



Press Release

Europe's industrial leaders share their view on how to make Open Strategic Autonomy work

BRUSSELS, 5 JULY 2021: As optimism grows in Europe for a rapid post-pandemic recovery, Europe's industrial leaders today release a new publication addressing trade policy in an altered global landscape.

Informed by independent data and insights from the CEOs and Chairs of some of Europe's most significant global companies, the report spells out the links between trade policy and some of the most pressing geopolitical issues of our time. It contains analysis and recommendations for Europe's strategy of open strategic autonomy, proposing that the EU should foster mutual dependencies between trading partners. It also spells out the opportunities for renewed cooperation between the EU and the US and assesses how to deal with an ever-evolving trade relationship with China.

Jacob Wallenberg, Chair of Investor AB and Chair of the ERT Committee on Trade & Market Access said *"The COVID-19 pandemic has highlighted existing supply chain dependencies and led to a call for more European autonomy. However, despite the challenges, we must continue to work for free trade and openness to allow companies to adjust strategies according to their business models. Faith in the resilience of global supply chains remains strong among European business leaders and we believe these principles should be considered a source of strength for Europe."*

In a year of significant geopolitical meetings - including those during the visit of US President Joe Biden last month - and the G20 and COP26 meetings in a few months' time, today's release aims to provide clear, constructive input on how the leaders of Europe's global companies see the opportunities and threats for international trade.

On Global value chains

As the effects of the pandemic went global last year, a consensus emerged that the resilience of supply chains needs to be strengthened. The publication released today discusses how value chains can become more resilient and underlines the practical considerations at play and the limits of reshoring.

Wallenberg commented *"Resilience begins at home, with an integrated and flexible EU single market that allows business to grow effectively in the European market. Investing in innovation and digital and sustainable infrastructure will enable European industries to be competitive globally. Open trade relations stimulate the adoption of new technologies and open new markets globally for European products and services."*

On the Transatlantic alliance

Amid last month's declarations that 'America is back', ERT believes that restoration of EU-US relations provides an opportunity to create a transatlantic digital economy. The

transatlantic alliance is rooted in shared values. The urgency of challenges we face, such as climate action, WTO reform and broader regulatory collaboration, should spur cooperation.

On this, **Wallenberg** said *“The US is a strategic partner and a key ally. Acting together, the EU and the US can build a stronger transatlantic economy, shape standards globally and strengthen multilateral institutions and a global rules-based system.”*

He added *“We hope that the new Trade and Technology Council, created at the recent EU-US summit, will become a key platform for transatlantic collaboration with a broad and ambitious agenda. We would like the Trade and Technology Council to lay the foundation for a long-term working relationship that can overcome some of the existing barriers and continue to allow both sides to foster cooperative innovation.”*

On EU-China relations

As China has gone from an emerging economy to a primary market and assertive partner, ERT provides insights into some of the issues facing non-Chinese companies operating there. It advocates for improving market access and a level playing field.

Wallenberg commented *“China has gone through tremendous economic and social development and demonstrated an unparalleled ability to deploy new technologies. While vital for both European and Chinese industries, jobs, and growth; our relationship with China remains complex. The continuing emergence of China is the most important strategic challenge of our time.”*

He added *“The EU needs to invest in developing this relationship with the ultimate aim of China engaging further in a rules based world order. Trade and business on a level playing field rely on the fundamental principles of openness and transparency, and respect for civil liberties and rights.”*

The ERT publication *Making Open Strategic Autonomy work – European Trade in a Geopolitical World* has been produced with the support of the international consultancy, Global Counsel and is available to download [here](#).

Note to Editors:

A full list of the membership of ERT is accessible [here](#).

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About the European Round Table for Industry (ERT)

The European Round Table for Industry (ERT) is a forum that brings together around 60 Chief Executives and Chairs of leading multinational companies of European parentage, covering a wide range of industrial and technological sectors. ERT strives for a strong, open and competitive Europe, with the EU and its Single Market as a driver for inclusive growth and sustainable prosperity. Companies of ERT Members have combined revenues exceeding €2 trillion, providing direct jobs to around 5 million people worldwide – of which half are in Europe – and sustaining millions of indirect jobs. They invest more than €60 billion annually in R&D, largely in Europe.

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