

## THE ITALIAN CONTRIBUTION TO THE EU STRATEGY FOR THE INDO-PACIFIC

*On 16 September 2021, the Commission and the High Representative adopted a Joint Communication on the EU Strategy for Cooperation in the Indo-Pacific, a macro-area spanning from the east coast of Africa to the Pacific island states. Italy strongly supports the Strategy as the optimal framework for conducting its foreign policy in the Indo-Pacific, a region where our engagement has been increasing in light of its geopolitical and economic centrality.*

*Italy – in line with the Joint Communication – is determined to work closely with regional partners in each of the Strategy’s components. We have already been carrying out activities in all seven priority areas, as identified by the Strategy: sustainable and inclusive prosperity; green transition; ocean governance; digital growth; connectivity – in tandem with the recently established Global Gateway tool – security and defence; human security. We intend to continue promoting our action in the Indo-Pacific within the framework of adherence to the fundamental values underpinning the European Union – multilateralism and regionalism; the safeguard of human rights, democratic processes and the rule of law; the international rules-based order; the fight against climate change; free and fair trade based on a genuine level playing field; social, environmental, fiscal and financial sustainability; transparency; inclusiveness.*

*Cooperation with regional bodies is at the core of our action in the region. In the last few years, we have acquired partner status to the main regional organizations. We have been IORA (Indian Ocean Rim Association) Dialogue Partner since 2019 and ASEAN (Association of South East Asian Nations) Development Partner since 2020. Italy has been a Dialogue Partner of PIF (Pacific Islands Forum) since 2007. For many years now, Italy has been carrying out several cooperation activities with these regional bodies and their Member States in a large number of sectors, ranging from sustainable development to the maritime economy, from the fight against climate change to the areas of security and defence.*

*Our 2021 G20 Presidency and COP26 Co-Presidency have allowed us to place themes that are pivotal to global governance and of overriding interest for many Indo-Pacific states at the top of the international agenda, thereby strengthening our action in the Strategy’s seven priority areas, as outlined in what follows.*

### **1. SUSTAINABLE AND INCLUSIVE PROSPERITY**

To diversify supply chains, strengthen their resilience and deepen economic and trade relations with the Indo-Pacific, Italy is:

1. Supporting the development of an architecture of agreements between the EU and regional partners to promote free trade according to high EU standards (including in the field of IPR protection), namely:
  - the full implementation of Free Trade Agreements (FTAs) with South Korea, Vietnam and Singapore and of Economic Partnership Agreements (EPAs) with Japan, Papua New Guinea, Fiji, Samoa and the Solomon Islands;
  - the relaunch of the negotiation process with India, Malaysia, Indonesia, the Philippines, Thailand, Australia and New Zealand for economic and trade cooperation agreements (e.g.

Free Trade Agreements; Investment Protection Agreements; Geographical Indications Protection Agreements);

- the full implementation and expansion of the Geographical Indications Agreement with China (in force since March 2021);
  - the ratification of the Comprehensive Agreement on Investment (CAI) with China – as soon as the right political conditions are in place – understood as a tool for an orderly and more balanced development of economic relations;
  - the retention of Pakistan, Sri Lanka, Bangladesh, Cambodia, Myanmar, Nepal and the Philippines in the list of beneficiaries of preferential systems of access to the EU market (GSP Plus and GSP EBA).
2. Strengthening economic cooperation at the bilateral and regional levels:
- technology and know-how transfers to India (capacity building pilot project in the sector of food processing, to be replicated in other sectors including textile) and the development of innovative mechanisms for investor support and dispute resolution (Fast Track Mechanism and Digital Permanent Platform for Economic Cooperation);
  - initiatives aimed at strengthening economic and strategic ties both with ASEAN and with individual member states, including through structured economic consultations. Amongst them, the *High Level Dialogue on ASEAN-Italy Economic Relations*, held annually since 2017.
3. Promoting development cooperation in the macro-region:
- , the Italian Development Cooperation has devoted over € 271 mln to South East Asian countries (in particular to Vietnam, Myanmar and the Philippines) since 2010. In addition, there are ongoing and planned projects by the Italian Development Cooperation in Pakistan (for a total of € 3.5 mln in 2020-21).

## **2. GREEN TRANSITION**

In light of the vital importance of the environmental dossier, at the core of the 2021 Italian G20 Presidency and COP26 Co-Presidency, Italy is actively:

1. Supporting the effort of multilateral regional and thematic organizations in the fight against climate change and for the sustainable development of the Indo-Pacific, including:
  - accession – in March 2021 – to the International Solar Alliance, the New Delhi-based international cooperation platform aimed at promoting the development of solar energy and the reduction of reliance on fossil sources;
  - contributions to the ASEAN Catalytic Green Finance Facility (ACGF) to co-finance projects supported by the ASEAN Infrastructure Fund together with the Asian Development Bank (ADB), for a total of € 130 mln;
  - the project “Italy-ASEAN Partnership for Sustainable Development”, started in 2021 to raise awareness about sustainable development, the digital economy and renewables, and promote synergies between the private sector and programmes rolled out in ASEAN countries;
  - projects to support the eco-sustainability of agricultural processes in ASEAN countries, in line with the objectives of the Strategic Plan of Action for the ASEAN Cooperation in Crops 2021-2025.

2. Strengthening bilateral cooperation with the region in the realms of environmental protection and sustainable development through:
  - negotiations underway with India, the Philippines, Thailand, Malaysia and the Maldives for the conclusion of Agreements in the fields of environmental protection and sustainable development;
  - the bilateral Strategic Partnership between Italy and India in energy transition – established in October 2021 – aimed at deepening the significant industrial cooperation already in place and offering support, including at the institutional level, to the Indian ambition of developing 500 GW from renewable sources by 2030;
  - the Memorandum of Understanding between Italy and Vietnam in the field of mitigation and adaptation to climate change, in force since 2018. In this context, a project is ongoing for the development of a geo-information system (GIC) aimed at decreasing vulnerability to climate change, co-financed by Italy (80%) with € 3 mln;
  - projects aimed at supporting ecological transition in the Pacific and the mitigation of the effects of climate change on Small Island States, both in cooperation with local counterparts (through the Italian Ministry of Ecological Transition – MiTE), and through contributions to the International Union for Conservation of Nature (IUCN), for a total value of \$ 23,5 mln;
  - support of Taipei’s endeavour to reach carbon neutrality by 2050, through information exchanges and industrial cooperation in e-mobility and energy storage;
  - technical assistance for the sustainable management of water resources, with a focus on the Mekong sub-region.

### **3. OCEAN GOVERNANCE**

Italy – a country with a deep maritime tradition and high-level expertise in this field – is committed to:

1. Supporting Indo-Pacific regional organizations in their actions aimed at improving the governance of the seas. The following initiatives have been put in place:
  - the Dialogue Partnership between Italy and the Indian Ocean Rim Association – established in 2019. In this framework Italy has implemented capacity building initiatives in the sectors of sustainable navigation, fisheries and aquaculture, blue technologies and cruise tourism;
  - cooperation projects for the promotion of sustainable development in the aquaculture and fisheries sectors and coastal and marine communities of the ASEAN Countries (in collaboration with the ASEAN Secretariat).
2. Bilateral cooperation with regional partners contributing to their initiatives to strengthen ocean governance through:
  - training programs and activities to the benefit of regional partners (including Thailand, Taipei), aimed at promoting the fight against Illegal, Unreported and Unregulated (IUU) fishing, organized in the framework of the European Union and other international organizations;
  - collaboration activities carried out between the Italian Corps of the Harbour Masters and Japan’s Coast Guard under the framework of the Coast Guard Global Summit (CGGS) in Tokyo aimed at sharing experiences and best practices in the sector. In 2022, Italy will continue to promote collaboration activities and training programs in the field of “Monitoring and Information Systems Capabilities”.

#### 4. DIGITAL GOVERNANCE AND PARTNERSHIPS

Italy supports the European Union's effort to develop digital partnerships in the Indo-Pacific, for collaboration in the fields of technology and research, and the development of common policies and standards in key innovative sectors such as artificial intelligence, in line with democratic values and fundamental rights.

To this end, Italy:

- supports the strengthening of the EU-Japan and the EU-India Digital Partnerships, as well as the negotiations for the creation of a Digital Partnership between the EU and South Korea;
- works closely with regional partners to promote cyber security through the definition and adoption of voluntary standards and confidence-building measures, as well as the applicability of international law to cyber space also in the context of the UN “Open-Ended Working Group on Developments in the Field of Information and Telecommunications in the Context of International Security” (OEWG);
- aims to develop collaborations with the “ASEAN-Singapore Cybersecurity Center of Excellence”, by promoting capacity building activities and sharing best practices;
- concluded a Memorandum of Understanding on Digital Cooperation with Singapore, focused on: digital economy and digitalization strategies; electronic and digital commerce; emerging technologies; government digital services; cooperation under the Agile Nations Charter;
- supports training and in-depth study of cyber security issues including the “Digital Connectivity initiative: Shaping the future of EU-ASEAN relations” (within the EU-ASEAN Strategic Partnership), in cooperation with the ASEAN Committee in Rome;
- promotes the “Global Start-up Program”, which includes China, Japan, South Korea and India. With the latter, Italy has also launched the “Italy-India Innovation Day”, centered on supporting innovative start-ups;
- will carry out training activities and best practice exchanges in the context of the adoption of open source and open access platforms in order to promote citizen digital political participation.

#### 5. CONNECTIVITY

In the context of the multidimensional understanding of connectivity between Europe and Asia outlined in the EU Strategy for the Indo-Pacific, Italy is committed to:

1. Strengthening physical and energy connectivity with regional partners, also in the framework of EU and ASEAN initiatives, through:
  - support for the application of the “EU-Japan Partnership for the development of Sustainable Connectivity and Quality Infrastructure” established in September 2019, and of the “EU-India Partnership on connectivity”, established in May 2021, which includes Italian "flagship projects" in the rail and energy sectors;
  - a commitment to create synergies between the “Master Plan on ASEAN Connectivity 2025” and the “EU Global Gateway”, with a focus on railways (high-speed) and submarine cables;
  - support in) of the “Comprehensive Air Transport Agreement” (CATA) between the EU and ASEAN (June 2021), the world’s first regional agreement on air transport, which defines a

framework for cooperation on aviation safety, air transport management, consumer protection and social and sustainable development in the sector;

- implementing the Memorandum of Understanding between “Cassa Depositi e Prestiti” and the Indian "National Investment and Infrastructure Fund" to explore co-investment opportunities in the infrastructure sector in India.
2. Promoting people-to-people connectivity, including cultural, scientific and technological cooperation through:
- cultural, scientific and technological cooperation agreements with Australia, New Zealand, the Philippines, Indonesia, Laos, Malaysia, Singapore, Thailand, Vietnam, China, Japan, South Korea and Sri Lanka;
  - the renewal of bilateral Executive Protocols of Scientific and Technological Cooperation with India (2022-2024), China (2022-2024), South Korea (2022-2024), Japan (2021-2023) Vietnam (2021-2023) and, in the future, with Thailand, Singapore and Indonesia;
  - the selection of topics of common interest for developing scientific and technological cooperation with ASEAN countries, also in application of the ASEAN Action Plan 2016-2025 on Science, Technology and Innovation (APAST);
  - support for ASEF (Asia Europe Foundation) to improve mutual understanding between Asian and European countries through cultural activities and people-to-people exchanges, including training courses for young diplomats;
  - the organization of the first “Youth Conference on ASEAN & Italy”, in collaboration with the ASEAN Secretariat, to launch training meetings, for Italian and ASEAN countries’ high school students, on topics such as the response to the pandemic, education, innovation and sustainability;
  - strengthened inter-university cooperation with Indo-Pacific countries and a potential increase in the number of scholarships for students from these countries. Overall, in the 2021-2022 academic year Italy has destined about 700-month scholarships to the Indo-Pacific area, almost tripling the number of monthly scholarships allocated to South-East Asian countries compared to previous years;
  - joint cultural initiatives for the development of tourist flows and the promotion of cultural exchanges, including: joint promotion programs for Italian UNESCO sites twinned with Chinese ones; projects launched with South Korea in the field of restoration and conservation of cultural heritage; the implementation and/or finalization of agreements on joint police patrols in the tourist sites of Italy and the aforementioned countries;
  - training and capacity building initiatives aimed at strengthening the capabilities of regional partners in the sector of protection and restoration of cultural heritage, in collaboration with the relevant international organizations, including UNESCO and ICCROM (International Centre for the Study of the Preservation and Restoration of Cultural Property);
  - capacity building for the protection and development of cultural resources within ASEAN and the creation of an Italy-ASEAN Virtual Center for the protection of cultural heritage.

## **6. SECURITY AND DEFENCE**

Italy is committed to contributing to maritime security in the Indo-Pacific in multiple areas and through a number of initiatives, in particular:

1. Supporting the international legal framework based on the United Nations Convention on the Law of the Sea, a key tool for managing territorial and maritime disputes in the South China Sea. In 2021 Italy joined the “Friends of UNCLOS” Group.
2. Combatting piracy through joint naval exercises in the framework of the EUNAVFOR Atalanta mission with Japan, South Korea and India in the Gulf of Aden and in the Strait of Hormuz.
3. Contributing to security-related capacity building through:
  - training courses together with the Italian “Guardia di Finanza” since 2018 and the Ministry of Interior since 2021 to the benefit of police officers and specialized agency officials from ASEAN countries;
  - courses organized since 2020 in collaboration with the Center of Excellence for Stability Police Units (CoESPU) managed by “Carabinieri”, targeted towards security forces and relevant agency officials from ASEAN countries;
  - the Agreement for the advanced training of Japanese military pilots at the International Flight Training School (IFTS) in Galatina;
  - additional capacity building activities that will cover: the law of the sea; maritime security; the resilience of supply chains; cyber-security.
4. Developing bilateral institutional cooperation in the field of security and defence, such as:
  - the Agreements on Information Security with Japan, signed in 2016, and with South Korea, currently under negotiation. In addition, general bilateral Agreements for the exchange and protection of classified information are currently under negotiation with Pakistan, Indonesia, Vietnam and Australia;
  - the Agreements on cooperation in the field of defence concluded with Japan and South Korea. Agreements in the field of defence are currently under negotiation with India, Bangladesh, Sri Lanka, Indonesia, the Philippines and New Zealand;
  - the dialogue in the field of defence with countries including Vietnam, Malaysia and Indonesia, to strengthen bilateral cooperation and create new opportunities for the Italian economic system.
5. Supporting the development of the regional partners’ space industry: the Italian Space Agency (ASI) has launched several forms of collaboration with regional counterparts, and promotes the organization of the International Space Forum in Kuala Lumpur. In addition, ASI and other Italian sectoral entities support research activities and the strong momentum of the Italian space industry in Australia and New Zealand.
6. Cooperating with regional partners in the framework of other initiatives in the field of security and defence, including through:
  - at NATO level, active participation to political dialogue, practical cooperation and exchange of information and experiences with Asia-Pacific partners (Australia, New Zealand, South Korea and Japan);
  - the contribution to the mine-clearing activities carried out by ARMAC (ASEAN Regional Mine Action Center) in post-conflict ASEAN countries;
  - the implementation of UN Resolution “Women, Peace and Security”, including by supporting the development of the Southeast Asian Network of Women Peace Negotiators and Mediators

(SEANWPNM), established at the initiative of the Indonesian MFA Marsudi and officially part of the Global Alliance of Women Mediators Network since April 2021.

## **7. HUMAN SECURITY**

In the field of human security, Italy acts on multiple fronts:

### **1. Fight against natural and man-made disasters:**

- capacity building activities implemented since 2019 with the Italian Department of Civil Protection; courses to the benefit of Directors of specialized agencies in ASEAN countries (including the AHA Center – ASEAN Centre for Humanitarian Assistance on Disaster Management) and small Pacific island countries (prevention and management of natural disasters, emergency planning and awareness of local communities);
- the Agreement between the Italian Department of Civil Protection and the Indian National Disaster Management Authority and the Agreement (of which signature is pending) with the Ministry of Emergency Management of the People’s Republic of China;
- participation to the Coalition for Disaster Resilient Infrastructure, an international partnership launched by India to increase infrastructure resilience to natural disasters;
- Italian contribution of € 260,000 to the ESCAP Trust Fund for Tsunami and Natural Disasters in 2021.

### **2. Food and nutrition security:**

- During the Italian 2021 G20 Presidency, the implementation of Sustainable Development Goal number 2, “Zero hunger”, was at the centre of the “Matera Declaration on Food Security, nutrition and food systems”. Italy supports the work of FAO, WFP, CIHEAM, IFAD and Biodiversity to assist Indo-Pacific countries in establishing sustainable food systems and guarantee food security, both animal and plant-based.

### **3. Health. Italy adopted several initiatives in the fight against the pandemic, including in its capacity as G20 Presidency in 2021:**

- donation of 45 million doses of vaccines to middle- and low-income countries, of which 18 million doses have been allocated to Asian countries;
- contribution of € 2.5 mln to the ASEAN Covid Response Fund to strengthen coordination and increase ASEAN response capacity to the pandemic;
- shipment of medical supplies: thanks to the contributions of the Italian Civil Protection Department and Development Cooperation, as well as that of Regions and the private sector, Italy was able to dispatch three humanitarian flights to India and one to Nepal in the framework of the European Civil Protection Mechanism.

Finally, Italy is at the forefront of the international response to one of the main humanitarian crises in the ASEAN area. Since 2017, our country has made major contributions to the international organizations engaged in responding to the Rohingya crisis, for a total of more than € 10 mln.