energy, long-haul transport, and heating. Furthermore, no greenhouse gases are emitted and it can be used in retrofitted pipelines. Europe, for its part, is already making a push in establishing and leading in this market. In July of 2020, the Commission released its hydrogen strategy, a road map guiding hydrogen implementation to achieve neutrality by 2050 with a priority on green hydrogen. It is without coincidence that national strategies and proposed hydrogen hubs have already sprung up, illustrating the fertile ground that the continent is. It is here, at the project level, where transatlantic cooperation has the potential to move forward.

American and European firms are already working together on green hydrogen projects. One such project that should catch early attention is HyDeal Ambition from the Green Hydrogen Coalition (GHC), which launched in February of 2021. It will power electrolysis from solar energy in Spain and distribute gas eastward across Europe. With a transatlantic twist, the GHC is an American coalition and has a US version of the project called HyDeal LA. There, the idea is similar, take advantage of solar power from the desert and deliver hydrogen to Los Angeles. By 2030 both projects aim to distribute green hydrogen at €1.50/kg and \$1.50/kg respectively. Other projects with transatlantic ties are springing up. American engine manufacturer Cummins and Spanish energy company Iberdrola recently announced plans to build an electrolyzer plant in Guadalajara, outside of Madrid.

Despite green hydrogen's promise, significant challenges remain. Even with momentum, there is not enough technological push and market pull yet. First, it is expensive and not currently competitive against fossil fuels and renewables. Secondly, efficiency is a major hindrance signaling investments in research and development are critically needed. However, that is where the work of the US-EU Energy Council can come in. With its attention, the emerging market can begin to be carved out with work on standards, incentives, and important investments in research. Green hydrogen has a solid precedent for market entrance in solar and wind energy, and transatlantic partners should look to that to see the power of enabling policies.

Additionally, research should not just address the science but also the social impacts and tradeoffs of green hydrogen's role in a clean transition. Issues such as affordability, access, and implications on water sources are critical questions that must be addressed. Vulnerable groups can be left behind when it comes to building back better. Therefore the transition should not just focus on reliability and affordability, but equal access especially to lower-income and distressed communities. It is promising that as a part of its strategy the EU has included a Just Transition Fund, which aims to prevent such disparities. The Biden Administration has also taken a similar stance in its infrastructure bill, the American Jobs Plan, which includes a goal to invest in 15 hydrogen plants in distressed communities.

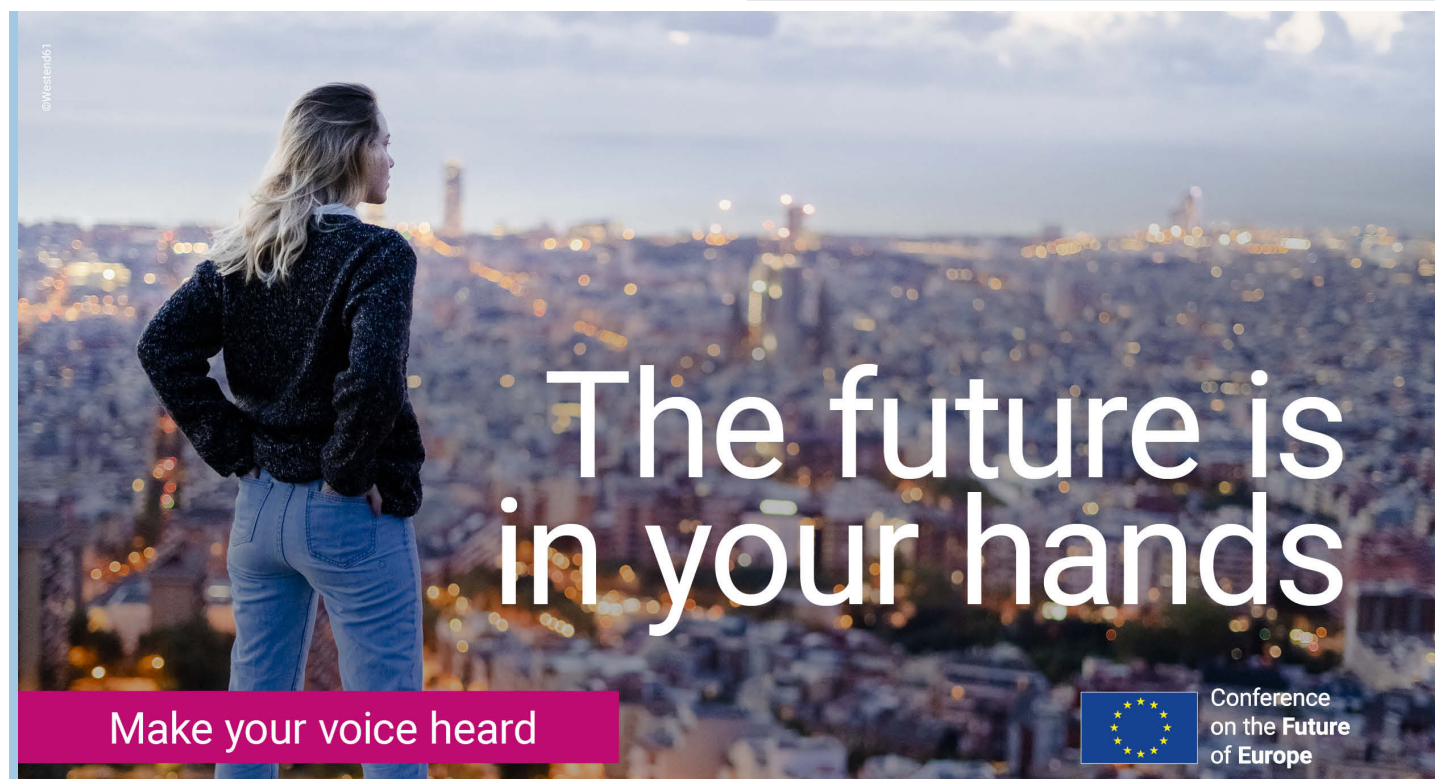
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Conference on the Future of Europe - Ideas from ZEI

Since the debate on the Conference on the Future of Europe has kicked off on the 9th of May 2021, we at ZEI have tapped our vast international network to collect the best ideas for moving European integration forward. A wide range of scholars, alumni and students have so far contributed to the discourse which is scheduled to conclude in April 2022. Check out and endorse our first 25 ideas which have been published on the EU's official platform of the Conference at <https://futureu.europa.eu/profiles/ZEI-UniversityofBonn/following?locale=en>. We would very much appreciate your feedback.



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Realizing the Green Deal - the Role of the European Gypsum Industry

Interview with ZEI Senior Fellow Tristan Suffys

Gypsum is used for all types of buildings, both residential and non-residential, for refurbishment as well as construction. Due to COVID, the EU economy has taken a strong hit in 2020 and is struggling to recover. What was the overall impact on the gypsum industry?

As every sector, the gypsum industry has been forced to adjust after outbreak of the global COVID-19 pandemic, reorganizing work shifts wherever needed and introducing stringent rules to avoid the contamination of our workers, using more digital tools than ever before. Very practical issues we have been facing included sanitizing touch screens of manufacturing equipment or solutions to avoid fog on safety glasses with the use of face covers! But we have managed to keep contamination levels very low. As the pandemic has struck European countries differently, both in terms of time and intensity, and governments have had varied levels of response. This explains differences as regards the economic impact on our members across Europe. In countries such as Italy or the UK, where companies actually had to stop production altogether for a few months, the impact has been more acute. Other countries chose to maintain construction product manufacturing as an essential and strategic activity when you think of hospitals or other public buildings. There have been various examples across the globe of the gypsum industry contributing to the urgent construction of coronavirus hospitals, such as in India.

Overall, I believe that our industry managed to limit the negative impact on growth and employment in 2020 and we are anticipating positive growth in 2021 and 2022. We have to be careful, since the demand for construction products is often driven by long-term real estate and infrastructure projects, so the full economic impact of the crisis is yet to be seen and will likely spread over the coming years. However, I am confident the policy agenda towards more energy efficient buildings, as well as a renewed interest in improving the comfort of our homes, where we have actually been spending more time than ever, will drive the demand for sustainable construction solutions.

Gypsum can be endlessly recycled while maintaining a high quality. Does this translate into a business model?

Gypsum is indeed a mineral that is circular by nature, able to be shaped when containing water and then hardened when

removing some of the water. Therefore, gypsum is a perfect example of what a circular economy model could look like. Our ambition as an industry is to bring the realities of manufacturing activities as close as possible to this circular ideal which is present in our mineral. Today, around 600,000 tonnes of gypsum waste coming from building construction or demolition sites, as well as community recycling facilities, are recycled into new plasterboard in Europe. Manufacturers can include up to 30 or 35 per cent of recycled content into the processing, which is already a great achievement. Nordic countries or the UK al-



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ready achieve significant recycling rates across the whole production. But part of the potential is still untapped, so further efforts will be needed.

What are the major obstacles to circularity in the construction ecosystem?

The construction sector accounts for 50 per cent of the total use of resources and generates 45 per cent of the EU's total amount of waste. While this very significant impact needs to be put in perspective with the fact that buildings have a much longer lifespan than consumer goods, it is clearly a priority for our sector to promote circularity. The obstacles we are facing, as actors of the construction ecosystem, are both of cultural, technical, economic and regulatory nature. The past two decades have brought forward much progress with transformational changes in the way we design our buildings. For example, modern construction trends encourage the selective deconstruction of building elements instead of standard demolition. This makes it easier to isolate recyclable elements at the time of a building's deconstruction, thus improving the quality of the material brought back into the production process. This is very useful for the future. However, much of the potential for recycling lays with buildings constructed in past decades. Selective deconstruction is much more complex and costlier to achieve in this case. As a consequence, a large part of the demolition waste today is either not-usable, or requires intensive sorting and recycling work with suboptimal results – with regard to quality and cost considerations.

Closely related, the potential presence of hazardous substances, such as asbestos, in older buildings being demolished, is a major obstacle to higher effective recycling rates. Market operators have developed tools to detect and remove most of the asbestos presence, but there is a lack of legal certainty for products with recycled content that might contain even insignificant traces of asbestos. Here, industrialists and policymakers are facing a dilemma between protecting human health at all costs and moving towards actually circular models.

Costs remain a major deterrent to improving circularity in construction. As we see it for gypsum, where technical hindrances are lower, due to the industry's long experience in circularity, the recycling process often remains cost-

lier than production out of virgin minerals, while the overall carbon footprint of such operations very much depends on the existence of other supply sources nearby.

Regulatory factors interact as well. The piecemeal application of EU rules still makes it possible that large volumes of recyclable gypsum waste in France or Germany end up on landfill sites or - as in Spain and the Czech Republic - are used in the agricultural sector, benefiting from more relaxed rules or lower costs on waste disposal.

European Green Deal

As a member of the Energy Intensive Industry Alliance. What are your expectations toward the European Green Deal? What aspects of the plan do you consider to be most relevant?

We need energy to calcine gypsum and manufacture construction products. Our facilities are indeed covered by the EU Emissions Trading System (ETS). However, we are not a typical energy intensive industry, since the manufacturing process for plasterboard or other plaster products requires much lower temperature than for other materials. For the calcination of gypsum, our ovens usually heat at 150 or 160°C; much less than to cook some cakes or even a pizza! The European Green Deal brings along major opportunities for our industry. Gypsum solutions such as plasterboard systems are a material of choice to renovate buildings and add insulation. This is why our industry will play a crucial role in delivering the "Renovation Wave" announced by the Commission, which aims to double building renovation rates and achieve 35 million renovated buildings by 2030.

What will be the main challenges associated with these goals for your sector?

The Green Deal sets a high level of ambition. This will certainly create constraints. All economic sectors will have to adapt their production models to the climate neutrality goal by 2050. Given the relatively low energy need, the gypsum sector is well-placed to achieve this challenge. However, we will need to adjust our facilities and most importantly get access to cheap and available low-carbon energy. Regarding biodiversity, it is important that

Part II: Interview with ZEI Senior Fellow Tristan Suffys

the experience collected on the ground over the past decades is properly considered when setting legal targets to protect ecosystems. Extreme policy options, such as blank “no-go areas” for economic activities, could not only jeopardise Europe’s raw material sourcing but also ironically have a negative impact on the protection of certain species which precisely rely on special habitats.

Another major challenge associated with the overall energy transition for our sector relates to the reduced availability of gypsum from flue gas desulphurisation (FGD). This industrial process helps remove sulphur from emissions of coal-fired power plants, creating “FGD gypsum” as a by-product with a very high quality, for use as a substitute to mined gypsum. In the past decades, FGD gypsum has become the main source of raw materials for several European countries having a significant share of coal power plants in their energy mix, such as Germany, Poland or the Czech Republic. The phase-out of coal plants in Europe has become a necessity to achieve our carbon neutrality objectives. Unfortunately, this also means a progressive reduction of the volumes of FGD gypsum for our industry, which will have to be offset by other sources – mainly recycled gypsum and natural gypsum from domestic or imported origin.

How fast will it be possible to turn your production green? Any preference on how to overcome the reliance on fossil fuels

Many of the European plasterboard production plants already rely on natural gas, with lower CO₂ emissions than for other fossil fuels. The challenge towards climate neutrality is of course about replacing this input with renewable or other low-carbon sources. The way to achieve this is a question for each company’s strategy. We as Eurogypsum have no specific preference, as long as we collectively move closer to Europe’s ambition. As a recent example of our industry actually delivering on our ambitions, I can refer to Saint-Gobain’s announcement to electrify its Norwegian plasterboard production plant in Fredrikstad. The project will be operational in early 2023 and should remove more than 20,000 tons of CO₂ emissions per year, making Fredrikstad the world’s first carbon-neutral plasterboard plant. The green transition will not happen over-

night, but I am convinced about our industry’s ability to make a difference already by the end of the current decade, to be in line with the 2050 objective.

Transatlantic cooperation and open markets

With the Biden Administration being in office, Europe has a more like-minded partner on the path towards decarbonizing the global economy. Do you see a particular added value in the transatlantic cooperation for the EU’s Internal Market?

From a geostrategic point of view, a more aligned environmental and climate policy on both sides of the pond will likely be a driving factor for meaningful legislation in this field. If the EU and US stand together in pushing for a quick move to climate neutrality or circularity, the peer pressure will probably speed up regulatory actions in the EU. It will be more difficult for less virtuous sectors to use the gap in the respective levels of ambition as a pretext to avoid transformation. I would therefore expect quicker progress and more consistency in implementing the European Green Deal than under the previous US administration.

How can the United States bring added value to the recovery of the European industry?

Even though, traditional sticking points will remain as regards trade. Economic ties between the US and European countries are strong, long-standing and well-established. A well-functioning and less emotional trade and investment relationship between both markets will certainly help Europe (and America) recover. In the field of gypsum, the European industry is a net exporter of virgin mineral to America. The manufactured products, e.g. plasterboards, are usually produced and sold domestically. Major EU-based manufacturers have significant shares on the US market. Therefore, US growth will certainly have a positive impact on our sector.

Where do you see the chance of mutual learning across the pond?

There is a lot we can learn from the United States. A eurocentric trend on our side of the pond often mistakenly leads us to consider

ourselves more advanced on environmental matters. While it may be true on certain aspects, some among the 50 US states and many cities have passed ambitious legislation – such as moving to 100 per cent clean energy targets – even under the Trump administration. So policies also tend to “Europeanize” these days, with a 2,000 billion dollar public recovery programme, overpassing by far the EU’s 750 billion euro plan. Mutual learning, competition for leadership on climate action or for a more effective recovery, EU and U.S. policies are closely interlinked and represent a strong driving force for a business environment favorable to the development of sustainable products across the pond.

Put more generally, is the EU sufficiently open to economic players from outside?

The EU is economically open to players – importers or investors – from outside and this is also the case in construction product manufacturing. However, the difficult access to new natural gypsum resources, due to complex permitting procedures, is often a deterrent for new economic operators. Nowadays, the European gypsum market is still dominated by three major EU-based operators, with the addition of a few medium-range and many smaller players, the latter being often specialized in exclusive plaster products.

The world’s largest natural gypsum deposits available for international trade are located in Mexico and in Canada. The ratification of CETA has been facing headwinds in some EU member states. Does this even affect your industry?

Free trade agreements such as CETA can generate much wealth in various fields, both for Europe and Canada. However, the cost-benefit assessment of a free trade agreement differs widely, depending whether you are a sector in a competitive position to export to your counterpart, or if your offer will be threatened by cheaper imported produce. In our case, Europe has ample reserves of gypsum. Spain, France and Germany account for 10 per cent of the world’s extracted natural gypsum. On a yearly basis, Europe approximately exports 4 million tons of gypsum raw material, for a large part to the Americas, while only 200,000 tonnes are imported, mainly from Europe’s neighborhood (e.g. Morocco). Compared to precious metals

or rare earth, the relative abundance and the low price of gypsum rarely make long-distance international trade profitable, except for countries not having sufficient supply.

To much extent, construction is a question of culture. The widespread use of plaster in construction in Paris as of the 17th and 18th centuries is not unrelated to the abundant gypsum reserves in the Montmartre neighborhood. This also holds true for the use of stones or bricks in various regions of Europe. The success of imported construction materials is therefore not as easy as for other types of products, especially given that such materials are intermediate products, which are bought by contractors and incorporated into a final construction work.

Last but not least, what career advice would you give to current ZEI students and young professionals among our alumni who wish to work in the EU bubble?

My first advice would be to make yourself relevant for future employers. Having a solid knowledge of EU policymaking is a must for anyone aspiring to pursue an EU career; speaking two or three EU languages is another asset. But beyond this general set of skills, following a specialized law or policy course on energy, environment, telecommunications, or any other industry field, or writing your thesis on a new specific piece of EU legislation, will be the cherry on the cake and make a difference over other equally qualified candidates. My second advice would be to get your foot in the door – or in the bubble! Brussels offers a myriad of internship opportunities for freshly graduated students and young professionals, not only in EU institutions. Do read specialized job newsletters such as Eurobrussels, try your luck with ZEI alumni, join the crew of young EU professionals hanging around Brussels’ Place du Luxembourg on Thursday evenings.

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