

# Navigating Complexity: The European Union in Global Governance

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GLOBAL GOVERNANCE STRATEGY REPORT



GLOBE

GLOBAL GOVERNANCE AND THE EUROPEAN UNION  
Future Trends and Scenarios

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Global Governance and the European Union: Future  
Trends and Scenarios (GLOBE) Project



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"The Union shall ... promote an international system based on stronger multilateral cooperation and good global governance."

**Treaty on European Union Article 21, 2.h**





## Introduction to GLOBE

As the globe has become more interconnected, governance challenges are increasingly complex and more likely to cross borders. Crises like COVID-19 and the Ukraine war exemplify the difficulties of addressing transnational challenges. Traditional forms of international cooperation, such as formal intergovernmental organisations, have struggled to keep pace, and are facing challenges to their authority, legitimacy and effectiveness. These dynamics have fueled the rise of less traditional and statist approaches to solving global problems, such as informal lawmaking and the involvement of non-state actors, which at times can put even greater pressure on traditional actors.

Overall, while states and state-based cooperation through

formal international organisations remain highly influential and relevant, there has been a significant diversification of global governance actors that also play increasingly important roles. This development requires a shift in understanding how and by whom global problems are addressed.

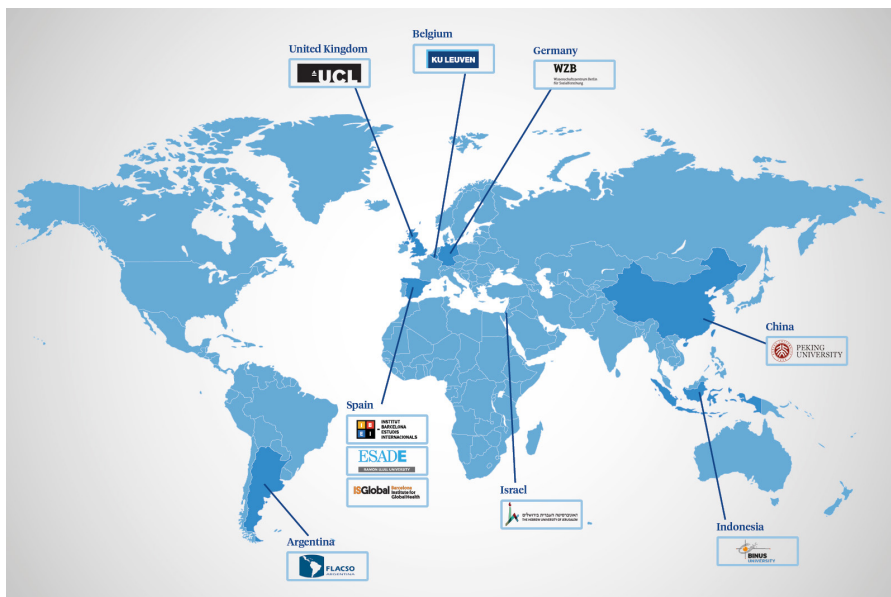
The European Union (EU) has recently emerged as a formidable global player as it has increasingly expanded its foreign policy aims and capacities and aims to do so further. The EU is both uniquely poised and uniquely bound to pursue its interests and values through global governance. To do so best will require a careful strategy towards the plethora of actors and institutions engaged in global governance.



The GLOBE Project, an international consortium of research universities and centres (see map), has undertaken to understand the constraints and opportunities for the EU in pursuing its interests and values through global governance with a specific focus on the issue areas of trade, climate change, finance and security. In light of the evolving landscape of institutions, GLOBE has taken an institutional approach and distinguished between different types of global governance institutions including formal

intergovernmental organisations, informal intergovernmental organisations, transnational regulatory networks, and (public and private) standards-based organisations in order to develop targeted strategies for engagement.

Based on analysis of the potential of these different types of global governance institutions, GLOBE has articulated a set of 15 strategies for the EU to use in pursuing its values and interests through global governance.





## The EU's Strategic Toolbox and Commitments

A number of recent communications have set out a strategic vision for the European Union to engage in global governance. Since 2020, most of these strategies are undergirded by a common, overarching goal for the EU to become more autonomous, less dependent on other states, and more assertive in pursuing and protecting EU interests and values. This strategy has been increasingly referred to as '(open) strategic autonomy' (OSA).

The **Joint Communication on 'strengthening the EU's contribution to rules-based multilateralism'** asserts the continued importance of multilateralism and rules-based international cooperation, making a number of proposals geared toward improving cooperation at the multilateral level, such as through supporting substantial reform of key intergovernmental organisations, cultivating strategic partnerships, and increasing the EU's level of support for these institutions. At the same time, the communication also calls on the EU to become more assertive in defending its interests and values through multilateral fora.

Reflecting similar priorities, the **Communication from the Commission on 'An EU Strategy on Standardisation Setting global standards in support of a resilient, green and digital EU single market'** outlines measures intended to



give the EU a competitive edge in setting standards both internally and externally. At a global level, the EU proposes to use international standard-setting both to promote EU interests and values, by becoming more assertive in international standard-setting fora, and to ensure EU standardisation bodies and industries better align with international standardisation processes and multilateral rules.

These general strategies are further refined in specific strategies related to GLOBE's focus areas.

The **'Strategic Compass for Security and Defence - For a European Union that protects its citizens, values and interests and contributes to international peace and security'** lays out the EU's aims with regard to making the EU a stronger collective actor in security and defence. Through four categories of action - 'Act', 'Secure', 'Invest', and 'Partner' - the communication outlines a strategy for the EU to reduce dependencies on other states, while nevertheless emphasising the importance of cooperation at multilateral and regional levels.

The **Communication from the Commission on 'the European Green Deal'** focuses on the EU's strategy to address climate change and environmental challenges, including by implementing the United Nations' 2030 Agenda and the sustainable development goals. The European Green Deal seeks coherence across national policies that implement and reinforce EU measures, while simultaneously articulating the EU's ambition to shape global policy through bilateral and multilateral channels, particularly the United Nations, the G7, the G20, and the WTO.

The Commission's **'Trade Policy Review: An Open, Sustainable and Assertive Trade Policy'** lays out a new strategy



toward trade policy and is centred on the goal of achieving ‘open strategic autonomy’. To achieve open strategic autonomy, the strategy eschews protectionism and commits to remaining open to trade, though it seeks to reduce dependencies on third countries or external suppliers. It also seeks to assert European values on a global scale and promote the EU’s geopolitical interests.

The **Communication from the Commission on a ‘Strategy for Financing the Transition to a Sustainable Economy’**, puts forth a finance and investment strategy to establish a more efficient and long-term capital market in order to finance the EU’s efforts to meet climate and environmental sustainability goals and to achieve a sustainable recovery following the COVID-19 pandemic. To achieve this, the strategy emphasises the need for (and current lack of) robust global architecture for sustainable finance capable of setting and enforcing global rules that combines formal and informal co-operation at bi-, pluri-, and multilateral levels.

Taken together, the strategies described above can be understood as formulating the **EU’s current toolbox for attaining its goal of open strategic autonomy in and through global governance**. Across both the cross-cutting and issue-specific communications, the key strategies remain more or less consistent across issue areas and identify some similar global governance institutions:

- Uphold and champion multilateral cooperation and support reform of multilateral intergovernmental organisations to ensure they are fit for purpose
- Recognise the potential of new forms of multilateral co-operation through more informal organisations and clubs
- Become more assertive in taking action that advances





EU interests and uphold and promulgate EU values and principles through more autonomous measures based on (regulatory) standards

- Strengthen existing and cultivate new partnerships
- Ensure greater coherence of EU member states' policies with one another and of member states' actions in multilateral fora

These strategies have implications for different global governance institutions covered by the GLOBE project. This implies that the EU needs to develop actions towards different types of global governance institutions.

## Articulating a Strategic Vision for the European Union in Global Governance

- Commission 2019 'The European Green Deal', COM(2019) 640 final.
- Commission 2020 'Europe's moment: Repair and Prepare for the Next Generation', COM(2020) 456 final.
- Commission 2022 'An EU Strategy on Standardisation Setting global standards in support of a resilient, green and digital EU single market', COM(2022) 31 final.
- Commission 2021 'Strengthening the EU's contribution to rules-based multilateralism', JOIN(2021) 3 final.
- Commission 2021b 'Trade Policy Review: An Open, Sustainable and Assertive Trade Policy', COM(2021) 66 final.
- Commission 2021c 'Strategy for Financing the Transition to a Sustainable Economy', COM(2021) 390 final.
- Council 2022 'Strategic Compass for Security and Defence - For a European Union that protects its citizens, values and interests and contributes to international peace and security' 7371/22.





# GLOBAL GOVERNANCE INSTITUTIONS

## A diversification of global governance

Recognising the diversification of global governance, the GLOBE project mapped and analysed the different types of global governance institutions with the purpose of understanding how global governance has evolved in recent times.

**Formal intergovernmental organisations** are often the most visible and authoritative institutions of global governance. They are mostly based on a treaty or an instrument governed by international law. Formal intergovernmental organisations are generally well institutionalised, with their own organs and a mandate to act autonomously within certain parameters. Examples include the World Trade Organization and NATO.

Formal intergovernmental organisations are increasingly being complemented with other forms of more flexible low-cost international co-operation, such as informal intergovernmental organisations and transnational regulatory networks.

**Informal intergovernmental organisations** are less easily categorised due to their diverse and informal nature. The term generally refers to organised forms of intergovernmental cooperation that do not meet one or more criteria to be considered a formal intergovernmental organisation. Informal intergovernmental organisations are formed around a shared objective rather than a binding agreement among a group of states. Informal intergovernmental organ-



isations hold regularised meetings, but usually lack an independent secretariat and/or permanent staff. Examples include the G7 and G20.

**Transnational regulatory networks** are cooperative arrangements between national regulatory agencies. They operate internationally in a variety of policy areas and are typically formed to share information and facilitate convergence of approaches on regulations and policy between states. Transnational regulatory networks play an increasingly important role in global governance.

Lastly, global governance can be pursued through private **standard-setting**, either indirectly or directly: Indirectly through regulating the internal market via standards that are then externalised globally through private actors and directly through making market access conditional on compliance with standards

or through requirements for firms that have extraterritorial effect. The application of due diligence requirements in several EU regulations and directives is an example of the latter.

Each of these types of institutions have certain strengths that provide the basis of their relevance and utility in global governance, which are often complementary. Unsurprisingly, each type of institution also has a particular set of weaknesses that must be taken into account when engaging them. Table 1 briefly summarises some of the primary strengths and weaknesses of each institution type.



Table 1: Strengths and Weaknesses of Global Governance Institutions for the EU

INSTITUTION	STRENGTHS	WEAKNESSES
<b>Formal Intergovernmental Organisations</b>	<ul style="list-style-type: none"> <li>• Inclusiveness</li> <li>• Binding rule-making authority</li> <li>• Multilateral on a global scale</li> </ul>	<ul style="list-style-type: none"> <li>• Resource and mandate constraints can limit effectiveness</li> <li>• Difficult to reform and adapt to new challenges</li> <li>• Limitations to access for non-state actors, including regional organisations</li> </ul>
<b>Informal Intergovernmental Organisations</b>	<ul style="list-style-type: none"> <li>• Flexible coordination, organisation and mandate</li> <li>• Claim leadership of these organisations through supporting them</li> <li>• Low cost to set up and run</li> </ul>	<ul style="list-style-type: none"> <li>• Exclusive of other relevant actors</li> <li>• Difficult to agree on binding rules and commitments</li> </ul>
<b>Transnational Regulatory Networks</b>	<ul style="list-style-type: none"> <li>• Strong issue focus and low barriers to cooperation on concrete issues</li> <li>• Low cost to set up and run</li> </ul>	<ul style="list-style-type: none"> <li>• Limited scope, both in terms of substance and members</li> <li>• Difficult to set up due to reluctance on regulatory convergence</li> </ul>
<b>Private global governance institutions integrated in unilateral policies</b>	<ul style="list-style-type: none"> <li>• Extraterritoriality</li> <li>• Leverage power of value chains to regulate globally</li> <li>• Strong enforcement procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Issues of legitimacy and credibility</li> <li>• Necessity to meta-regulate</li> <li>• Cost of compliance</li> </ul>





# Strategies for the European Union

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15 targeted strategies for the EU to pursue its interests and values through global governance

## STRATEGY 1

### **Provide strong support for formal intergovernmental organisations.**

Formal intergovernmental organisations remain key global governance institutions for the EU. GLOBE research identified the need to strengthen them. This will enable the EU to deepen engagement with international organisations.

## STRATEGY 2

### **Further pursue a reform strategy for key formal intergovernmental organisations.**

International organisations operate in a continuously changing environment that necessitates reform, and the EU pursues a reform agenda for several international organisations. However, GLOBE research cautions that it is important to be realistic about the possibilities for reform, as the diverging preferences of Member States often slow or halt progress on reform.

## STRATEGY 3

### **Secure (greater) access to other formal intergovernmental organisations.**

Global governance consists of many international organisations. The EU can only play a role in some because of membership criteria. GLOBE research shows that EU access to formal intergovernmental organisations is not only determined by membership criteria, but also by the benefits that the EU is perceived to bring to the international organisation. The EU should build on this to gain access to more international organisations.

#### STRATEGY 4

### **Diversify the global governance strategy to other global governance institutions.**

Formal intergovernmental organisations remain important global governance institutions, but can be difficult to reform and may not be the best equipped to tackle new challenges. New types of global governance institutions, including informal intergovernmental organisations and transnational regulatory networks, might be better equipped to deal with new issues or specific global governance challenges.

#### STRATEGY 5

### **Carefully consider how multilateral the multilateral approach should be and whether progressing in smaller clubs through plurilateral agreements is an option.**

There are significant trends to work more closely and deepen collaboration with only a smaller number of countries, both within the context of existing forms of multilateral organisations and outside multilateral organisations. Within existing organisations this can lead to differentiated multilateral integration, which may allow for significant progress toward realising the EU's goals. However, this strategy should be pursued with care, since it may be exclusionary and lead to disengagement by some countries within multilateral organisations.

#### STRATEGY 6

### **Further pursue global governance through informal global governance institutions.**

Informal law-making and informal intergovernmental organisations have a number of strengths in global governance because they can be set up quickly and are more flexible. In light of these qualities, informal governance should be supported and further developed by the EU as is recognized in several EU strategy documents.



## STRATEGY 7

### **Harness the power of regulatory standards.**

Governing through standards will become even more important in the coming years. Standards, diffused through global value chains, can create extraterritorial effects and can contribute to the diffusion of European values, rules and standards globally (what Anu Bradford has dubbed the 'Brussels effect'). Strengthening the standards-based approach to global governance can be applied to many areas of global governance.

## STRATEGY 8

### **Strengthen the regulatory power of the EU through transnational regulatory networks.**

Through its regulatory standards and different diffusion mechanisms, the EU influences regulatory standard-setting on a global scale, though the EU is less involved in developing transnational regulatory networks. Transnational regulatory networks aim to coordinate, harmonise and align standard-setting activities, and in this way foster cooperation. Because the EU is sometimes criticised for unilaterally imposing standards, the development of cooperation through transnational regulatory standard-setting would allow the EU to lead in this area while retaining cooperation with partners.

## STRATEGY 9

### **Integrate private global governance institutions in regulatory approaches to operationalise the strategy of open strategic autonomy.**

The EU aims to create extraterritorial impact by making market access conditional on compliance with value-based standards through new regulatory tools based on the concept of 'due diligence'. For this to work, the EU will need to integrate private regulatory instruments in EU regulatory approaches.



## STRATEGY 10

### **Strengthen regulation and control of private global governance institutions that are integrated in the EU's strategic autonomy strategy.**

Despite its benefits, the integration of private regulation in public policy can be vulnerable to the weaknesses of the private forms of governance, including lack of effectiveness or credibility. Hence, regulating the private regulators should become a key point of attention.

## STRATEGY 11:

### **Engage in developing and strengthening public-private partnerships in addressing global issues.**

Public-private partnerships are becoming an increasingly important global governance tool to achieve specific objectives and strengthen the effectiveness of multilateral organisations. The EU is already an important global actor in public-private partnerships and should further pursue this.

## STRATEGY 12:

### **Recognise the complementarity between global governance institutions.**

In the different issue areas studied by GLOBE, it has become clear that some global governance institutions are crucial for fostering agreement on global rules, while others might be more suited for the monitoring and enforcement of these rules. The effectiveness of international organisations is constrained by a lack of strong enforcement. In order to strengthen enforcement, other global governance institutions, including multi-stakeholder initiatives, can play an important role. Supporting these global governance institutions will strengthen global governance.



### STRATEGY 13:

#### **Adjust strategies towards global governance institutions depending on the future development of world politics.**

The application of the targeted strategies towards specific global governance institutions will depend on future developments in global affairs. In GLOBE we identified four possible scenarios (GLOBE report). Under these different scenarios, the utility and prominence of specific types of global governance institutions are likely to shift, and it may be more efficient and effective to focus on one or two types of institutions over others.

### STRATEGY 14:

#### **Strengthen internal coherence and coordination between EU Member States in different policy areas.**

GLOBE research confirms that 'speaking with one voice' is of crucial importance to be a powerful global governance actor. Strengthening coherence will generate strategic gains on the global stage.

### STRATEGY 15:

#### **Address fragmentation in global governance.**

The proliferation of global governance institutions has led to, and will continue to lead to, increased fragmentation, which can limit the system's ability to produce and distribute global public goods. Because of its substantial involvement in global international organisations, the EU is in a position to coordinate institutions and global policies by developing a long-term strategy to strengthen the coherence of global policymaking.





## Conclusions

Recent EU strategy documents recognise the importance of the diversification of strategies towards different global governance institutions to bolster the European Union's role in global governance. Taken together these documents constitute a strategic vision for the EU that introduces a revamped view of EU capacities and ambitions to produce global public goods. Our 15 proposed global governance strategies relate directly to the goals and priorities of the EU documents.

First, in order to achieve the EU's goal to uphold and champion multilateral cooperation as well as support necessary reforms of these institutions, the EU should provide strong (technical and financial) support to

more dynamic formal organisations (strategy 1), further pursue a reform strategy for formal intergovernmental organisations operating in key sectors (strategy 2), and obtain (greater) access to other formal intergovernmental organisations, beyond member states' representation (strategy 3). Additionally, the EU should promote coordination among different organisations to overcome fragmentation and mandate expansion problems, in order to avoid inter-institutional conflicts (strategy 15) while promoting the recognition of the complementarity between global governance institutions (strategy 12).

Second, concerning the potential of multiple forms of multilateral cooperation, including informal organisa-

tions, the EU should benefit from the diversity of organisations operating in global governance, promoting a global governance strategy flexible enough to include engagement with all types of global governance institutions (strategy 4) including informal intergovernmental organisations (strategy 6), regulatory standards (strategy 7), private regulators (strategy 10) and public-private partnerships (strategy 11). The EU's engagement with these institutions should be responsive to developments in world politics (strategy 13).

Third, to become more assertive in taking action that advances EU interests and upholds and promulgates EU values and principles through more autonomous measures based on (regulatory) standards, the EU should seek to strengthen the regulatory power of the EU through transnational regulatory networks (strategy 8) and directly regulate

private governance actors involved in EU regulatory measures (strategy 9). In particular, the EU should make an effort to better perceive the conditions under which global governance based on strong private participation can be effectively steered and conducted in order to make the provision of global public goods more effective.

Fourth, in order to meet the goal of ensuring greater coherence, the EU should strengthen vertical coherence and coordination between EU member states, recognising that even in areas of non-exclusive competence the EU can play a significant role in global governance if EU member states 'speak with one voice' (strategy 14). With well-designed instruments, the EU is likely to benefit from long-lasting trends of a higher level of international organisations' autonomy from their member states, especially in sectors where this trend is particularly relevant.

Finally, GLOBE focused on sector issues areas such as climate, trade, security and finance. In each of these sector areas, the EU developed specific global governance strategies. Focused sector strategies in global governance are of the utmost importance. The EU should explore how innovative actions from one sector can be employed in another sector, with the necessary adjustments. In other words, a combination of cross-sector and specific sector strategies is needed to make the EU a more relevant actor in global

governance in the years to come.

Overall, it is worth emphasizing that to the extent the EU is better able to understand current and future transformations of global governance and contribute toward the development of precise instruments to improve the provision of global public goods, it is expected that EU institutions will have a relevant and respected voice in different global governance settings, whatever the precise nature and shape of the strategies the EU pursues to make global policies work.





# GLOBE Resources

## SELECTED PUBLICATIONS

Marx, A., C. Roger & O. Westerwinter (2022) 'Navigating Complexity: The European Union in Global Governance', Special Issue of *Journal of European Integration*.

**Available here (open-access):** [tandfonline.com/toc/geui20/44/5](https://tandfonline.com/toc/geui20/44/5)

Coen, D., J. Kreienkamp & T. Pegram (2020). *Governance of Climate Change: Policy-making and Networked Governance*. Elements series, Cambridge University Press.

**Available here:** [doi.org/10.1017/9781108973250](https://doi.org/10.1017/9781108973250)

Roger, C., J. Jordana, A. Holesch & L. Schmitt (2022) 'Global Governance Research: Exploring Patterns of Growth, Diversity, and Inclusion' *Global Governance: A Review of Multilateralism and International Organizations* 28(4), 486-508.

**Available here:** [brill.com/view/journals/gg/28/4/article-p486\\_2.xml](https://brill.com/view/journals/gg/28/4/article-p486_2.xml)

Beyond these selected publications, many other journal articles, chapters and other publications by members of the GLOBE consortium can be found on the project website.

**Please visit:** [globe-project.eu/en/globe-outputs-by-topic\\_15771](https://globe-project.eu/en/globe-outputs-by-topic_15771)

## PROJECT REPORTS

The GLOBE Report (2022) 'Trends in Global Governance and Future Scenarios 2030' articulates four possible scenarios for how the world will look and global governance be conducted in 2030.

Additionally, the GLOBE consortium produced 30 in-depth reports on various topics of global governance, with particular attention to the ways in which global governance is evolving in the areas of trade, security, climate change and global finance.

Available here: [globe-project.eu/en/reports\\_9705](https://globe-project.eu/en/reports_9705)

## POLICY BRIEFS

GLOBE (2020) Understanding Global Governance: the Contribution of Data Sets, European Policy Brief 1. GLOBE Project.

GLOBE (2021) Current Challenges of Global Governance, European Policy Brief 2. GLOBE Project.

GLOBE (2022) Future challenges for global governance, European Policy Brief 3. GLOBE Project.

Available here: [globe-project.eu/en/policy-briefs\\_7961](https://globe-project.eu/en/policy-briefs_7961)

## MASSIVE OPEN ONLINE COURSE

The GLOBE MOOC: Introduction to Global Governance introduces the different actors and approaches used in global governance to solve global problems and provide global goods and is available for free on EdX.

Available here: [edx.org/course/introduction-to-global-governance](https://edx.org/course/introduction-to-global-governance)

## WEBINAR SERIES ON THE FUTURE OF GLOBAL GOVERNANCE

The GLOBE Webinar Series consists of 30 webinars featuring the latest and most cutting-edge research in global governance through a conversation with the author(s) of key new books in the field.

Available here: [globe-project.eu/en/webinars\\_588](https://globe-project.eu/en/webinars_588)







GLOBAL GOVERNANCE AND THE EUROPEAN UNION  
Future Trends and Scenarios

Funded by the European Commission's Horizon 2020 programme, the project "Global Governance and the European Union: Future Trends and Scenarios" (GLOBE) addresses the strategic priorities identified in the EU Global Strategy - such as trade, development, security and climate change – as well as migration and global finance, in order to identify the major roadblocks to effective and coherent global governance by multiple stakeholders in a multipolar world.

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