

The Geopolitics of Supply: towards a new EU approach to the security of supply of critical raw materials?

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Introduction

Over the past few years, European leaders have repeatedly stated that, in a world increasingly defined by great power competition, the European Union must become a geopolitical power. To achieve its ambition of strategic autonomy, the Union must certainly “learn to use the language of power”, as the High Representative noted in his confirmation hearing. This, however, is not enough. If the EU aspires to be an independent and relevant geopolitical actor, it also needs secure and reliable access to the strategic resources and infrastructure that underpin its political, military, economic and technological-industrial capacity. This need can be seen in the discussions about 5G technology and infrastructure, as reliance on Chinese-made equipment can jeopardise Europe’s strategic autonomy, which in turn can limit Europe’s freedom of choice and action in an increasingly hostile geopolitical era. Yet, we should not focus on just infrastructure and technology while ignoring the importance of critical raw materials (CRMs), such as cobalt and rare earth elements (REEs). Without reliable access to such materials, the EU could face a higher risk of economic and political disruption.

It is difficult to overstate the significance of CRMs for Europe’s security and prosperity. They are essential in producing numerous daily goods, as well as a range of high-tech and high value-added products that are crucial for the sustainable growth and global competitiveness of European industry. For instance, some CRMs are vital for manufacturing the physical components underpinning all digital technologies, such as semiconductors and hard drives. Others are irreplaceable in technologies necessary for Europe’s green economic transformation, such as solar panels, wind turbines and electrical batteries.¹ And others play a key role in the aerospace and defence industry, with applications in heat-resistant super-alloys, laser technology, and jet engines, among others.² In other words, CRMs are foundational to defence, economic and technological sovereignty in the 21st century.

The importance of critical raw materials for Europe’s future key value chains is increasingly being recognised. This policy brief argues that, in order to achieve greater strategic autonomy and technological sovereignty, the EU needs to enhance its security of supply and mitigate its extensive dependences in this domain. Its current approach, devised more than a decade ago, faces considerable challenges and is out of step with today’s geopolitical environment and the Union’s evolved ambition. To address these issues, the EU needs to formulate a new strategy. In this endeavour, examining the recently revised US approach to critical minerals can yield valuable insights, which can be fruitfully adapted to European realities. An updated, geopolitically sensitive strategy on critical raw materials can also provide the EU with a blueprint for approaching security of supply issues more broadly, as well as for overcoming recent transatlantic tensions and cooperating with trusted partners on managing common challenges of strategic dependence.

Recognising critical materials’ significance for Europe’s future vital value chains, the EU’s new industrial strategy calls for an Action Plan to ensure reliable access to CRMs.³ This initiative, however, raises a number of interrelated questions: What are the main challenges and shortcomings of the EU’s current approach to CRM security of supply? As it seeks to address these issues, can the EU learn any lessons from the recently developed US strategy on

critical materials and, if so, how could those be adapted to European realities? Given Washington's approach to the security of supply of CRMs, what scope is there for transatlantic cooperation in this area?

This policy brief seeks to answer these questions with a view to contributing to the formulation of an updated EU approach to CRM security of supply and, more broadly, to managing its strategic dependences. To this end, the brief is structured in three parts. In part one, it looks at the challenges that Europe faces with respect to CRM security of supply and the measures it has taken so far to address them. The second part examines the new US strategy for dealing with its own challenges in this domain, which is already being implemented. Finally, part three draws out insights from the US approach and makes some recommendations on that basis for a revised European strategy on CRM security of supply, including on potential transatlantic cooperation in this area.

The EU's dependence on critical raw materials

For its access to CRMs, the EU depends heavily on international markets. While some domestic production and/or processing capacity exists (e.g. cobalt in Finland), most CRM value chains in Europe only begin at the refining or manufacturing stages. Overall, the Union is over 95% import-reliant for 15, and over 60% import-reliant for an additional seven, of the 27 materials/material groups designated as CRMs as of March 2020. China is by far the EU's most important supplier, accounting for 62% of its total imports, while other key suppliers include the US, Russia, Brazil and Nigeria.⁴

This extensive dependence creates considerable risks of disruption in the EU's CRM supply chains, which are further exacerbated by three factors. First, the acceleration of technological innovation cycles and the rapid growth of emerging economies have led to increasing global demand for raw materials, including CRMs. As a result, natural resource-poor and import-reliant economies, such as the EU, face increasing competition for access to supplies. This is especially the case with some producers, such as China and Russia, that impose export restrictions (e.g. export quotas and taxes) on these materials in order to ensure adequate supplies for their own growing industries.

Secondly, CRM production is concentrated in a handful of countries, including fragile states. China accounts for 50-95% of the global production of 32 out of the 43

individual elements on the EU's CRM list, while Brazil, the Democratic Republic of the Congo (DRC), South Africa and the US each produce more than 60% of at least one CRM. The processing and refinement stages of CRM value chains are highly concentrated too. China, for instance, is estimated to control around 85% of the world's processing capacity for all REEs, while Brazil and the US control 90% of the niobium and 85% of the beryllium processing capacity, respectively.⁵ Such extreme concentration creates single points of failure along critical global supply chains. As a result, localised disruptions – whether resulting from a natural disaster, a market failure, or political upheaval – can have severe repercussions worldwide.

Finally, the increasing geopoliticisation of international trade intensifies the risk that dominant producers will leverage their position to pressure dependent CRM importers by threatening or cutting off their supply. Examples of such behaviour include China's thinly disguised attempt in 2010 to weaponise its dominance in rare earths production amidst a diplomatic stand-off with Japan, as well as its recent and more explicit threats to do the same in the context of its ongoing trade dispute with the US.⁶ This trend should be a cause for concern in Europe, particularly given its heavy import-dependence on a supplier that it recognises as an economic competitor and systemic rival.

Europe's response to its raw material challenges

To tackle those challenges, the Union has followed an approach structured around the Raw Materials Initiative (RMI), the overarching EU-level policy framework on raw materials, including CRMs.⁷ The RMI, established in 2008 and revised in 2011, set out a strategy to tackle the issue of EU access to raw materials based on three pillars: (1) ensuring the supply of raw materials from global markets; (2) ensuring the supply of raw materials within the EU; and (3) enhancing resource efficiency and supply of secondary raw materials through recycling. In this context, the European Commission also publishes the triennially updated list of EU Critical Raw Materials.

Reinforcing the RMI is the European Innovation Partnership on Raw Materials, a platform bringing together the stakeholder community to translate RMI into concrete actions and implement them. Horizon 2020 and LIFE, the Union's framework programme for research and innovation and its funding instrument for environment and climate action, respectively, have also been crucial

in implementing the RMI. The former, in particular, had provided more than €200 million of investment in relevant projects by 2018, with more than €250 million dedicated to raw material-related actions for the 2018-2020 period.⁸

Within this policy framework, the EU has undertaken a number of initiatives to enhance its CRM security of supply. With respect to securing foreign supplies, the EU has mostly sought to remove trade restrictions through free trade agreements and the World Trade Organisation (WTO) framework, having launched, for example, three CRM-related WTO cases against China. In addition, the Union has established raw material-focused dialogues with certain (potential) suppliers, such as China, African Union countries and Greenland, and with other major CRM importers, including in a trilateral EU-Japan-US framework. Only recently have European firms begun pursuing supplier diversification. Last summer, a subsidiary of Thyssenkrupp replaced a Chinese company as the key investor in a pilot REE plant in Australia and secured the rights to its entire output.⁹

As regards enhancing its domestic production capacity, the EU has launched several initiatives focused on mapping EU resources and building up knowledge and expertise around CRMs, such as the European Union Raw Materials Knowledge Base, the European Institute of Innovation and Technology's Raw Materials Knowledge and Innovation Community (EIT RawMaterials) and the SCRREEN and ERECON projects. Recent years have also seen an increase in CRM exploration activities in Europe, with major projects such as Kvanefjeld and Kringlerne in Greenland and Norra Kärr in Sweden, in particular, reaching advanced stages of exploration and development.¹⁰ Overall, however, the Union's mineral potential remains under-explored and the budget for exploration activities in the EU remains very low (in 2017, 4% of the world total) and largely focused on non-critical materials.¹¹

On the other hand, the EU has invested considerably in research and development (R&D) to improve resource use efficiency, enhance its supply of secondary raw materials and develop CRM substitutes. Some of the aforementioned initiatives, such as EIT RawMaterials, SCRREEN and ERECON, include workstreams related to CRM recovery and substitution. Various other projects funded by Horizon 2020, like INREP, INFINITY and Flintstone2020, have also investigated the substitution of CRMs, such as indium, tungsten and cobalt. Several others have explored recovery or recycling (e.g. of indium, niobium, silicon, tantalum, tungsten vanadium, yttrium), including Horizon-funded CABRISS, CHROMIC, REslag and TARANTULA, as well as LIFE-funded CRM Recovery and RECUMETAL.

Despite these efforts, however, the EU approach to CRM security of supply is not without its weaknesses. Notably, the RMI framework was devised in the time of the financial crisis and does not fully reflect the present period of geopolitical shifts and the Union's evolved ambition. Although European leaders today talk of technological sovereignty, European policies are still outdated. With the new EU industrial strategy calling for a focus on CRMs, there is a pressing need for the EU to reformulate how it balances supply chain security with market openness. Moreover, from an operational perspective, the Union is not putting equal effort into the three pillars of the RMI strategy. It has not focused enough on building production and processing capacity in and around Europe, while supply diversification efforts are still in their infancy and largely uncoordinated. Given the growing geopolitical constraints facing Europe – especially after the COVID-19 crisis – there is therefore a need to explore alternative methods of ensuring Europe's security of supply for CRMs.

Can anything be learned from the United States?

One of the obvious countries to look at is the US, especially given the shared trade and concerns between the US and the EU. Despite the current frictions in the transatlantic relationship and the differences between the political, economic and technological-industrial circumstances on the two sides of the Atlantic, Europe could, as it works on its own action plan, study the American approach as embodied in the 2019 "Federal Strategy to Ensure a Reliable Supply of Critical Minerals".¹² Washington has already identified CRMs as an area of concern in the context of its efforts to shore up its security of supply amidst the intensifying geopolitical competition with China.

In 2018, it published a list of 35 'critical minerals' deemed vital to national security and prosperity. A January 2020 report revealed that the US was 100% import-reliant for 14 of these materials and 50-99% import-reliant for another 17, with China being the primary source for most.¹³ Among critical minerals, REEs receive particular attention in Washington, owing to the degree of American dependence and China's repeated weaponisation of them. Between 2015 and 2018, 80% of US REE imports came from China, while the remaining 20% were originally processed there. A 2018 Department of Defence report similarly found that 80% of the American military's suppliers relied on China for rare earth metals and compounds.¹⁴

Against this background, the government released its strategy on critical minerals in June 2019. Warning about the high risk of disruption to global supply chains, the document lays out a slew of measures aimed at reducing the US “strategic vulnerability” caused by its dependence on critical minerals imports. Its recommendations range from short-term actions, such as stockpiling minerals and developing alternative import options, to medium- and long-term ones, such as advancing R&D on resource efficiency and substitution and bolstering domestic capacity along the entire supply chain, including through assessing domestic mineral sources, streamlining mining permits and relaxing environmental regulations, and building new mining, processing and manufacturing capabilities.

The US is already moving quickly to implement this strategy. In the short-term, Washington is seeking to mitigate its vulnerability through stockpiling critical minerals. While the federal government had already begun re-building its National Defence Stockpile after 2010, there are indications that stockpiling efforts have recently been ramped up. For instance, US imports of rare earth magnets from China began steadily increasing after May 2019, when Beijing first threatened to cut off US supplies.¹⁵

The second strand of the US strategy concerns securing foreign supplies. In contrast to the EU’s approach, Washington has put emphasis on diversifying its supply sources through alliances with ‘friendly’ producers. In June 2019, it launched the Energy Resource Governance Initiative, with the aim of boosting the worldwide development of rare earths and other minerals, such as lithium and cobalt, which will be key in future energy technologies. Several important current and potential future producers have since joined the scheme, including Argentina, Australia, Botswana, Brazil, Canada, the DRC, Namibia, Peru, the Philippines and Zambia.¹⁶

Washington is also working bilaterally. Australia, where Lynas –the world’s only significant REE producer outside China– is based, is a key partner. Building on a 2018 cooperation agreement on strategic minerals, in November 2019, the two countries formally agreed to join forces in mapping their critical mineral reserves and to “develop a pathway to supply arrangements”.¹⁷ The US is also likely to be among the strategic customers for whom Lynas is stockpiling certain REEs.¹⁸ In addition, the US and Canada are drawing up a joint action plan to reduce dependence on China, which will reportedly include defence funding for relevant projects, strategic investments in North American processing facilities, and greater R&D in extraction.¹⁹ Notably, just a few months

earlier Ottawa and Washington had approved the sale of a US-owned Canadian REE mine to Sinomine Resource Group, turning the partly state-owned Chinese company the world’s largest supplier of cesium products. Finally, in June, the US also signed a memorandum of understanding with Greenland to assist in the exploration and development of the territory’s rich resources, particularly its rare earth minerals.²⁰ Greenland’s endowment was reportedly a key driver of US President Trump’s rebuffed attempts in the following months to negotiate the territory’s purchase from Denmark.

Another pillar of the US strategy is accelerating the development of its domestic production and processing capacity for critical minerals, particularly rare earths. The private sector has already launched important initiatives in this area, which are slated to come online within the next few years. An REE processing facility is being built at the sole American REE mine at Mountain Pass, California (now partly owned by China’s Shenghe Resources), while Canada’s UCore Rare Metals is currently developing a heavy REE mining project in Alaska. In May 2019, Australia’s Lynas and Texas-based Blue Line signed a memorandum of understanding for the construction of a large-scale medium and heavy REE separation facility in Texas.²¹ In December 2019, USA Rare Earth and Texas Mineral Resources teamed up to open a pilot plant in Colorado that will purify REEs, lithium and other critical minerals, which will ultimately be moved to Texas and scale to full-industrial capability. The facility is expected to receive ore from a mining facility that Texas Mineral Resources aims to build locally.²²

While commercially driven, these developments have been fuelled by Washington’s push to increase its self-sufficiency in critical minerals and the expectation of some form of federal support. A strong incentive, in particular, is the US military’s plan to fund domestic REE processing capacity. In November 2019, the Army reportedly asked mining companies to submit proposals for constructing a pilot production plant for heavy REEs, indicating that it will fund up to two-thirds of the cost and may fund multiple projects.²³ Most of the projects mentioned above are expected to submit proposals. While financing criteria remain unclear at this moment, applicants were required to specify their ore source(s). Meanwhile, a bill introduced in the Senate last summer would allow US rare earth producers to form a cooperative, thus circumventing US antitrust law, with a view to establishing a “fully integrated domestic rare earth value chain”.²⁴

Finally, the US is also exploring methods of secondary production of critical minerals, such as recycling, waste

processing, brine extraction, or energy by-products filtering. For instance, the Critical Materials Institute, led by Ames National Laboratory, runs several research projects that explore novel methods to reuse and recycle critical materials, develop substitutes for their applications and conduct cross-cutting research. The Department of Energy also runs a programme aimed at developing advanced separation technologies for the extraction and recovery of REEs and other minerals from coal and coal by-products, as well as a new 'Critical Materials Initiative' to develop technologies to enable additional domestic REE supplies, with an aggregate proposed funding of \$25 million for 2020.²⁵

What can Europe learn?

Although transatlantic circumstances differ, there are valuable insights to be gleaned from the American approach to critical resources security of supply, which could inform a revised EU strategy for CRMs. The first such insight is the simple, yet fundamental principle that a supply chain is only as strong and secure as its weakest and most vulnerable link. Therefore, a prudent European strategy should address the entire CRM value chain, focusing especially on the stage(s) where the gravest vulnerabilities are. At the moment, most bottlenecks in global value chains concern processing and refining. Investing heavily into mining projects is pointless, if the extracted ore must necessarily be exported to be turned into intermediate products. The American experience is instructive here. Although US REE production rose by 44% from 2018 to 2019, this entire output had to be shipped abroad for processing.²⁶ This is also why stockpiling would be ineffective, except as a complement to strategies addressing structural dependences higher up the value chain. Moving up the value chain has clear economic benefits too. When it comes to CRMs, the processing and refining stages account for much greater value-added than mining and will thus be more attractive to investors.²⁷

Another way in which the US approach can be instructive is its equal emphasis on its different strands. While continuing to invest in R&D, Washington is also moving aggressively to find alternative suppliers, shore up its domestic capacity and build vertically integrated value chains. An updated European strategy should similarly fire on all cylinders. Currently, the RMI's third pillar, concerning resource efficiency and developing substitutes, is the most advanced. Efforts in this area should certainly continue, since they not only enhance the EU's CRM security of supply, but also contribute to 'greening' Europe's economy and keeping its industry

at the forefront of innovation. However, equal attention should be paid to the other two pillars – securing foreign supplies and developing domestic resources – which have been under-utilised so far.

Developing Europe's resources is key to decreasing its import-reliance and attendant vulnerabilities in the longer term. There is much to be done in this area. Completing the ongoing work on mapping the continent's mineral resources is, of course, essential. Beyond that, however, considerable effort is necessary to boost Europe's production capacity. Taking a page from the US book, the EU should be ready to mobilise all its available instruments to that end. A key part of the Union's toolbox will be investment finance assistance. The European Investment Bank's new and explicitly CRM-friendly energy lending policy²⁸ opens up significant opportunities in this respect, especially since the bank will implement 75% of InvestEU, the EU's multi-billion investment programme for 2021-2027, which will include a Strategic Investment Facility aimed at ensuring the Union's strategic autonomy in key value chains.²⁹

State aid is another arrow in Europe's quiver. Strategically significant CRM projects could be designated as Important Projects of Common European Interest, thus exempting them from normal EU state aid and competition rules and allowing public funds to be leveraged in support of key initiatives in this area. The EU should also use its convening power to bring together all relevant stakeholders and foster the creation of multinational public-private partnerships that can undertake projects on a strategic scale. The EU's experience with standing up the European Battery Alliance, a multinational consortium aimed at creating an integrated value chain for electric car batteries in Europe,³⁰ can offer valuable lessons here.

One point where the European path must diverge from the American one concerns the relationship between environmental protection and competitiveness. Amidst a climate emergency, Europe must work towards creating a market that values sustainability over mere cheapness. By setting appropriate standards, the EU can encourage downstream industry to ensure that the CRMs used in European value chains are sourced as sustainably as possible, including by favouring shorter value-chains with smaller environmental impact. Such measures would shield a fledgling European CRM industry from socio-environmentally irresponsible and unfair competition, while embedding it into a framework of sustainable growth.

Achieving security of supply solely through domestic capacity and import-independence, however, is not a viable policy for a resource-poor region like Europe. A

pragmatic EU strategy should instead strive for import-resilience. Practically, this entails diversifying Europe's CRM suppliers and shortening its supply chains. To be sure, efforts to address current suppliers' unfair trade practises through established channels should continue. However, this approach is reactive and slow, allowing China, in particular, to further consolidate its dominance, as top EU officials have acknowledged.³¹ Therefore, Europe should take a page from the US book and focus on broadening its CRM supplier base. The EU should establish partnerships with a wider range of producers, while also developing a strategy of sustainable investment in select partners' minerals sectors, to support the emergence of alternative CRM production capacity.

Although opportunities should be explored globally, nearby CRM-rich regions, notably Africa and Greenland, should be prioritised, given the strategic advantages of shorter supply chains and the risks posed by ongoing Chinese activity there. To give but two examples, Beijing has been aggressively moving to control the supply of cobalt in the DRC, the world's leading producer,³² while China's Shenghe seeks to acquire the entire output of the Kvanefjeld REE project in Greenland, after becoming its developer's largest shareholder.³³ There already exist solid foundations for such an approach. Since establishing the EU-Africa partnership in 2018, there has been a drive to reinforce bilateral trade and investment. The EU should build on this momentum to shore up its position in the continent's CRM sector. To that end, it could provide assistance with mapping Africa's mineral resources, increased lending to sustainable mining projects and de-risking financial instruments. The Union should also re-energise its relations with Greenland. The 2015 EU-Denmark-Greenland Joint Declaration acknowledged the territory's potential role as a raw materials supplier for the EU and recognised the importance of bilateral cooperation in this regard.³⁴ Given Europe's growing CRM needs and the importance of mineral resources for diversifying Greenland's economy, this area should be the partnership's focus for the 2021-2027 period.

All the above indicate that the EU has a daunting task ahead. Reshaping global CRM supply chains will require long-term, intensive effort. The endeavour could over-tax the Union's finite resources, which are needed on other fronts too, especially following the coronavirus pandemic. Consequently, forging strategic partnerships with countries with which the EU has common interests will be crucial for attaining its objectives in a sustainable and cost-efficient way. Australia, Canada, Japan and the US should be among the Union's priority partners in this regard. These open societies share a concern

about the political, security and economic risks posed by the excessive centralisation of critical value chains and technologies under authoritarian control. Moreover, their economies, which include major CRM producers and consumers, collectively possess the market depth and the human, financial and technological-industrial wherewithal to reshape the global CRM supply architecture. Going beyond bilateral cooperation, the EU should explore the possibility of working with these countries in a plurilateral framework, potentially building upon the existing EU-Japan-US cooperation format. Such a 'CRM alliance' would allow participants to complement each other's policies, coordinate the allocation of resources and achieve shared objectives at lower costs.

In practical terms, one potential area of cooperation would be in mapping geological resources across the globe. For example, the US is reportedly employing drones and other sophisticated technology to locate REE resources all over the world.³⁵ This includes Greenland and Africa, whose CRM deposits also interest the EU, creating ample scope for synergies and allowing the EU to benefit from partners' capabilities. A CRM alliance would also allow the Union to mitigate its human capital deficit on mining and primary processing, which hinders the establishment of European companies at the first stages of CRM value chains, by leveraging the know-how of Canada's and Australia's extensive and diverse mining sectors.

The alliance would offer clear economic benefits as well. Developing enough mining and processing capacity to offset China's dominance will require considerable investment funding. Instead of following their individual strategies in isolation from – or competition with – one another, participants could reduce inefficiencies and avoid cost duplication by making joint or complementary investments, including at home. This has already begun, albeit without the EU. Washington is already considering investing in Australia's domestic processing capacity, as noted above, while Japan is discussing a deal to fund REE processing facilities in both Australia and the US.³⁶ European companies should increase their involvement in these countries' mining sectors too, as they have already been encouraged to do.³⁷ Conversely, non-EU companies could invest in developing capacity in and around Europe. Beyond its economic benefits, 'friendly' foreign investment would also contribute to protecting Europe's strategic resources. While the EU's new FDI Screening mechanism can detect problematic investment flows, situations may arise where no viable European alternatives exist, leaving member states without meaningful choice. In such cases, intra-alliance investment could serve as a safe replacement of risky foreign funds.

Conclusions

Secure access to strategic resources is essential for Europe's 'strategic sovereignty'. Against a background of growing global challenges, the EU should waste no time in formulating and implementing an updated approach to CRMs security of supply. It has been shown that, while the RMI and the work already done in that framework provide a solid basis to build on, there is still much to be done. The CRM action plan called for in the EU's new industrial strategy needs to be a bold first step in this direction. Going forward, it is key that three basic ideas – adopting a whole-of-value chain perspective, balancing the RMI's three pillars and forging strategic partnerships – are embedded in all future EU action on CRMs. An approach based on this triptych will go a long way towards mitigating Europe's vulnerabilities and safeguarding its vital supply chains.

Important as they are, CRMs are one among several areas where Europe faces structural challenges to security of supply. Coming on the heels of the debate on 5G and Huawei, the recent coronavirus outbreak has exacerbated concerns about Europe's over-reliance on Chinese manufacturing for a wide range of products. Top European officials have called for diversifying import sources and even repatriating key value chains, such as in the automobile, aerospace and pharmaceutical sectors.³⁸ Such a policy of 'strategic relocation' would constitute a major shift in Europe's global posture, with potentially far-reaching consequences. Any moves in that direction should not be executed in an ad hoc manner, but as components of a coordinated plan to explicitly identify value chains of strategic importance and manage the EU's dependence in those areas.

The similarity of challenges facing the EU across different domains suggest, moreover, a need to re-examine the fundamentals of its approach to security of supply. In world of diminishing attachment to the rules-based order, developing a more geopolitically-minded approach to this issue is a prerequisite for enhancing Europe's sovereignty. In this endeavour, striking the appropriate balance between open market competition and strategic interest protection will be as essential as it will be challenging. Free markets are Europe's traditional *modus operandi*; geopolitics are not. Here, the disruption to global trade and supply chains caused by the coronavirus pandemic might present an opportunity to break with the past and better align EU policies with the emerging international environment. Being applicable to domains beyond CRMs, the principles and policy recommendations outlined in this paper can hopefully make a contribution in this regard.

Finally, this paper has demonstrated that, much like supply chain security does not equal autarchy, Europe's ambition for strategic autonomy does not equal unilateralism or a desire to weaken long-standing relationships. Rather, it is an effort that will often entail working with trusted partners, such as the US, and contributing to their strategic autonomy too. Indeed, recent tensions notwithstanding, shared values and interests ensure an enormous scope for cooperation between European Union and the United States. For example, as the case of CRMs indicates, the transatlantic agenda on strategic dependence could be fruitfully extended beyond just 5G, to encompass security of supply more broadly. Naturally, the two allies will not agree on everything, but on balance they have much more reasons to work together than not. To facilitate cooperation, European policymakers should concentrate their efforts in identifying common ground and mutually beneficially ways forward. In general, as Europe pursues a more robust geopolitical identity in an increasingly turbulent world, it should not forget that there is strength in unity.

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