

November 20 to 21, 2023
Federal Foreign Office
Berlin
#SpinelliForum



German-Italian Young Leaders Dialogue Spinelli Forum

Germany and Italy are close partners and founding members of the EEU. Close German-Italian cooperation is indispensable for tackling common European challenges. This concerns in particular the reshaping of the European security order in response to the Russian war of aggression against Ukraine. The enlargement of the EU is a geopolitical necessity, which goes hand in hand with the necessary reforms to safeguard the EU's own ability to act. At the same time, it is crucial to ensure the competitiveness of European economies in global competition and to successfully shape the major transformations stemming from the climate crisis and digitalisation.

Strengthening the dialogue between Germany and Italy is therefore critical in order to deepen the understanding between each other and overcome misunderstandings. The "German-Italian Young Leaders Dialogue - Spinelli Forum" strives to promote the exchange between the young generations of both countries and to create a permanent network for young leaders from the fields of politics, business, science, civil society, culture and media. In three digital workshops and a joint conference in Berlin, participants will have the opportunity to interact with experts and political decision-makers while developing answers to current European policy challenges. The aim is to give new impulses to the close partnership between Germany and Italy.

The Spinelli Forum was launched in 2019 at the initiative of the German Federal Foreign Office and the Italian Ministry of Foreign Affairs and International Cooperation and is hosted by the IEP and the Istituto per gli Studi di Politica Internazionale (ISPI).



About Us

Institut für Europäische Politik (IEP)

The IEP is a non-profit, non-partisan organisation concerned with European integration. Situated in Berlin, it is one of the leading foreign and European policy research institutions in the Federal Republic of Germany.

IEP works nationally and transnationally at the interface of science, politics, administration and political education. Its task is to scientifically investigate topics of European politics and integration in order to then promote the practical application of the research results.

The IEP offers a citizen-oriented, European and interdisciplinary forum as well as a platform for European policy debates among experts.

www.iep-berlin.de

Italian Institute for International Political Studies (ISPI)

The Italian Institute for International Political Studies (ISPI) is an independent, non-partisan, non-profit think tank providing leading research and viable policy options to government officials, business executives and the public at large wishing to better understand international issues. Founded in Milan, Italy, in 1934 thanks to the support of a group of businessmen led by Alberto Pirelli, founder of Pirelli S.p.A., ISPI has always adopted a pragmatic approach in analyzing geographical areas and topics of particular interest to Italy and Europe.

ISPI is the only Italian think tank — and among the few in Europe — combining policy-oriented research with an equally significant commitment to education and training, to conferences and advice on international trends for businesses, Institutions and the wider audience. Its work features an inter-disciplinary approach and partnerships with leading think tanks and universities from all over the world.

In 2007, against the backdrop of Italian-German bilateral relations, ISPI established the Italian-German Observatory in collaboration with Italy's Embassy in Germany to promote meetings for members of the two countries' civil society around the main themes of convergence.

The Italian-German Dialogue Forum particularly stands out amid the meetings launched by the Italian-German Observatory, wherein the two nations' civil society collaborated on presenting proposals to government officials.

Moreover, in 2014 and 2016, as requested by Italy's Quirinal, the Institute also promoted the Italian-German High-Level Dialogue involving a selected number of high-level personalities representing the two countries.

www.ispionline.it



Agenda

20/21 November 2023 - German Federal Foreign Office Entrance: Unterwasserstr. 10, 10117 Berlin

19 November	
From 19:00	Informal Get-Together Frannz-Club, Schönhauser Allee 36, 10435 Berlin
20 November	
08:30 - 09:00	Registration
09:00 - 10:30	Public Panel Discussion
	Welcome Address (10 min)
	 Funda Tekin, Director, IEP Antonio Villafranca, Director of Studies, ISPI
	Keynote Speeches followed by panel discussion w/ Q&A (1h 20m)
	 Anna Lührmann, State Minister for Europe and Climate, German Federal Foreign Office Maria Tripodi, Undersecretary of State for Foreign Affairs and International Cooperation, Italian Ministry of Foreign Affairs and International Cooperation (TBC)
	Moderator: Florian Eder , Head, Süddeutsche Zeitung Dossier & Adjunct Professor, Florence School of Transnational Governance, European University Institute
10:30 - 11:00	Group Photo followed by Coffee Break
11:00 – 11:15	Welcome and Check in <i>(Plenary)</i>
	Julian Rappold, Research Advisor, IEP
	Introductory speech
	Pier Virgilio Dastoli, President, Movimento Europeo Italia
11:15 – 12:30	Working Phase I (Working Group)
	Recap and definition of the policy problem; Brainstorming of possible solutions
12:30 – 13:30	Lunch



13:30 - 15:00	Working Phase II (Working Group)
	Presentation of policy problem and possible policy recommendations to
	the group
	Feedback and discussion with the group Incorporating feedback into policy issues analysis
	,
15:00 – 15:30	Coffee Break
15:30 – 17:30	Working Phase III (Working Group)
	Developing policy recommendations
18:00 – 18:30	Transfer to the Italian Embassy (Hiroshimastraße 1, 10785 Berlin Bus Shuttle leaves at 18:00
18:30 – 19:30	AI Policy Slam (organized by the Alumni of the Spinelli Forum)
From 19:30	Dinner Reception
	Bus Shuttle back to hotel leaves 21:30; 22:10
21 November	
08:30 - 09:00	Registration
09:00 - 09:15	Welcome and Introduction to Day 2 (Plenary)
	Julian Rappold, Research Advisor, IEP
09:15 – 10:15	Working Phase IV (Working Group)
	Preparation to present policy recommendations in the Gallery Walk
10:15 - 11:00	Gallery Walk
	Short Pitches and possibility to collect feedback from all participants
11:00 – 11:15	Coffee Break
11:15 – 12:00	Working Phase V (Working Group)
	Incorporating feedback into policy recommendations Finalization of policy recommendations and preparation of the final presentation of the policy recommendation



12:00 – 13:30 Presentation of policy recommendations and closing ceremony

- Anna Lührmann, State Minister for Europe and Climate, German Federal Foreign Office
- **Armando Varricchio**, Italian Ambassador to the Federal Republic of Germany

Moderator: Funda Tekin, Director, IEP

13:30 – 14:30 Farewell Lunch



Concept Notes

Working Group 1 – European foreign and security policy

Russia's war of aggression towards Ukraine has been a watershed moment for Germany, Italy, Europe and the international rules-based order. With this war, Russia not only broke international law, but also shook up the European security order and directly attacked our shared values of freedom, democracy, and sovereignty. As a reaction, the EU has been redefining its security, defence and foreign policies in need to strengthen the EU's unity, changing its priorities on the continent and globally and adapting to a world of non-cooperation. This includes the need for recalibrating its relationship to a more assertive China, prepare for longstanding confrontation with Russia, and the reinforced understanding for the importance of NATO and the transatlantic relations for European security while at the same time increase efforts to bolster the EU's strategic autonomy. Based on these geopolitical considerations, the EU is also reviewing its relations to the countries in its neighbourhood, injecting new life to the enlargement process and providing a platform to discuss strategic issues with neighbouring countries. At the same time, the globally unbounded cyberspace is gaining further security policy significance with cyberattacks and targeted disinformation campaigns launched by state and non-state actors heavily intensifying.

This workshop examines topics relevant to the EU's pertinent foreign policy challenges, including the EU's and the West's response of how to reconstitute a European security order, pathways to improve cooperation and coordination within the EU to respond effectively in security and defence matters, and the development of coping mechanisms in view of future security threats that transcend traditional borders.

The following key topics will be addressed:

Strategic autonomy

In the years to come the EU will likely face difficult strategic decisions. Russia's revisionism, China's emergence as assertive competitor and rival and the growing tensions between China and the US will continue to fuel geopolitical rivalry. In an increasingly hostile environment of power competition, the EU will need to strengthen its capacity to act if it wants to remain relevant and be able to continue to pursue its own interests in foreign and security policy matters.

Which should be the EU's priorities in pursuing strategic autonomy and which concrete measures can contribute to this end? Shall qualified majority voting be adopted to help providing a framework for more efficient decision-making? Which other measures could contribute to strengthening Europe's unity? How can the EU confront, mediate, render compatible and possibly reconcile apparently divergent goals regarding both Russia and China and how should a recalibrated EU strategy vis-à-vis Russia and China look like?



A new European security architecture

Russia's war in Ukraine revealed its rejection of the basic principles of the existing European security order. It also reminded the EU of the fact that military warfare still remains in a state's toolbox. To meet the realities of a more confrontational regional order, the EU together with the US have to develop a new model for peaceful coexistence on the continent. A reinforced commitment to the rules-based order should be the very foundation of it. For the EU to be a leader in this quest, it will have to become a more capable security player and stand ready to defend these rules and values abroad and at home.

How can the EU adapt to the reality of military warfare in its neighbourhood and overcome a partial reluctance to debate defence topics? How can European countries join forces and further coordinate actions in the field of defence? How to boost research and development in the military sector and leverage on economies of scale? How to include partners from the global south to forge a broad coalition in order to rebuild a new rules-based order?

Cyber- and information warfare

The spread of purposeful disinformation and cyberattacks are increasingly used as warfare. Democratic states are prime targets of such tactics. Goals of such tactics typically include the manipulation of an audience's beliefs, undermining trust in governments or institutions, in science and democratic values, and influencing the public discourse in order to reinforce opposition to governments' strategies. Moreover, targeted cyberattacks and hacking threaten the functioning of critical (IT-)infrastructure. Russia is a dominant player in cyber- and information warfare against Europe, particularly since its unlawful annexation of Crimea; similarly, China uses cyber-attacks for (industrial) espionage and theft of intellectual property.

How can Europe safeguard its administrative systems and other critical democratic infrastructure? Which reforms are necessary for cyber-defence? Can European public media counteract disinformation, representing a reliable information source? Does the increasing digitalization make Europeans susceptible to cyber- and information warfare?

Wider Europe

The EU aims to foster stability, prosperity and cooperation in its neighbourhood. However, in a changing international order, the EU's value-driven approach is increasingly competing with other powers such as China, Russia, Turkey or the Gulf countries for influence in its near abroad. With its belt-and-road initiative, China for example, actively provides alternative access to crucial resources in the region, while creating dependencies on the continent. However, the EU's ability to become an actor with geopolitical and strategic clout will also depend on whether it is able to foster cooperation and stability in its own neighbourhood — not least to address mounting challenges such as regional stability, migratory flows, energy transition, or climate change.

How does the EU envision fostering a values-based cooperation, and maintaining stability in its neighbourhood while competing for influence with other global powers? To what extent can the EU provide an attractive offer to neighbouring countries when competing with other global



powers? How can the EU balance fostering stability and democratisation in its near abroad? How to assess the newly established European Political Community?

Working Group 2 – European migration Policy

Following the spike in arrival numbers throughout 2015 and 2016, migration has moved to the top of the European political agenda. The EU has been grappling with high numbers of people seeking refuge within its borders exposing the bloc to a multitude of challenges: the EU and its member states so far have particularly failed to establish functioning reception and integration mechanisms for migrants and to reform the Common European Asylum System (CEAS) highlighting the member states' inability to reach a joint solution based on a common understanding of solidarity. The lack of a coordinated European response has contributed to an increasingly polarized political discourse on migration and has fostered an environment in which restrictive measures and anti-immigrant rhetoric are normalized.

In 2023, the majority of people attempting to reach Europe by sea have taken the central Mediterranean route. The constantly growing number of casualties, and the obvious dangers of crossing the Mediterranean reinforce the urgency for greater action and cooperation among member states. Yet, while the EU has made efforts to reform its immigration laws, to prevent human trafficking and deaths along major migration routes and to address the issue of pushbacks in the Mediterranean, member states continue to battle over a common approach in terms of solidarity, cooperation and responsibility sharing.

To reduce the number of migrants arriving at Europe's external borders, the EU has attempted to strike deals with countries of origin and transit like Turkey, Tunisia or Libya. However, such third country agreements are contentious: only partly effective in stopping people from migrating, the deals spark criticism because of the EU's collaboration with governments supposedly breaching human rights and the subsequent dependencies created for the EU. Engaging with autocratic states erodes the EU's credibility as a promoter of democratic values and undermines efforts to promote good governance and democratic reforms abroad. Striking a balance between pursuing pragmatic interests and upholding European values and principles remains a challenge for the EU in its external relations.

At the same time, legal immigration routes have become an essential component of many member states' migration policies, promising economic growth and support for social welfare systems through potential new work force while also counteracting labour shortage and the EU's demographic trends characterized by low birth rates and aging populations.

The EU faces a critical juncture in crafting a comprehensive and coordinated migration policy that addresses the immediate needs of migrants, respects human rights and the values of solidarity, as well as taking into account the diverse perspectives and challenges faced by its member states. This introduction sets the stage for a deeper exploration of the multifaceted issues surrounding the EU's migration policy and the ongoing efforts to find a sustainable and equitable solution to one of the most pressing challenges of our time. During the workshops the following key topics will be addressed:



Institutional and organizational reforms: the New Pact of Migration and Asylum

Addressing migration to the EU requires comprehensive institutional and organizational reforms. The existing framework has been widely criticized for being inefficient, inequitable, and unable to respond adequately to the evolving migration dynamics. How can the EU reform its existing governance structures to foster greater solidarity and burden-sharing among member states in managing migration? What specific changes and reforms are needed in the EU's institutional and organizational framework? Where does the New Pact for Migration and Asylum, adopted in 2020 by the Commission, stand now? And even if it is passed into law before the European elections, does it offer the tools needed for tangible progress and sustainable solutions in this policy field?

Navigating legal immigration

The vast majority of newcomers to the EU migrate through legal channels. The EU has set out rules to harmonise member states' conditions of entry and residence for certain categories of nationals from non-EU countries. This includes entry and residence for labour purposes, such as highly qualified workers, labour mobility schemes with non-EU countries or the right to family reunification. These rules represent a critical aspect of European migration policies as they seek to address labour needs, demographic challenges, and the desire to manage migration more effectively. How can Italy and Germany collaborate with other member states to establish a harmonized legal migration framework that ensures fair access to legal migration channels also for refugees and asylum seekers beyond the existing regulations? In what ways can Italy and Germany enhance their integration efforts for legal migrants?

EU's migration cooperation with third countries

In order to manage returns, the EU relies on countries of origin and transit. The EU-Turkey-agreement has delivered mixed results, and despite the EU's recent arrangement with Tunisia, the number of migrants arriving at the EU's external frontiers is increasing. The EU's externalization strategy has further been criticized for being ineffective in addressing the root causes of migration and granting third countries leverage over European countries. In what ways can the EU balance the need for cooperation with third countries in migration management with the imperative to uphold human rights and international obligations? How can the EU ensure responsibility and accountability of its externalization efforts if rule of law and human rights as well as the rights of the people in need are endangered in the partnering countries?

Working Group 3 – European entrepreneurship

In a global scenario of growing mini-lateralism, where countries and blocs of countries increasingly compete rather than cooperate on economic issues, competitiveness is not a "dangerous obsession" for governments anymore, as Nobel Prize Paul Krugman famously said. It has now evolved into an urgent need, gaining prominence on the EU's agenda, as evidenced by the State of the European Union address by Ursula von der Leyen in early September. The



challenge is to allow Europe to become an even more attractive environment to do business for companies, and specifically for those companies that typically generate more growth and employment: namely innovative enterprises, start-ups, and "unicorns".

As a recent analysis published by McKinsey points out, national start-up ecosystems have the potential to add 8.1 million jobs to the European economy. On the other hand, the same paper confirms that Europe leads only in one (cleantech) of ten critical technologies of the future, while it lags behind in eight of them. It is heavily behind schedule, for example, in the domains of cloud infrastructures, low-code programming and cybersecurity, and not well positioned also in those of artificial intelligence and quantum computing. Compared to the previous edition of the paper, Europe lost its leadership in next-generation materials, and the implementation of the Inflation Reduction Act of the Biden administration stokes doubts also in its ability to preserve its leadership in cleantech, where supply chains are largely controlled by China.

Of course, as in most aspects, also in the field of innovation the EU is less homogeneous than the US, and there are significant differences among European countries in the parameters that can influence the birth and scaling up of start-ups. Both Germany and Italy have lower new business birth rates relative to population than non-EU European countries such as the UK and Switzerland, and in the case of Italy the rate is one of the lowest in the whole of the EU.

Besides cultural aspects, such as the more risk-averse mindset of Europeans compared to Americans, there are several systemic factors on which EU and the national governments can work to fill the gap, boost entrepreneurship and transform Europe into an environment that better allows the flourishing of new businesses, such as:

Investments and funding: The EIC (European Innovation Council) fund, owned by the European Commission, aims at bridging the equity funding gaps at early stage (seed, first rounds), but also targets the crowding in of other investors, providing investment opportunities for VCs and other funds. National governments have also improved the amount of funding in the last few years, but the total amount is still far from the levels of the US.

Human capital

About half of unicorn founders obtained a degree in the STEM study fields. China has a share of STEM graduates of around 48% of the total, almost double that of Europe (26%), and more that double that of the US (22%).

Regulatory framework

The Artificial Intelligence Act is a positive example of how the EU is trying to keep pace with a fast-evolving technology and to encourage rules that guarantee its responsible use. However, the lack of legal uniformity across Member States is a concrete obstacle for startups to expand. Some steps ahead have already been taken, such as the introduction of the EU company and the EU patent. Another point of attention is the heavy bureaucracy and high costs that, even with some already introduced simplifications, an entrepreneur must face to start a new company.



Tech transfer from research

Startups in Europe are less concentrated around top tech-hubs. Technology Transfer Offices (TTOs) in European universities are less developed and have weaker links with corporates and investors. This partially explains why around 95% of granted patents in Europe (around 3 million) are commercially "inactive".

Ecosystem

A fertile environment for startups does not only include all the previous elements, but also a good mechanism for their coordination, both in terms of local hubs and of network connections among the various actors. Currently, no EU city sits in the top 10 of the best innovation ecosystems: these positions are dominated by the US, Asia and the UK, while Berlin and Amsterdam are respectively ranked 13th and 14th. However, among the fastest rising hubs, 5 European cities are in the top 10, including Milan.

Working Group 4 – European energy transition

Over the past two years, the European Union's energy transition is being put to a severe test. The Russian aggression against Ukraine, and the ensuing European reaction, risk undermining the transition in the short term, while possibly giving it a boost in the medium-to-long term. But this boost will only be possible if governments remain focused on achieving difficult and costly targets.

The Russian invasion has put the spotlight on the EU's dependence on fossil fuels from unreliable or unfriendly countries. In 2021, Russia provided 54% of the European Union's coal imports, 43% of its natural gas imports, and 29% of its crude oil imports. This means that Russia was, by far, Europe's main provider of all three fossil fuels.

In such a context, Russia's invasion of Ukraine has seen the EU scramble for short-term solutions, in particular as Member States strove to avoid providing Russia much-needed financial resources during the conflict. At the same time, the EU and its Member States have been forced to strike a difficult balance between the aim to hit Moscow financially, and the need not to wreck their own economies in the process of disentangling from Russian fossil fuels.

Moving away from Russia

In March 2022, the European Commission's REPowerEU plan aimed to make Europe independent from Russian fossil fuels "well before 2030, starting with gas". The initial plan foresaw a reduction in the import of natural gas from Russia of two thirds (67%) already by the end of 2022. Being now in October 2023, we can say this part was achieved: currently, deliveries of natural gas (including LNG) from Russia to the EU are exactly 68% lower than before the invasion.

However, attempts to rapidly diversify away from Russia come with their own sets of challenges. After natural gas prices skyrocketed, from 15-20 €/MWh in the decade before the war to 130 €/MWh on average in 2022, this year we've seen them coming down. But they still



average 40 €/MWh, which is more than double than the pre-invasion price. This is putting energy-intensive industries to the test, and is forcing consumers to come to terms with higher energy bills, today and in the future. How do we ensure that diversification away from Russia happens in an affordable manner for European citizens and companies?

The invasion and the green transition: short term

Russia's invasion has an impact on the energy transition. In 2021, the world generated more electricity from coal (the fossil fuel that emits the most greenhouse gases) than ever before. In 2022, in response to Russia's invasion, Europe's use of coal rose by 2%: the first annual increase since 2017, and a clear departure from what would be needed under the Fit for 55 targets, even as the milder climate in the second part of the year helped to moderate this increase. Germany, in particular, is still consuming more coal than before the invasion, partly due to the rapid phase out of nuclear power in the country. How to avoid that the need to diversify away from Russia's natural gas derails the European energy transition?







