

**OUTCOME DOCUMENT**

**EUROPE IN THE  
INDO-PACIFIC**

**15<sup>TH</sup> DECEMBER 2020**



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## EUROPE IN THE INDO PACIFIC

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The Indo-Pacific region is the new focus of global geopolitics. The expanse of Chinese economic, diplomatic and military actions in the South China Sea, Indian Ocean, South Pacific and continent of Africa is a concern for all. Strategic groupings such as the Quad need additional partners to contain China. To protect global supply chains and trade routes, more like-minded countries need to enter the arena. The quadrilateral grouping of U.S, India, Australia and Japan is expected to get a further push with European allies joining the bandwagon. Despite bipartisan consensus on China, the US president-elect has already diluted the central consensus on the Indo-Pacific, calling it a "secure and prosperous Indo-Pacific" in contrast to free and open. That is a concern. Can Europe be a strong and supportive player in the Indo Pacific?

Major European players have understood this power play and are now slowly formulating their strategies for the region. In the last three months, two European countries have announced Indo-Pacific intentions, the most recent being the Netherlands.

The most prominent European players are [France](#) and [Germany](#). France, with 12 overseas territories, is already part of the Indo-Pacific. The region is home to 1.5 million French citizens, and 93% of its Exclusive Economic Zone (EEZ) lies in the Indo Pacific. On 9<sup>th</sup> September 2020, the first trilateral dialogue on Indo-Pacific was held between India, France and Australia. The dialogue underscored the goal of guaranteeing peace, security and adherence to international law in the region.

This September, Germany also joined the Indo-Pacific club by announcing a set of policy guidelines for the region in a 72-page [report](#). Germany's intention can be seen in Foreign Minister Heiko Maas' candid comments: "Our prosperity and our geopolitical influence in the coming decades will depend on how we work together with the countries of the Indo-Pacific region. That, more than anywhere else, it is the Indo-Pacific region where the shape of the international rules-based order of tomorrow will be decided. We want to help shape that order – so that it is based on rules and international cooperation, not on the law of the strong." As Germany currently holds the presidency of the European Union, its action can drive Europe's strategy [towards Indo-Pacific](#).

Will more European players join this strategic engagement? What role will they play? Will the European Union take a stance on Indo-Pacific and how will it impact geopolitics and Europe's own commercial interests? How can they forge new strategic and economic ties in the region? This webcast will focus on Europe's strategy towards the Indo-Pacific. It will be moderated by Gateway House, with three European experts in discussion.

## AGENDA

The webcast will focus on the following issues

### SECURITY

**Objective:** A constant threat to the rules-based order lingers in the Indo-Pacific. China has time and again blatantly disregarded UNCLOS and its territorial limits in the South China Sea. In Nov 2020, all four nations of the Quad countries participated in the fourth Malabar Naval exercise in the Bay of Bengal in support of a free & open Indo-Pacific. Recently, China threatened a Czech Republic senator for visiting Taiwan, which was strongly rebutted by EU with German foreign minister stating that “Threats don’t fit here”. China’s stance on Ladakh, Senkaku Islands, South China sea islands, Hong Kong protests, Taiwan is a concern for all. Additionally, a rise of alleged cyber-attacks from China calls for a global collective response.

[France](#) and [Germany](#), the biggest members of EU, have come out with their Indo-Pacific Strategy. Will the EU have an Indo-Pacific strategy? If it does, what will be the areas of confrontation and co-operation for EU in the Indo-Pacific?

### TECHNOLOGY

**Objective:** The tussle between Chinese tech and the rest of the world is a concern for all. It is imperative for the free world to lead technology collaborations to ensure tech sovereignty. Collaborations are needed for future digital technologies such as artificial intelligence and 5G. One such organization is The [Global Partnership on Artificial Intelligence \(GPAI\)](#), launched in June 2020, which aims to bring together leading experts from industry, civil society, governments, and academia to collaborate on AI. The U.S. Australia, Japan and India, the European Union, France and Germany are part of the founding members. Groupings such as the D10 is focusing on 5G. Cybersecurity and digital governance are other points of convergence. China announced its own [Global Initiative on Data security](#) last month. Beijing is also expected to release the [China Standards 2035](#), with an aim to set standards for the next generation of technologies.

How can Europe technologically help nations in the Indo-Pacific? How do major European countries plan to accommodate these Chinese initiatives that aim at the heart of various cutting-edge technologies?

### REBUILDING A MULTILATERAL WORLD ORDER

**Objective:** The September 2020 UN General Assembly was fraught with instances of countries taking potshots at each other. With the U.S withdrawing from multilateral forums such as WHO, UN Human Rights Council, and others, there is a risk of a vacuum being created. A strong Chinese presence in such organisations can create an imbalance. Existing rules have failed to deter and contain outright violations by many nations. In the recent UNGA session, India has again re-iterated its stance to expand the United Nations Security Council to include countries such as India. Rebuilding the multilateral order needs European support. Groups such as the Alliance for Multilateralism, launched in April 2019 by the French and German foreign ministers, can be such a group to promote global action.

What role can Europe play in rebuilding multilateralism? Going ahead, how does Europe view its relations with US, China and Russia?

### SUPPLY CHAIN RESILIENCE

**Objective:** In the Pre-Covid era, over-optimisation of supply chains resulted in over-reliance on Chinese manufacturing. Covid-19 has exposed the lack of flexibility and resilience to withstand supply chain shocks. The Indo-Pacific is home to the biggest supply chains and trade routes in the world. China has announced the strategy of dual circulation which will focus on internal circulation of production-distribution-consumption, supported by external circulation. The world needs new supply chains and countries have started acting on it. Japan has rolled out new incentives for re-shoring. A [Supply Chain Resilience Initiative](#) has been started by India, Australia and Japan. India has announced its own Atmanirbhar Bharat initiative to be more self-reliant.

What have European countries in general and the EU at large, learnt from the Covid-19 shock and what plans are being put in place for diversification and building in supply chain resilience?

## FLOW OF WEBINAR

Date: 15 December 2020

Time: 1 hour 10 minutes (5:30pm IST to 6:40pm IST)

## OPENING REMARKS

Time: 5:30pm – 5:36pm

Welcome remarks from Gateway House (3 mins)	<b>Manjeet Kripalani</b> , Executive Director and Co-founder, Gateway House
Opening remarks from KAS (3 mins)	<b>Peter Rimmele</b> , Resident Representative to India, Konrad-Adenauer-Stiftung

## MODERATED PARTICIPANTS DISCUSSION

Time: 5:36pm – 6:19pm

Moderator	<b>Manjeet Kripalani</b> , Executive Director and Co-founder, Gateway House
Speakers	<b>Rt Hon Sir Michael Fallon KCB</b> , Member, Indo-Pacific Commission, Policy Exchange & Former Secretary of State of Defence, UK <b>Karin Mössenlechner</b> , Director, Asia and Oceania Department, Ministry of Foreign Affairs, Netherlands <b>Dr. Axel Berkofsky</b> , Co-Head of the Asia Center at ISPI, Italy

## AUDIENCE Q&A

Time: 6:19pm – 6:34pm

Moderator	<b>Manjeet Kripalani</b> , Executive Director and Co-founder, Gateway House
Speakers	<b>Rt Hon Sir Michael Fallon KCB</b> , Member, Indo-Pacific Commission, Policy Exchange & Former Secretary of State of Defence, UK <b>Karin Mössenlechner</b> , Director, Asia and Oceania Department, Ministry of Foreign Affairs, Netherlands <b>Dr. Axel Berkofsky</b> , Co-Head of the Asia Center at ISPI, Italy

## SUMMATION OF DISCUSSION

Time: 6:34pm – 6:37pm

Moderator	<b>Manjeet Kripalani</b> , Executive Director and Co-founder, Gateway House
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## CLOSING REMARKS

Time: 6:37pm – 6:40pm

Closing remarks from Gateway House	<b>Ambassador Rajiv Bhatia</b> , Distinguished Fellow, Foreign Policy Studies Programme at Gateway House, Gateway House
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## HOUSE RULES AND INTERVENTION GUIDELINES

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### FLOW OF DISCUSSION

Time: 1 hour 10 minutes

Welcome remarks	3 mins	Welcome remarks and introduction of topic by Moderator – Manjeet Kripalani, Gateway House. Moderator informs participants about flow of the session and house rules
Opening remarks	3 mins	Opening Remarks by Peter Rimmel, Konrad Adenauer Stiftung
Moderated discussion	43 mins	Discussion begins; questions asked to each of the experts on the subject by the Chair
Q&A	15 mins	Audience Q&A
Summation of discussion	3 mins	Summation of discussion by Moderator – Manjeet Kripalani, Gateway House
Closing Remarks	3 mins	Closing remarks by Ambassador Rajiv Bhatia, Gateway House

- Time will be strictly adhered to.
- A warning bell with two rings will alert the speakers when there is 1 minute left
- A final warning bell with four rings will require the speakers to stop when the time is up.

Note:

- No Power Point slides, audio or videos permitted.
- Bios will be shared in advance. There will be no formal introductions.

### SPEAKING GUIDELINES

Participants in each session must address the policy question presented for discussion. It helps keep the discussion focused and facilitates documenting specific assessments and policy recommendations.

- Designated speakers: Responsible for giving introductory remarks to launch the discussion
- All session participants and delegates: Encouraged to participate during the roundtable discussion.
- We encourage evidence-based interventions.
- We discourage generalized assessments and repetition of facts that are already well-known.
- Please use the raise hand option on Zoom when seeking the Chair’s attention to make an intervention.

### INFORMATION DISCLOSURE POLICY

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This meeting is open to the public.



## PARTICIPANTS

### **Manjeet Kripalani**

*Executive Director and Co-founder, Gateway House*



Manjeet Kripalani was India bureau chief of *Businessweek* magazine from 1996 to 2009. She holds two bachelor's degrees – in law, and English and history – from Bombay University and a master's degree in international affairs from Columbia University, New York. Her political career includes being deputy press secretary to Steve Forbes during his first run in 1995-1996 as Republican candidate for U.S. President in New Jersey and press secretary for independent candidate Meera Sanyal's Lok Sabha election campaign in 2008 and 2014 in Mumbai. She is currently a member of the Center for American Progress' U.S.-India Task Force, a member of the Asian advisory board of the International Centre for Journalists and the Overseas Press Club, and sits on the executive board of Gateway House, the Indian Liberal Group and Emancipation, all non-profit organisations.

### **Peter Rimmel**

*Resident Representative to India, Konrad-Adenauer-Stiftung*



Peter Max Rimmel is currently the Resident Representative of Konrad Adenauer-Stiftung Office, India. He has a First Law Degree from Freiburg University, as well as a Second Law Degree from the Ministry of Justice Baden-Württemberg, Germany and a M.A. in Geography. After working as a jurist, judge and lecturer, he took public office as Ministerialrat, Head of Division at the State Ministry of the Interior in Saxony, Germany, from November 1991 on until 2000. There he first served in the Police and Security and later in the Local Government Department. On behalf of the German Foreign Ministry he served in East Timor as Registrar General, Head of Civil Registry and Notary Services (UNTAET), and became later the principal Advisor for Governance Reform for GIZ (German International Cooperation) to the Ministry of Administrative Reform and the Anti-Corruption-Commission of the Republic of Indonesia, where he served for 7 years. He then moved to Rwanda, also as Principal Advisor Good Governance/Justice Program. Earlier he was Resident Representative Lebanon, Director of Rule of Law Program Middle East North Africa, Konrad-Adenauer Stiftung.

**Rt Hon Sir Michael Fallon KCB**

*Member, Indo-Pacific Commission, Policy Exchange, UK*

*Former Secretary of State of Defence, UK*



Rt Hon Sir Michael Fallon KCB retired from Parliament at the last election after 31 years as MP for Darlington and then Sevenoaks. He served as a minister in four Conservative governments under Margaret Thatcher, John Major, David Cameron and Theresa May, latterly as Secretary of State for Defence from 2014 to 2017. Sir Michael is currently Deputy Chairman of Genel Energy Plc (oil), Non-Executive Chairman of Avanton Limited (property development), Chairman of Armiger Ltd (data analytics), a member of the international advisory boards of Investcorp (alternative investment management) and HIN Global Limited (cyber security), and a consultant to other companies. Sir Michael is a UK member of the Indo-Pacific Commission chaired by former Canadian PM Stephen Harper at Policy Exchange, an advisory council member of the Centre for Policy Studies, and has chaired seminars at RUSI. He also writes, lectures and broadcasts on defence, security and international affairs. He also reviews books on classics and ancient history for Classics For All.

**Karin Mössenlechner**

*Director, Asia and Oceania Department, Ministry of Foreign Affairs, Netherlands*



Karin Mössenlechner is the Director of the Asia & Oceania Department at the Ministry of Foreign Affairs in The Hague. After several jobs in journalism and politics she started her diplomatic career at the Ministry of Foreign Affairs in 1997. She was first posted in New Delhi and The Hague. From 2006 until 2010 she was Deputy Ambassador/Head of Economic Affairs in Bern, Switzerland. From 2010 until 2011 she was Assistant Director European Integration at the Ministry of Foreign Affairs in The Hague. She then went on a transfer to the Royal Netherlands Football Association (KNVB), where she worked as Coordinator Security Policy and Public Affairs. From 2013 until 2016 she was back at the Ministry of Foreign Affairs in The Hague as Deputy Director Security Policy and in the latter part of that period also as Coordinator for MH17. In 2016 she took up a posting as Ambassador of the Kingdom of the Netherlands to Malaysia. She has studied at the Technical University of Twente, the University of Leyden and the University of Texas in Austin. She graduated in 1995 at the University of Leyden in History/American Studies (cum laude). For her Master's Thesis she is the recipient of the Theodore Roosevelt Award and the Robert Fruin Award.



**Dr. Axel Berkofsky**

*Co-Head of the Asia Center at ISPI, Italy*



Axel Berkofsky is Professor at the University of Pavia and Co-Head of Asia Center at ISPI. Berkofsky is also a regular contributor to the Zurich-based International Security Network (ISN), the Asia Times, as well as to other newspapers, journals and magazines on Asian politics and security, EU-Asia relations, Japanese domestic and foreign, Chinese foreign policies and North Korea. Axel was awarded his Ph.D. in Asian Studies/Political Science from the University of Hamburg in 2002 and has previously worked as Senior Policy Analyst, Associate Policy Analyst, and as Advisor on Asian Affairs at the Brussels-based European Policy Centre (EPC), as well as Research Fellow at the European Institute for Asian Studies (EIAS) in Brussels. In Japan, he worked as Research Associate at the Tokyo-based German Institute for Japanese Studies and as a freelance journalist for the Tokyo-based Asahi Evening News and Daily Yomiuri Shimbun. He has published more than 200 articles altogether, papers and essays in newspapers, journals and magazines across Europe, Asia and the US.

**Ambassador Rajiv Bhatia**

*Distinguished Fellow, Foreign Policy Studies Programme at Gateway House*



Ambassador Rajiv Bhatia is a Distinguished Fellow, Foreign Policy Studies Programme at Gateway House. He is a member of CII's two bodies: International Trade Policy Council and Africa Committee. He served as Chair of FICCI's Core Group of Experts on BIMSTEC and continues to head its Task Force on the Blue Economy. He is a founding member of the Kalinga International Foundation. As Director General of the Indian Council of World Affairs (ICWA) from 2012-15, he played a key role in strengthening India's Track-II research and outreach activities. During a 37-year innings in the Indian Foreign Service (IFS), he served as Ambassador to Myanmar and Mexico and as High Commissioner to Kenya and South Africa. He dealt with a part of South Asia, while posted as Joint Secretary in the Ministry of External Affairs. A prolific columnist, who has also written a critically acclaimed book, *India-Myanmar Relations: Changing Contours* (Routledge), he is a frequent speaker on foreign policy issues in India and abroad. He was Senior Visiting Research Fellow during 2011-13 at the Institute of South East Asian Studies (ISEAS), Singapore. He holds a master's degree in political science from Allahabad University.

## SECTION II

### KEY FINDINGS

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*There will be no wealth for Europe, if there is no stability in the Indo-Pacific.*

-Peter Rimmele, Resident Representative to India, KAS

- ❖ **Indo-Pacific on the European agenda.** Despite geographical separation from the Indo-Pacific, France, Germany and Netherlands have all announced Indo-Pacific strategies, and the urgency for an EU strategy is apparent from it having been put on the EU Council's agenda earlier this year. The EU outlook for Indo-Pacific will be made public sometime next year and will focus on **inclusivity and a non-confrontational, broad regional strategy, not just security**. Europe has looked at the region through the prism of China, and will now look through the prism of Asia.
- ❖ The U.K.'s formal Indo-Pacific strategy, *An Indo-Pacific Tilt*, will also be released soon, in line with the [Integrated Operating Concept 2025](#) published in September 2020. The U.K.'s Indo-Pacific outlook will rest on three pillars: **(a) Prosperity; (b) Security and (c) Shared Values** – a theme that resonates with India's regional outlook of [Security and Growth for all in Region \(SAGAR\)](#) and seven pillars of the [Indo-Pacific Oceans Initiative](#).
- ❖ Individual European nations will have differing priorities while engaging with the Indo-Pacific as a whole and bilaterally. All, however, are major trading partners with the region, and unified under a common strategy for reformed multilateralism which includes collaboration on security, Commonwealth, rule-based order, technology and connectivity.
  - **Security:** France and the U.K., with their extensive territories and military might, can expend resources on the security concerns of the area. The U.K. has already announced plans to dispatch its carrier strike group early next year. The U.K.'s imminent finalisation of the Logistics Sharing Agreement with India will further enhance its maritime connect with the Indo-Pacific, and especially India, the key strategic partner. France is already active in the region and will participate in a trilateral exercise with Japan and the U.S. in May 2021, and perhaps an India-France-Australia trilateral as well. Russia, with its borders contiguous with Europe, will continue to be the prominent geographic threat for Europe, but with China moving from a 'systemic rival' to a 'strategic competitor' France and other European military powers signing on to the Indo-Pacific security construct will provide more military bite in the region
  - **Commonwealth collaboration:** Traditionally the Commonwealth was an institutionalised diplomatic manoeuvre, now it is extended to economic engagement, but still lacks a security architecture. India and the U.K. can work together for a security dialogue with Commonwealth nations, building on their individual visions for the Indo-Pacific.
  - **Human Rights, Shared Values and Rule-based Order.** Chinese assertiveness has amplified exponentially during the ongoing pandemic, across all domains of international relations – military, diplomacy, trade, human rights and the rule-based order. Europe seeks reciprocity from China, beyond cooperation whilst protecting its values. Germany has been at the forefront of calling China out, be it the joint note presented at the UN on the South China Sea or point out human rights abuses. These have had little to no impact on China. Germany may lack military strength and political will to engage militarily in the Indo-Pacific, but can champion a rule-based order under the emerging multilateral alignments.

- **Technology.** Indo-Pacific security is both maritime and digital, and both commons are under attack in the region. Leading industrialised European nations like Germany, France, U.K. and Netherlands can counter it by driving technology co-operation under groupings like D10 (Democracy 10), GPAI (Global Partnership on Artificial Intelligence) and even perhaps a T10 (Technology 10) which can set digital standards and digital norms.
- **Connectivity:** The EU does not yet have a formal position on the Belt and Road Initiative (BRI) or the Maritime Silk Route, but wants to offer those countries an alternative especially in norms and standards. The EU is looking at connectivity in energy, transport, infrastructure, people-to-people; as the largest donor of development aid, the EU can use its soft power diplomacy, to balance the regional security architecture.
- ❖ **Need for Institutionalised Frameworks.** China has put its communist ideology on an accelerated time-table, while democracies struggle with consensus-building. There is no NATO or EU equivalent in the Indo-Pacific. ASEAN lacks military strength and the Quad lacks an institutional framework. To match Chinese assertiveness, Europe must engage on an expedited timeline through the Quad, the Five Powers' Defence Agreement (FDPA), Commonwealth and other multilateral forums to build institutionalised frameworks, to "put paper into practice" for a truly free, open, inclusive and rule-based Indo-Pacific.

## SECTION III

### WEBCAST TRANSCRIPTS

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#### Notes

#### **Introduction: Manjeet Kripalani**

- Welcome to the Gateway House-KAS webcast, part of a continuing partnership between two institutions.

#### **Opening Remarks: Peter Rimmel:**

- Welcome to today's diginar on behalf of KAS. We have worked closely with Gateway House and the current pandemic has given us an option to work even more closely. Proud to have such renowned guests. While we have grown accustomed to these virtual platforms, it is important to remember that this only started at the beginning of the year. Congratulations to Gateway House
- Germany's Pivot to Asia, a country that has had strong ties to the bigger economies, it is important explain this development.
- Federal Republic of Germany is not a military power. Unlike other powers, Germany has no political ties to the region anymore which originated during the times of imperialism.
- Germany has a historically difficult relationship with military engagement, and even faces criticism as part of United Nations Peacekeeping Forces from its domestic electorate.
- As a trading nation, we have a clear stake in the Indo Pacific which is understood by the business and political community. Changes in the geopolitical balance will affect Germany and Europe. These changes have been watched closely.
- Germany is not looking to become another power trying to unilaterally impose itself.
- Like India, Germany views itself as a defender of a multilateral world order. Germany is looking for partners in the Indo Pacific. We are diversifying our options and India and the countries that constitute the QUAD are trying to keep the Indo Pacific open.
- There is no wealth in Europe if there is no stability in the Indo Pacific region which fuels the world. That trade must be free, otherwise global trade may be upended and upset the world order. New strategies presented are encouraging signs. Do not be surprised if by the middle of next year, we may see a strategy of the EU.
- Europe needs to step up its game. As our close friends are gearing up to leave the Union, we are still bound by core beliefs, cultural exchange especially in the context of the Indo Pacific, as Europeans, even if we are no longer bound by the umbilical cord of the EU. Other EU countries need to make their voices heard. Spain, Portugal, Italy, etc are still missing. The list of countries that uphold a value-based order is much longer, but only if everyone takes a stand will it make a difference. Upholding the beliefs of Konrad Adenauer, it is vitally important that our vision for the Indo Pacific be mutually beneficial.

#### **Manjeet Kripalani to Karin Mössenlechner**

- It took a while for Europe to come in, even though France released its Indo Pacific Policy in 2018? Why the burst of expressed interest from Europe this year? Is it specific to security and diversity of supply chains? What is going on?

#### **Karin Mössenlechner**

- Thanks to everyone. Would have loved to be India. This is a very topical discussion.
- Many bilateral and EU wide discussions are going on regarding the Indo Pacific.
- Main question is why didn't we already have a policy? Many parts of the world are ahead of us. We have seen shift of geopolitical and geoeconomics power towards the Indo Pacific.
- The recent happenings have made many countries promulgate their policies. US, Japan, India, Australia, ASEAN have all brought different voices. Netherlands and Germany got together,

first commissioned the Global Public Policy Institute two years ago to prepare a joint study for a European view towards the Indo Pacific.

- Germans were a little ahead of us. The Netherlands wanted to skip the Dutch paper and move towards a European one, but since it took longer to get the EU on board, so we published our own policy.
- Together with French and German colleagues, we have managed to put this on the EU agenda.
- What are the reasons? Is it because of China? It is inclusive and not confrontational or exclusive. It is to make sure common challenges are answered together with partners. We reach out to all the parties in the region, not purely on security, though security is an important aspect of it.

### **Manjeet Kripalani to Rt Hon Sir Michael Fallon**

- Harsh Shringla, Foreign Secretary of India spoke at the Policy Exchange and said that the UK should align its Indo Pacific policy with India. What are the broad concerns that will shape the UK's Indo Pacific Outlook?

### **Sir Michael Fallon**

- It would be odd if Britain did not have an Indo Pacific policy, when France, Germany and Netherlands have one.
- Outlook is shaped by prosperity agenda, security agenda, and underpinned by values shared with India.
- Prosperity agenda – Brexit has meant trade policies have to be looked outside of west Europe. Engage more with the growth region of the world which is the Indo Pacific. Join if possible key trading partnerships like CPTPP. COVID-19 has aligned to diversify our supply chains and reduce over dependence on China. There is a very strong prosperity agenda. We should do more and work harder with the great growth region, which is the Indo Pacific.
- Security of the Indo Pacific is our security. That maritime commons needs to be underpinned by the rules-based order. That it is under attack as we have seen disputes there, especially China in the South China Sea. We have to be back, east of the Suez developing access and base support agreements and be part of exercises. We have already done it with Japan with more training with our respective militaries and working with existing alliances like the Quad and the Five Power Defense Arrangements.
- The maritime commons need defending, irrespective whether it is the South China Sea or Malacca.
- As China's power has grown in all digital aspects, we must strengthen our response and not China's. Defense spending has increased, and most of it is in the maritime and digital commons. These are values that we share with India. Expanding Indian navy to protect the maritime commons is also important. Protecting Intellectual property to counter the weight of China in the cyber world is also necessary. British policy is driven by self-interest and fits in with India's interests.

### **Manjeet Kripalani to Dr Axel Berkofsky**

- There is Fundamental divergence in threat perceptions. EU and NATO see Russia as the threat, whereas the Trump administration and the Indo Pacific sees China as the predominant threat. Will Europe's policy remain a prisoner to geographical and economic interests in this technological age?

### **Axel Berkofsky**

- Thanks for invite. Russia is a threat because Russia is geographically closer. Russia has been poisoning former spies. It is a much more prominent physical threat because it has shown to be so.
- China is only a systemic rival. Tough sell to say that we are engaging China politically. Certainly, there is a change of perception.



- The main thing for now, unless there is territorial expansion on the doorstep, is that China is very far away. Doesn't mean we are not interested, we are interested in changes in the East China Sea, South China Sea, Indian Ocean. Easier to refer to as a rival than threat.
- For those who are arguing that we must become tough on China, Europe has become more assertive. Wang Yi caught a bloody nose in Germany. Xinjian, Hong Kong, free speech made it on the agenda. Until then, they thought we were pushovers. We have been talking too long for joint approaches, shared values, etc. This is over.
- As has been mentioned, we are getting interested, and we have every right to team up with democratic countries, whether it is individually or bilaterally. I am happy to see interest in Germany, Netherlands, and in the EU on the Indo Pacific.
- It was 2016 when Le Drian said we must team up with East Asian democracies and joint EU Asian patrolling, he didn't get a bloody nose, but there was no grand enthusiasm for this suggestion.
- And whether we say it or not, of course the Quad is about containing. China is building a military base on Islands that might belong to other countries. Just because China is taking maps from Ming or Qing dynasty doesn't mean they are their islands. The Permanent Court of Arbitration has also rejected China's claims. Happy to see more engagement and less friendliness.

**Manjeet Kripalani to Karin Mössenlechner**

- Netherlands is one of the largest investors in ASEAN. You have a specific China Policy and then an Indo Pacific Policy. Can you list the specific goals that Netherlands has?

**Karin Mössenlechner**

- Netherlands is a very open trade economy. We are interested in keeping open trade routes and also why we are in the forefront of engagement with the Indo Pacific.
- Long history of trade with the region. Largely dependent on international trade. Rotterdam being the gateway to Europe, which will be even more the case after Brexit. We see a lot of folks shifting to Rotterdam. Trade position for the Netherlands will be even more relevant.
- China policy paper published a year and a half ago. Faced many questions. China is an important trading partner. Essential partner in dealing with issues of climate change. Many concerns as well, especially human rights, Hong Kong, Xinjiang. There are differences in political systems.
- As Axel already pointed out, EU terminology is very helpful. Describing China as a partner, competitor, rival.
- Reciprocity is very high on the agenda.
- The EU policies show that there are places where we can cooperate, but we must protect our values.
- Glad to see much more convergence on EU policy towards China.
- One of the things I am also seeing is that we view the Indo Pacific from the prism of China. Should look through the prism of other countries towards China.
- Indo Pacific policy is not meant as a reaction to China, but also how we deal with them and partner with countries in the region.
- Opportunities we see are those that Sir Michael said, not only economic, but also security challenges like the maritime and digital commons, and with India as an important player.

**Manjeet Kripalani to Michael Fallon**

- Britain has a leadership in the Commonwealth. Can you engage more deeply with the Commonwealth in the Indo Pacific, which doesn't include China but countries that are affected by China?

**Sir Michael Fallon**

- We use the Commonwealth for our foreign policy and economics. Many practical uses like bringing people together, usually democracies. Commonwealth has been underpowered in



security. Haven't used it to further our security interests. It is something to be looked at. Can't do anything in the Commonwealth without India.

**Manjeet Kripalani to Axel Berkofsky**

- What role can the EU play in the case of infrastructure development, especially in the case of smaller nations, particularly in alignment with the Quad, to resist China?

**Axel Berkofsky**

- There is a lot going on. Japan is the biggest player of quality infrastructure development. Country teaming up with Japan on quality infrastructure is India. So, there is a lot of cooperation going on, even as far as Africa.
- In 2019, EU-Japan Connectivity Declaration for Quality Infrastructure was started. It is small compared to the Belt and Road Initiative, but it is a beginning. EU is teaming up with Japan which is teaming up with India. If you see what is being planned as far as quality infrastructure, then there is a lot. The fund that EU has aside with Japan is 65 billion Euros which is very less compared to what China is investing. But these projects are about to produce quality infrastructure and not projects which do not produce any result. Look at what China is doing with Pakistan, the CPEC is a disaster in terms of profitability and quality.

**Manjeet Kripalani to Axel Berkofsky**

- Is there any introspection going in the case of not helping their own members and making them susceptible to China?

**Axel Berkofsky**

- China owns 65% of a port in Piraeus. Do I want the CCP to own 65% of a port? Maybe not. But it was an open bidding offer. Why didn't other countries buy it? It is not about keeping rest of the players out of it. We will not claim exclusive access, but of course there are lessons to be learnt.
- How did Greece and Hungary stay out of voting on Human Rights Resolutions? Not a coincidence. They are big recipients of Chinese FDI, which means that investment comes with influence.

**Manjeet Kripalani to Karin Mössenlechner**

- What really is the EU's stand on the Maritime Silk Route and the Belt and Road?

**Karin Mössenlechner**

- Axel already partly answered this, since there is no official EU position.
- As official as you can get is that the EU is for open connectivity relations and partnerships with all partners provided, they also respect our key principles of sustainability and level playing field and as long as those key principles are respected, we are open to working with all countries.
- Axel has already spoken about the Connectivity strategy, launched in 2018. Stated that sustainable, comprehensive and rules-based connectivity will contribute to enhanced prosperity, safety and prosperity of people and society in Europe and Asia. That is the basis of the European strategy.
- We recently signed a joint statement with the foreign ministers of ASEAN for connectivity. We believe that is important that we provide an alternative and not just leave countries who have questions about the BRI to the hands of the Chinese. Connectivity is not aimed at anyone, but we are trying to set a standard there. Norms are also important.
- BRI is not just purely economic, but there is also a strategy behind it. It is creating dependencies, which has been exacerbated during COVID-19 times. It is important to minimize strategic dependencies, so we try to provide alternatives to countries in the ASEAN to connect with the EU connectivity program. It has to be moved from paper into practice like other EU strategies.
- Connectivity is broad. It is in energy, transport; we are talking about connectivity in infrastructure and people to people connectivity.

**Manjeet Kripalani to Michael Fallon**

- India and UK are signing the Logistics Sharing Agreement. What benefits will this agreement bring for the two countries in the larger Indo Pacific region?

**Sir Michael Fallon**

- This Logistics Sharing Agreement is overdue. It was back in the Defence Review of 2015 that we showed that India should be a stronger partner. We launched the Defence and International Security Partnership with India. We sent a ship to Goa to participate in the Konkan exercises. I hope it will enable us to share supplies. It will lead to more frequent exchanges, more port calls, help the Indian Navy if it visits us in the Atlantic. Hopefully it will benefit us in the region, whether its piracy or humanitarian relief. You need the legal framework, which we have with Japan and hopefully you will see it in place with India soon. The New carrier, Queen Elizabeth sails next year, and you will see the carrier east of the Suez, and will have our allies involved.

**Manjeet Kripalani to Axel Berkofsky**

- EU led by Italy is going to chair the G20, followed by Indonesia and India. Can Italy create room for economic manoeuvre in the Indo Pacific where China wants to dominate with regard to its technological, finance, and infrastructure standards?

**Axel Berkofsky**

- I am skeptical not because of Italy, but because of the G20. What would you cite as a G20 achievement, people would be at a loss of words if asked this question? It is good forum to put the issues on the table, but because it is taken over by a country who wants to get it over with, and since it has no legally binding decision-making power, it will not have much impact. Who knows though? Maybe Italy will walk the additional mile? The lack of instruments and the past has shown that you need instruments to adopt policies.

**Audience Q&A**

**Question:**

The reality is of a strident China which is transforming all its equations in the Indo Pacific region, however both Biden and his designated Secretary of Defence Lloyd Austin have used the term Asia Pacific and not Indo Pacific, does this mean a reset and are we going back instead of moving forward?

**Sir Michael Fallon**

- It is too early to cast US formulation of the region on an unconfirmed person. Mattis changed the name of the command to the Indo Pacific. Blinken has been saying we are going to see a switch in focus from the Middle East to the Pacific.

**Manjeet Kripalani**

- Biden has used the term secure and prosperous instead of free and open in the context of the Indo Pacific.

**Sir Michael Fallon**

- Maybe some Indians are right, but along with some of my panelists, I have sat through Biden's speeches and he has used many formulations. I would think US interest in India has been growing.

**Amb. Rajiv Bhatia**

- Can we be optimistic that by the end of 2021, we can see an EU policy on the Indo Pacific?

**Karin Mössenlechner**

- Yesterday there was a meeting between Director Generals, Asia. Very encouraging exchange. All EU partners are on board to develop this EU Indo Pacific strategy. What shape it will take will be up for discussion and will be taken up with a lot of priority and yes, I am positive that we will see a lot more from the EU in the Indo Pacific.

**Peter Rimmele**

- There is no resistance, it is a matter of timing. We will likely see something.

## **Question**

Is it not too early to call Quad meetings as containment as any such policy requires sustained and long term political and material commitments?

### **Axel Berkofsky**

- Containment requires planning, and Quad is not an institutionalized militarized alliance, and of course India will say its policy is not directed at anyone. Of course, countries would say this. Who is occupying territories, who is breaking international law in Hong Kong? Who is killing and detaining its minorities? It is China. But certainly, the containment element is part of the equation. They could call it anything otherwise.

## **Question**

- China has launched multiple trade actions against Australia and sent a 14-point agenda that Australia must work on. Given EUs relationship with China, is there anything to learn?

### **Karin Mössenlechner**

- Important to voice out concerns. When Wang Yi came, these were voiced. Our PM already made this clear. We are concerned and believe that we should be able to voice our concerns. We have mentioned it to our Chinese counterparts and keep repeating it. We believe in international solidarity and countries should be able to voice their concerns without backlash.

### **Sir Michael Fallon**

- China is in breach of an agreement it wanted to get registered. This is not just human rights violations but shows China's willingness to flout international law. China is bullying Australia and is flouting the norms with which we get along. We must persuade China that it is in its own interest to follow the international system. This is a long-term project. We have to bring China back within the norms.

### **Manjeet Kripalani**

- China is dominating the system. It is gaming the system. They head 4 of the 15 specialized agencies directly and one indirectly.

### **Sir Michael Fallon**

- That is why we have to be more active and we hope for more assertive US leadership. We need to tackle the way in which people get jobs and the way funds are allocated. We have started this by calling out Russia at Organisation for the Prohibition of Chemical Weapons. This can only be done by working together. The example I have given them is that in Hormuz we have an Australian ship. There has to be greater international engagement on the international front.

### **Manjeet Kripalani to Axel Berkofsky**

- Do you see the possibility of EU powers contributing to create a regional architecture? You had said there will be deployment by the Germans?

### **Axel Berkofsky**

- I don't know whether deploying the naval forces together will happen. It sounds good, but I don't know if deployment is part of creating an architecture. Europe is about trade and so why shouldn't there be an interest? The EU is the biggest donor of development aid in South East Asia and South Asia. This creates a lot of soft power diplomacy, but the EU has also been promoting institution building. Whether this will result in a regional security architecture remains to be seen.

### **Peter Rimmele**

- Of course, the German Navy is in no way comparable to the Royal Navy, but a symbolic ship will be launched.

## **Closing Statements**

### **Sir Michael Fallon**

- The region has to be the focus because of its growth, and political importance. It has its structural issues. There is nothing that binds it together. There is a dominant China. There are rather fragmented alliances and partnerships and some poor relationships. Lot of work to be done to collectively strengthen the region.
- That work begins in the maritime commons, but also the digital commons. Haven't been able to cover China's sovereign digital currency. Those of us who are concerned by the CCP, will have to address how it is exploiting its weight in the maritime and digital spaces. I welcome the fact that there will be a European Indo Pacific policy and shortly a British one.
- There is the tripolar digital model with USA being company specific, EU being consumer focused, and China being state focused and there are other technologically developed countries who are there.
- There are proposals for a T10 to set technological standards. we need to set digital norms so that we can call out abuse of these technologies and work together.

### **Karin Mössenlechner**

- Cannot take multilateralism and international rules-based order for granted. Like minded countries must work together. It is in the interest of the EU that we take this up since we are interested in a safe Indo Pacific and even make it secure and prosperous in Biden's words. It is in the interest of the countries in the region as well.
- Cannot expect the EU to be a security provider since there is no capacity but can be a partner to ensure that rules-based order continues to function.
- Must also look at Asia through its own prism and not through the Chinese.

### **Closing Remarks: Ambassador Rajiv Bhatia**

- In the 50s – 80s Indian Scholars would study European affairs to understand the trends in global politics. Now, it is time for European scholars to come study the Indo Pacific. The world has come a full circle.
- Panel would have earned a lot of friends, Santosh Jha, India's Ambassador to the European Union is here and several prominent scholars from JNU and the strategic community.
- Signals are clear, Sir Michael has mastered the art of speaking with Indians, tripod of mantras, prosperity, security and values is not just easy to remember, but makes a lot of sense.
- Karin also said that for a long time, Netherlands and Europe saw China as a partner, competitor and rival. It was probably the same for India, but 2020 has changed everything. It would be best if we should be talking about China directly in a separate dialogue and not just in QUAD but also in the intermediate constituency such as ASEAN, South Korea, New Zealand.
- Must underline what Peter said very clearly when he said cryptically that there would be no wealth in Europe if there is no stability in the Indo Pacific.
- At Gateway House we have been studying the Indo Pacific. We believe that China is a strategic phenomenon, covering political, diplomatic, economic, technological facets, and therefore it requires a similar response. In that world, I would propose that we thank Chinese diplomacy for bringing Europe and India closer together.