



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère des Affaires étrangères
et européennes

Foreign Policy Address

presented by

Mr. Jean Asselborn
Minister of Foreign and European Affairs

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Check against delivery

Mr President,

Ladies and gentlemen,

For over a year and a half, the Covid pandemic has held us in check and brought much suffering to the world. Since the beginning of 2020, the people, the country and the world have been looking inward. We have **experienced a new fear of strangers** and of those who could carry the disease with them.

Now, looking at the number of cases over the last few days in EU countries and at home, one can see that the situation is still difficult: Infections are increasing once again. This is why especially now, we must put all our energy into getting out of this crisis properly, and learn the **right lessons** from it **socially, economically** and **politically**.

From the viewpoint of foreign affairs, we of course **must not forget the rest of the world**, especially our partners in the developing world. The **Covid pandemic will not be behind us until it has been dealt with all over the world**.

Our Luxembourg diplomacy has also been faced with new challenges in these times has had to adapt and has also had to take on new tasks in some cases. It is not enough now to return as quickly as possible to what we remember as normality. That cannot and should not be our goal. This crisis has catapulted us out of a number of habits and led us to question a number of things, has exposed vulnerabilities, but has also made us aware of where various strengths lie. We now need to rebuild stronger on this foundation.

When I stood before you just under a year ago, work was in full swing to bring an **effective vaccine** against the virus onto the market. Today, 4 vaccines are used in Luxembourg to offer people protection against this virus. We see today that the vaccine **is the solution, the only one, to tackle this pandemic**.

From the very beginning, we have **pursued a common vaccination strategy** at a European level. **Joint procurement of vaccines** was something completely new in the health sector. At the beginning, there were teething problems, a lot of criticism and, at times, unnecessary polemics. The fact is that, in record time, we in the EU managed to make enough vaccine available to all citizens. Within the EU, we had set ourselves the target to protect 70% of the adult population with at least one dose of the vaccine by the end of the summer - we did not quite reach this goal, **but we came close.**

The EU's strategy of organising the vaccination campaign in a spirit of solidarity and cooperation has thus paid off. Over the last few months, the vaccination campaign in Europe has picked up solidly. Around 69% of the total population in the EU has now received at least one dose of the vaccine. Globally, it is barely over half.

Unfortunately, this **success is unevenly distributed among Member States** and **further progress in this area** needs to **be made** everywhere, including in **Luxembourg.**

The EU has delivered as far as vaccines are concerned. The fact that we are now mass-producing vaccine in the EU and that we are also exporting it around the world is worth highlighting.

Thus, half of the vaccine produced in the EU has been shared with the rest of the world. Over the last ten months, the EU has exported more than one billion vaccines to more than 150 countries. This is despite the fact that the vaccine was initially in short supply. Some 87 million doses have also been made available through the COVAX initiative. Within this framework, Luxembourg has committed to sharing 400,000 vaccine doses with partner countries through the COVAX initiative. In addition, we have directly supplied 56,000 doses of vaccine to Cape Verde, one of our close partner countries. Luxembourg has also committed a total of 2 million euros to the COVAX market guarantee, 3 quarters of which have already been disbursed.

A great deal still needs to be done here. We also need to strike the right balance between protecting our own people here in Europe and our moral duty to the less well-off countries, especially the developing countries.

Since the beginning of the pandemic, the **World Health Organisation has been** one of the key players, and so it will remain to help us prepare for potential future pandemics. Luxembourg supports the idea of drawing up a new treaty and we will actively participate in the negotiations, in coordination, of course, with the Ministry of Health.

The pandemic has completely disrupted our lives and a number of sectors. In the first year, we celebrated the 25th anniversary of the entry into force of the Schengen agreements, which were supposed to abolish border controls on the movement of people and goods. The **right to free movement is now considered one of the EU's greatest achievements**. And yet this fundamental right has been severely challenged during the pandemic. Indeed, on the 25th anniversary of the Schengen agreements, many internal borders were closed across Europe. Compared to the situation this time last year, a number of **advances** were noted, but there are too many places within the EU where the free movement of people is not fully guaranteed.

In the Schengen area, the exception has now become the rule and the rule, in other words open borders, has unfortunately become the exception. The **free movement of persons must remain a fundamental right in the EU, and restrictions may only be imposed for justified reasons**. This is particularly important for Luxembourg and the Greater Region. It is no coincidence that the Schengen area originated here in the border triangle. Now is the time to restore this fundamental right as quickly as possible. In November, the EU Commission will present its proposal for a reform of the Schengen Code, which is about defending and consolidating that axiomatic right which we have worked hard to achieve. Even if there may be justified reasons for introducing selective checks at internal borders, this must always remain an exception and be limited in time. That is what we will work for. At present, border controls are the order of the day in 6 of the 26 Schengen states.

On 1 July 2021, the European digital Covid certificate was introduced at European level. This certificate shows the status - according to the principle of 3G, i.e. "*geimpft, getestet oder geheilt*" (vaccinated, tested or recovered in German) - and is intended to make it easier for people to travel. This also happened in record time and has now become a new international standard. Several third countries have latched on to this system through equivalences, and discussions are ongoing with a number of others. However, we must go beyond this to re-establish relations with countries that cannot join this EU system. With this in mind, the Government has tabled a proposal for the new Covid law, which will allow us to recognise bilateral certificates in certain cases. Now that the law is effect, we have introduced a first bilateral recognition for vaccination certificates from the US. Since Sunday, the certificates are being recognised in Luxembourg. Other countries could be added in the coming weeks and months.

We must **learn the right lessons from the Covid crisis**. We will work to ensure that European achievements, including the Schengen area and the internal market, are not only fully restored, but also made fit for the future. I see this as a fundamental prerequisite for the EU's resilience.

The closed borders within the EU have **shown above all the vulnerability of cross-border communities across Europe**. Where for decades efforts had been made to make borders invisible and unimportant, where in Luxembourg and in the Greater Region hundreds of thousands of people lived Europe every day, suddenly borders once again divided and confined us.

In June of this year, Luxembourg, together with our partners from the Benelux countries and the three Baltic States, presented a proposal in which we asked for **better protection for cross-border communities** in the future. The six of us therefore propose to assess the potential impact of new EU proposals on cross-border communities. After all, **30% of the EU population, some 150 million people**, live in border regions. This is therefore **not a purely Luxembourgish particularity**, but it is here that this phenomenon is most evident. In other countries, border regions are not only geographically but often also politically on the periphery. We want to change this and create a **better awareness of this reality**, in Brussels and also in the other capitals. It is

at the borders that **Europe grows together!** We must therefore ensure that in future crises there is no more chaos at internal borders. This also applies now that Covid cases are on the rise again.

Our 2022 BENELUX Presidency, which we are currently preparing, will certainly give us the opportunity to bring this issue to the fore.

Last but not least, Luxembourg certainly has a number of allies among the authorities of the neighbouring regions in this discussion on the lessons we are learning from the crisis. We will remain in close contact with Wallonia, the East Cantons of Belgium, Rhineland-Palatinate, Saarland and the Grand Est in order to feed the shared experience of the past year into the European debate. The potential of these neighbouring regions to really influence the central governments of Paris, Brussels and Berlin and make them aware of the cross-border realities in the area should not be underestimated either. In general, the crisis has shown us once again how interlinked and connected our country is with the Greater Region and how great the potential is for deepening these relations even more systematically.

In many respects, a new dynamic has emerged from the Covid crisis. **European policy decisions were taken that had been almost unthinkable until then.**

At the end of March 2020, Luxembourg, together with 8 other Member States, proposed in a joint letter the introduction of Corona Bonds to deal with the shock of the Covid crisis. Hardly anyone could have imagined that before the end of the year we would have an agreement on the Next Generation EU recovery fund, based in part on the March proposals.

In March, I was able to present the **EU budget for 2021-2027** and the recovery plan to this House in order to have the decision on own resources approved by the Chamber at national level. Each Member State had to do this in order to set up the multi-annual financial framework of EUR 1,074 billion, and the recovery fund (Next Generation, comprising EUR 750 billion). **Luxembourg has taken its responsibility** for an EU budget that is fit for the future, with a strong digital and green

component, and with an economic recovery package that is best placed to take us out of the crisis.

To be eligible for a portion of the Next Generation EU funds, EU member states had to individually prepare a **national recovery and resilience plan**. In June this year, Luxembourg received the green light for its €93 million plan, which is based on three pillars: “Social Cohesion and Resilience”, “Green Transition” and “Digitalisation, Innovation and Governance”. These 93 millions are in addition to the envelope of 140 million euros which was granted to us within the framework of the ReactEU initiative of NextGenEU, through which we co-financed the second phase of Large Scale Testing, the partial unemployment scheme, as well as the vaccination campaign.

In general terms, one can already speak of a **quantum leap in the history of European integration**. In order to help the countries most affected by the crisis, the Commission is lending money that will be paid back later. This would have been impossible a few years ago. It was definitely the right signal at the right moment. Despite all the pessimistic forecasts, Europe has clearly learned from the mistakes of the 2008 crisis.

This new moment was also urgently needed. Unemployment and **social inequalities** in the EU were further exacerbated by the COVID-19 crisis, which put our social models to the test. The post-crisis economic recovery must not only be efficient, but also social, fair and inclusive. With the implementation of the **European Pillar of Social Rights**, we will work towards upward social convergence within the EU.

However, in order to achieve this goal, we also need an update of the social framework through a series of targeted initiatives to improve minimum social standards in working conditions. The pandemic and the green and digital changes will indeed have a structural impact on the functioning and fairness of our social systems that is still uncertain. Economic and social solidarity

is the basis of the European project, in which the Luxembourg Commissioner, Nicolas Schmit, is also very much involved.

For the economic, social and environmental recovery of the Union after the crisis to be sustainable, we also need a **strong internal market**. Standing alone, it is difficult to find one's place in our globalised world. By now, with the current bottlenecks in supplies to petrol stations and supermarkets, this realisation should slowly be filtering through even to Eurosceptics and populists across the Channel and beyond. **The advantages of the internal market become particularly clear when they are no longer there!**

The internal market is one of the most fundamental prerequisites for our European unity and economic success - within Europe and out in the world. A large percentage of Member States' GDP is directly attributable to the Single Market. Based on our **4 fundamental freedoms**, the market facilitates the daily lives of around 450 million citizens and 20 million businesses and is the largest common economic space in the world.

The specific situation of our country - geographically, socially and economically - has **traditionally made the Grand Duchy one of the strongest advocates** of a deepened and integrated internal market. A single market characterised by maximum harmonisation, in the interests of our citizens and businesses. Next year, the Single Market will celebrate its 30th anniversary. On this anniversary, I would like to see a single market that can live up to its role as an engine of recovery. A defragmented single market in which the barriers that are currently standing in the way of the free movement of goods and services are removed. An internal market in which we are committed to preventing the emergence of new barriers.

It is not only our domestic market that has suffered greatly from this crisis, but also overall **international trade** has fallen to its lowest level since the Second World War. At the same time, access to international supply chains is more important than ever, which has revealed a worrying dependence on production processes. Chains over which governments have no control. It was

that moment when our embassies in Asia escorted the delivery of masks from production facilities to the airport, fearful that something might happen to these vital products. It was also the moment when we could be proud of having companies that could connect us to faraway places and keep our access to the rest of the world open.

In retrospect, we now see that the international supply chains have not collapsed when it comes to Covid. But we should not be resigned to that. We need to address the call for a paradigm shift that we have seen in the last year. A paradigm shift that will lead to better protection of our planet to prevent such pandemics in the future. And a paradigm shift to ensure our independence from international supply chains, at least for essential products.

Luxembourg thrives on international trade and exchange with countries, in the Single Market and beyond. This is not just about the financial centre, which is there to facilitate industrial and commercial activities. Nor is it just about our efforts to diversify the economy by investing in services and future technologies that also require access to foreign countries. No, it is also and above all about the fact that our country cannot survive without this opening to the world.

I therefore welcome the debate at European level to achieve strategic open autonomy. The aim should be to minimise our dependence on strategically important products from abroad without falling into protectionism.

In this debate, the question of a different form of economy and a different form of consumption should also find an integral place. The climate emergency we are experiencing demands this.

This is why the Luxembourg government has long advocated a significant strengthening of sustainable development provisions in European trade agreements. This is evident from the clear line taken by the government in the context of the Mercosur agreement. It also shows our commitment, as stated in the coalition agreement, to making compliance with the Paris climate change agreement an essential precondition for concluding a trade agreement. I therefore

welcome the fact that the European Commission has decided to follow this path in any future trade agreement.

However, we have also seen that it is not enough to restrict ourselves to EU trade agreements. After all, the issue of climate protection, employment rights and, in particular, human rights affects all our supply chains and especially those without trade agreements.

Luxembourg was one of the first countries to call for a concrete initiative at European level to guarantee human rights in supply chains. While this was initially a minority position, we have now managed to ensure that the need for such a supply chain law is no longer questioned. The Commission has also committed itself to putting a concrete proposal on the table. This will not only bring about concrete changes in Europe on this important issue, but will also lead to a rethink worldwide. We must not make the mistake of thinking too small. To make an impact, you have to think big when it comes to dossiers in international trade

You will also be aware that on 23 April 2021, the Council of Government set up an inter-ministerial committee, coordinated by the Ministry of Foreign Affairs, to analyse and report to the Government on the main issues surrounding the possible legal enshrinement of a human rights' due diligence obligation for companies in Luxembourg. The issues at stake are questions such as: What could result from a law on human rights and business, which companies should be covered by such a law, what obligations could be imposed on companies, and who will monitor whether companies are complying with their requirements? The task here is to find the right balance between what is desirable and what can be implemented. The outcome of this work should make it possible to draw up building blocks for a legislative text. By then, ideally, a Commission proposal for a European text will be on the table, and we can then ensure, on the basis of the preparatory work already done in the negotiations with the other states, that a future EU text takes our points into account and is given the level of ambition we want. If for some reason things do not progress as we would have hoped, the basis is to go our own national way.

The Covid pandemic inflicted considerable economic damage - but now that the global economy is recovering faster than expected, we are seeing a number of **problems emerge in global supply chains**. Raw materials are becoming more expensive, energy prices are higher than they have been for a long time, and accordingly, the transportation of goods is becoming more expensive. This impacts prices for our industry and ultimately for consumers. These are problems in supply chains that need to be seen in isolation from our efforts to improve corporate due diligence or even to implement our climate targets. Some of the current problems are certainly **cyclical** and will recede once some normality returns to the global economy. But there is also the question of whether some of these problems will persist for longer because the pandemic, rising protectionism and the reintroduction of trade barriers - Brexit is a good example of this - have introduced **structural changes** that we will not be able to get rid of any time soon. Here we will have to coordinate closely with our European partners.

As the European Union, we must strive to be part of **strategic global supply chains**, for example in the area of high-performance chips. At the same time, however, we must ensure that our European operators are **not exposed to unfair trade practices**. That is why we need to coordinate more closely with our trading partners, but also give ourselves the necessary means, such as a new **anti-subsidy instrument** or the International Procurement Instrument. But we must also be careful not to build up too many administratively burdensome structures and put obstacles in our own way. As a small country, we know only too well that we are dependent on the **opening up of markets**, because that is the only way we can continue to be innovative and competitive and maintain our prosperity in Europe.

In the area of conflict minerals, a draft law has now been submitted to the Chamber for the implementation of the EU regulation. Here we are already in close contact with the companies concerned, so that the implementation of this law should not pose any problems.

In this context, perhaps a word about another bill that we can discuss, namely the filter mechanism that we want to introduce as a government to ensure that no investments in Luxembourg will affect our security. Here, too, a bill was recently submitted to the Chamber.

This text comes at a time when we can clearly see that investments are not always made with a purely economic logic in mind. The text also comes at a moment when the global political context is becoming increasingly tense. Dialogue between countries is becoming increasingly difficult, especially now when it is more important than ever to continue changing international trade. It is therefore important that we create such a mechanism, with the aim of striking the right balance between protecting our interests, on the one hand, and preserving our openness and the attractiveness of Luxembourg as a location, on the other.

Climate change, like the COVID-19 pandemic, is a challenge that cannot be dealt with by controlling national borders, but one that requires globally coordinated solutions. The EU must therefore play a leading role in climate and environmental protection measures. This summer's **dramatic floods** in our region, as well as the devastating forest fires elsewhere, have once again made it clear that there is no time to lose in taking action.

With the European **Green Deal** and the agreement by all Member States to reduce greenhouse gas emissions by **at least 55%** by 2030 compared to 1990, we have already taken ambitious steps in Europe in recent months. Now it is time to adapt the various European legal instruments to our ambitions. Luxembourg welcomes the “Fit for 55” package, and we see it as a crucial step in enabling the EU to become the first climate-neutral continent by 2050, thus making the European Green Deal a reality.

Let me elaborate on one of the proposals at this point. The Commission is proposing to set up a EUR 72 billion **climate social fund** to help European citizens who are facing financial pressure as

a result of our climate strategy. This transition will clearly come at a price, and that is why we need social compensations that are as close as possible to the amounts it will cost citizens. In order to ensure this, I assume that there will have to be further improvements here.

The message must be clear: No one must be left behind. We have already seen in several countries how quickly the investments associated with the fight against climate change can become ammunition for populists if compensatory measures are not introduced at the same time.

The green transition must also be accompanied by a **financial transition**. Here Luxembourg will continue to play its role at the international level and contribute its expertise in the green finance sector, especially in terms of Green Bonds.

The **26th UN Climate Change Conference in Glasgow** comes to an end on Friday. Whether this conference will go down in history as a success, like COP21 in Paris five years ago, is still too early to tell. During the COP26 negotiations, Luxembourg's priority is to finalise the rules on the emissions market and to resolve the issue of common deadlines for adjusting national contributions. International solidarity with countries already suffering from climate change is also essential. In 2019, Luxembourg already allocated a total amount of EUR 200 million for the years 2021-2025. For next year, we will increase our contribution by 50%. Earlier last week, Luxembourg was one of more than 100 signatories committed to reducing methane emissions by at least 30% by 2030. The Grand Duchy is also among the so far more than 130 signatories who are committing to stopping the destruction and deforestation of our woods by 2030. Although much progress has been made on climate action since the Paris Agreement, it is far from enough. We hope that in Glasgow the necessary commitments for more ambition, for faster and more determined implementation of the goals will also be reflected in the final documents of the conference.

During the pandemic, our values have also come under further pressure. Over 84% of the world's population live in countries where the rule of law has declined in the past year. This phenomenon started before the crisis, and in recent years the number of countries where the rule of law has improved is lower than the number of countries where it has deteriorated.

The European Union, as a **community of values**, is unfortunately also affected by this. The European Commission's report on the rule of law, for example, shows that in some Member States, there has been more regression than progress. It must therefore be made very clear that this is playing with fire, which leading to a major crisis in the EU.

That is why the **conditionality regime** must now be implemented by the Commission within the framework of the EU budget and the economic recovery package that has been in force since the beginning of the year. In this context, it is important the appeal to the European Court of Justice should be settled in January 2022. In the event of a breach of the rule of law, it must ultimately be possible to respond at a financial level. In any case, it is becoming increasingly difficult to explain to citizens why countries that are among the largest recipients of EU funds have governments that ignore EU values and question the rule of law, that are in principle only interested in money from the Union and that trample on its values. Unfortunately, the intensive dialogue we have sought over recent years has not brought us any further, and we have now reached a point where we risk an erosion of our values within the EU. That is not acceptable. We will also not stand by while the independence of the judiciary is called into question or when corruption runs rampant. This goes to the very foundation of our Union. If what the nationalists in France are propagating - namely the abolition of the "*contre-poids*" (counterweight), in a democracy, the independent judiciary and the freely operating media - prevails, we will no longer be in the EU that was founded with the Treaty of Rome. Millions of people, and especially those growing up in the 21st century, do not want "illiberalism" à la Orban. They would not understand or forgive our "indifference" to it.

But we must also face up to the current new challenges and consistently combat the new **hybrid threats** to which our democracy is exposed. Online disinformation is also a reality here in Luxembourg. Our efforts against disinformation must therefore be stepped up and the countermeasures from the **European Action Plan for Democracy** implemented.

The European Union is a **community of solidarity**. As we have seen this year in Luxembourg, Belgium and Germany, but also in southern Europe: Natural disasters know no borders, and it is therefore all the more important that we can respond and provide assistance quickly and effectively at EU level. This is made possible through the use of European mechanisms such as the European Civil Protection Mechanism, the rescEU reserve and the European Civil Protection Pool. At this point, I would like to express my sincere thanks to all those involved in crisis management for their work.

This year, Luxembourg is a member of the Office of the **Council at Ministerial Level of the OECD**, an organisation that is celebrating its 60th anniversary this year. We are particularly pleased that we have managed to do this together with our American partners, who hold the Presidency this year, and that, as the Vice-Presidency, we have been able to play our part, together with South Korea, in the success of the Council at Ministerial Level. In this way, we were able to set many accents in this important body and contribute to giving the green transition, the digital transformation and our shared values the status they deserve in the OECD's new vision for the future. Luxembourg has been able to use its expertise and experience in the field of green and sustainable finance to combat climate change, particularly in terms of mobilising the necessary investments.

However, we were also able to stress that the protection of the rule of law, the independence of the judiciary and the principles of good governance must be part of a credible strategy to emerge from the current crisis. We are also committed to good corporate governance in their global supply chains, an area where the OECD has a key role to play. The international trading system must be used as a tool to combat climate change and to better protect human and social rights.

As a multilateral institution, the OECD plays a crucial role in ensuring a greener and more inclusive future. That is why the government has also decided that next year we will expand our representation at the OECD, so that Luxembourg is better positioned and can participate in these discussions in the best possible way.

In another area, too, we can write a new chapter in Luxembourg's commitment to multilateralism: On 14 October, Luxembourg was elected for the first time to the **UN Human Rights Council**. With 180 votes, Luxembourg won a seat on the Human Rights Council, equal on points with Finland and ahead of our group. It was our very first candidacy, and we have been working towards it for many years. But now the real work begins.

Our campaign priorities remain our priorities for the three years of our mandate, which begins January 1:

- Firstly, **the rule of law**, without which there can be no democracy.
- Secondly, **measures to combat climate change**. Climate change has an impact on a whole range of rights: the right to water, the right to health, the right to food. Luxembourg will do its utmost to counteract the negative effects of climate change on human rights.
- Thirdly, **women's rights** and the rights of girls, as well as the fight against discrimination against LGBTIQ+ persons; and
- Fourthly, **children's rights**. This is an area in which Luxembourg has long been a pioneer. Too many children are victims of wars, suffer from hunger or have no access to education or health.

We are aware of our responsibility. We are ready to take up this **challenge**, as we did in 2013-2014 in the UN Security Council. Wherever we are involved internationally, we defend values that unfortunately many countries do not share. Even countries that are otherwise our partners regularly vote the opposite of what we support on a number of resolutions. In the Human Rights Council, many issues are highly politicised, there can be no doubt about that. The next three years will be very intense. Luxembourg is, as always, ready to listen and to help find solutions. Above

all, we will **stand up for universal human rights, for which the Council was created**, and we will not shy away from explaining and defending our positions. We are counting in particular on being able to help our partner countries not to be put under too much pressure and to work actively to improve the situation of people suffering from war and conflict, such as in Yemen or Afghanistan. As in the Security Council, Luxembourg will do all it can in the Human Rights Council to contribute to concrete results that make a difference on the ground.

In addition to the main priorities within the framework of the Human Rights Council, we are of course continuing to work in other areas, or in areas related to them. Around the world, there are more and more attacks against civil society and against people working for human rights: Journalists, lawyers, activists - women in particular are often targeted.

Luxembourg is committed to the **protection of journalists and supports media freedom**, both online and offline, within UNESCO, within the Media Freedom Coalition, the International Partnership for Information and Democracy, within the Freedom Online Coalition, of which Luxembourg has recently become a new member. We also make financial contributions, for example to UNESCO's Global Media Defence Fund, to the OSCE's project for the safety of women journalists on the Internet, or to the Council of Europe's platform to promote the safety of journalists. In addition, we also provide direct support to media under pressure in some countries.

Luxembourg is also one of the six countries (with Sweden, Canada, France, Spain and Mexico) that have a **feminist foreign policy**. Within this framework, we systematically and coherently promote the rights of women and girls, including their sexual and reproductive health and rights and their full physical and mental freedom.

Our feminist foreign policy includes the implementation of the **National Action Plan for Women and Peace and Security** under UN Security Council Resolution 1325. This resolution was adopted

20 years ago, but much remains to be done. The various situations on the Security Council's agenda show us how the inclusion of women at all levels of the peace process is a sine qua non for preserving conflict resolution and building lasting peace.

Our commitment to human rights goes hand in hand with our **commitment to humane migration policies**. The pandemic has also led to renewed fear of the foreign, and debates in Europe about migration have become even more bitter. We as Europe must send out clear signals, especially after the debacle in Afghanistan, where we watched the Taliban take over the whole country and completely destroy 20 years of progress for women, girls and democracy. We must stand in global solidarity with people who have to leave their homes to survive. Refugee rights have been enshrined in the Geneva Conventions since 1951. This must not be tampered with. Listening to the various EU Member States, one would think that their governments have completely forgotten that you have to be a member of the Geneva Convention before you can join the EU. You would also think that they had completely forgotten that their parents or grandparents were refugees or displaced persons or unwanted people in their own country.

Migration pressure in Europe is currently on the rise again, after a sharp decline in the pandemic year of 2020. In the Mediterranean region, particularly in Italy, the Canary Islands, the Balearic Islands and also Cyprus, more people have been arriving since the beginning of this year. At our external borders in the east, we are dealing with the instrumentalization of migration by an autocratic regime.

In the EU, the numbers are far behind those before the crisis year of 2015, but it remains clear to me that we urgently need to adopt new rules within the Union in order to have an orderly, automatic and binding migration management.

The negotiations on the **migration pact** are progressing slowly, or indeed not at all, as far as the solidarity aspect is concerned. There is also no point at the moment in trying to get these legislative texts through as an overall package; positions are still much too far apart for this. Instead, we are trying to make steady progress on the various elements of the package. The

recent agreement with the EU Asylum Agency is, of course, to be welcomed, as it will provide the necessary capacity and allow the Agency to expand its activities.

As far as the reception of refugees is concerned, we must succeed in establishing **binding solidarity** in crisis situations. It is not acceptable that a few isolated countries, which are more exposed to migratory pressure because of their geographical location as the first country of entry, are left alone by the rest of the Union. It is not enough that a few isolated Member States - which Luxembourg was often a part of, within our means - have repeatedly been willing to take in people in need. No, we need to build a system that provides a structured solution that all Member States can agree to.

If necessary, the Commission should then also be able to propose binding figures for resettlement. Resettlement is the only form of solidarity that actually brings relief on the ground.

Some countries confine themselves purely to controlling the borders by raising barbed wire and building high walls in order to cope with the migration problem. This is totally misguided. Even some kind of Chinese wall in Europe would not deter people who have to flee misery and war to find a way and survive.

As far as solidarity with these other Member States is concerned, Luxembourg is not only showing solidarity on paper, but we are also putting it into practice on the ground. Despite the pandemic, this year we have again committed to taking in (a few dozen) people from the ships that have docked in the Mediterranean. This means that 77 people have been taken in under the resettlement scheme alone since 2019. Unfortunately, two thirds of the EU Member States have not yet taken in people.

Luxembourg also assumes its responsibilities in terms of international solidarity. In the context of resettlement, 329 people have been received since 2015 and we have committed to receiving a further 50 people in 2022.

We are also showing international solidarity in the **Afghanistan crisis**. Luxembourg therefore strongly supported a forum for Afghanistan, which was organised on 7 October. Here we were able to send a clear signal of solidarity with the people who have been at risk since the Taliban took power. I am optimistic that, through a concerted effort by the international community, we will be able to meet the needs identified by the HCR.

Since mid-August, we have made a major effort to help Luxembourg residents of Afghan origin and Afghan nationals in need of protection. In a first phase, we have managed to evacuate 25 people directly from Afghanistan, in cooperation with our European partners and in particular our Benelux partners. In addition to this are our EU and NATO commitments, under which we also brought families here. After the international troops withdrew and Kabul airport was no longer functioning, we made commitments to other people who were in direct danger to take them in by issuing visas from Pakistan. In parallel with the evacuations, we are processing various applications for family reunification. Procedures are currently underway for around 100 people and 28 residence permits for “family members” have been issued since August.

As far as reviewing asylum applications for Afghans goes,, since the Taliban came to power it has been very difficult, often impossible, to obtain objective information that would enable us to take a decision on all the dossiers currently pending. Our approach at the moment is clearly focused on the interests of the people.

1. Protection will be granted to those who are are clearly entitled to it.
2. In the case of persons who have already applied in another Member State - referred to as Dubliners - or who have already been granted protection from another EU country, we also make decisions in accordance with EU law.
3. Files currently at risk of receiving a negative decision are suspended until we have further information. The administrative courts have followed our position and have extended the deadlines to take account of the new situation.

Between mid-August and the end of this month, 54 Afghans will have received international protection. In parallel, 71 Afghans have introduced demands in Luxembourg. The interviews with the Afghans will also continue so that more people will certainly receive the status this year.

Some dossiers are currently suspended, in particular because they concern persons who have never lived in Afghanistan and who have not indicated that they have otherwise had a problem, and persons who have not provided personal reasons. Our Ministry has also contacted the individuals' lawyers to send new elements in favour of their clients to us and to the courts.

Next week, new EASO guidelines on asylum applications by Afghans will be published. This is aimed at making the decision-making process in the EU uniform and thus limiting secondary movements.

Three comments to provide general clarity:

1. We have not stopped the decision-making process in the asylum procedure for Afghans.
2. Luxembourg is the only EU country not to have returned deported Afghans to Afghanistan in recent years.
3. All Afghans who are rejected in the last instance can make a new application or, of course, if they are working, they can be regularised through their work status.

We have thus chosen an approach that is humane and fully compliant with our international and European obligations. However, each individual dossier is subject to a procedure that includes rigorous security checks, which takes time.

For successful migration management, the protection of our external borders must also function properly. In this regard, we are looking forward to the Commission's proposals, which will be presented in the coming weeks and which are intended to strengthen the Schengen area. However, the Commission also has ambitions to improve legal migration. It wants to make new

proposals to us. We have been working on this since our last Presidency in 2015 and we simply have not managed to arrive at concrete proposals ourselves.

It cannot be that push-backs are happening at some of Europe's external borders. People have even frozen to death on the border between Poland and Belarus. Respect for **human rights and international law** must be at the heart of everything we do. This includes, of course, ensuring that families with children are spared the deplorable conditions in the camps. Adequate structures must be put in place to accommodate people while their applications are being processed. They must not be locked up in structures that are worse than prisons. Migration pressure cannot result in us setting aside human rights in parts of Europe.

The issue of **disarmament and non-proliferation** remains central to security in Europe and in the world. For this reason, Luxembourg is committed, together with our partners in this field, to the preservation and strengthening of our security architecture. This is done, on the one hand, by respecting, implementing and promoting treaties and conventions in this field, and, on the other hand, through a renewed and deepened dialogue between states pursuing diametrically opposed policies.

Luxembourg actively participates in initiatives which have a goal to **disarm** certain types of weapons or to **limit** individual arms systems. This is done on the basis of binding international treaties that commit states to specific goals. This applies, of course, to conventional weapons, but above all to weapons of mass destruction. In this context, we pay particular attention to the Nuclear Non-Proliferation Treaty (NPT), the Chemical Weapons Convention (CWC), the Biological and Toxin Weapons Convention (BTWC) as well as the multilateral export control regimes that help regulate trade in sensitive technologies. We cooperate with all European initiatives supporting these treaties and actively participate in the meetings of the member states of these treaties, especially when a treaty is put on the list of treaties to be revised. The pandemic has led to some delay in the rhythm of meetings, which is not good in the current context. We are actively

preparing for the NPT Review Conference, which we hope will be able to take place early next year.

Luxembourg is not only committed to banning or regulating the arms and technology trade, but also supports responsible and confidence-building measures. This is particularly the case in view of the humanitarian impact of the arms trade, but also because trust is the basis for verification measures designed to ensure transparency. Trust is the cornerstone of any intergovernmental dialogue in this area, as everywhere else, and we want to contribute to it.

Wherever we work multilaterally, we strive to talk to each other and not past each other. This is a fundamental principle for us, especially with regard to our relations with countries with which we disagree. After all, you do not have to agree to talk to each other. Dialogue remains the best way of achieving clarity and formulating precise messages. In this spirit of dialogue, we expressly welcome the fact that the two **largest nuclear powers, the United States and Russia, have started a new strategic dialogue**. They also reaffirmed the basic principle that Reagan and Gorbachev had established decades ago: “Nuclear war cannot be won and must never be fought.”

Recent crises have shown us that strong climate policy and economic leadership in Europe are crucial. While a few years ago it was thought that, as democracies around the world flourished, we would enter a phase akin to the “end of history”, as Francis Fukuyama put it after the fall of the Berlin Wall, we have seen recent developments that seek to offer themselves precisely in contrast to our free, market-based democracies.

We are back in a **multipolar world**. The EU must adapt to this new reality and strengthen its position within a new global constellation. We have entered an era of new regional rivalries, in which great powers are rebalancing their relations with each other.

In these circumstances, the answer must be: more Europe. We now need a Europe that believes in itself. A Europe that is confident. A Europe that can show compassion. But, above all, a courageous Europe. That is why we must also give Europe the means to stand **as a major pole in the new multipolar world** and to defend our values of solidarity, human rights and the rule of law.

These developments naturally also oblige us to think about **our positioning** and how we can best represent our positions to the outside world. This begins with the **Greater Region**. Here, we had already repositioned ourselves in the Foreign Ministry before the crisis and also deepened our cooperation with the Greater Region Department of my colleague Minister Corinne Cahen. We benefited from this during the crisis. We will continue along this path and see how we can improve, whether in our embassies in neighbouring countries or through our network of honorary consuls in the Greater Region.

In Europe, too, we need to regularly question our position to ensure that we are making the best use of our resources to adapt to new realities. For this reason, it was decided to open an **embassy in Ireland**. This permanent evaluation is carried out not only in cooperation with the other ministries, but also in dialogue with our economic stakeholders.

The new multipolarity in the international system of states represents a new reality in which the balance of power is changing. For this, I repeat, we need a strong Europe that is not afraid to follow its convictions. This applies first and foremost to **our immediate neighbourhood**.

If one looks beyond the borders of the European Union, one has to realise that the same conditions do not prevail everywhere on our continent. In the **EU's neighbourhood**, Luxembourg remains a clear supporter of the enlargement of the European Union towards the **countries of the Western Balkans** on the basis of the fulfilment of the Copenhagen criteria. This is based on the 2003 promise to all Balkan countries.

Candidate countries can set the pace of accession negotiations through their own reform agenda. The faster these reforms are implemented, the closer a country is to the EU. The rules of the club are clear and well known; it concerns the implementation of the EU acquis. Of course, we will continue to encourage countries to make these necessary reforms, which are not always easy. We remain committed to supporting this process politically and financially. Nevertheless, as in all previous enlargement rounds, the main task must come from the candidate countries.

Unfortunately, progress in many areas has not been as rapid as we had hoped and, in particular, developments in the area of democratic values in some countries are disappointing. We will look more closely at this, perhaps even more closely than we have done in the past. At the same time, we will continue to support these countries in their EU integration process. This will be done through our bilateral technical assistance programmes, through which we provide training and expertise to the candidate countries on the implementation of EU legislation and standards, as well as capacity building in key areas. Through our contributions to international financial institutions, we also help develop SMEs in the Balkans or support women in setting up businesses. In recent years, however, we have also expanded our bilateral support for civil society in these countries, as well as our support for press freedom and the protection of minorities. In addition, the Foreign Ministry awards a number of scholarships for students from the region to study EU law.

Progress in the Balkans is not moving as fast as hoped. There are several reasons for this. One of them is the tragic recent history and, above all, the fact that these events are still being misused by various political circles to advance their particular interests. Unfortunately, we are still a long way from the **real reconciliation** that we achieved here after the Second World War. Kosovo is not yet an official candidate, but the situation along the **Kosovar-Serbian border is an example of how fragile the situation** remains in the region. The Pristina-Belgrade dialogue is at a standstill and threatens to falter. Even though an EU-brokered compromise was reached on 30 September to ease tensions in northern Kosovo and work towards a sustainable solution that

guarantees freedom of movement for all, further action is necessary to de-escalate the situation on the ground. Both parties need to engage in constructive dialogue in order to make rapid progress and achieve a comprehensive normalisation of their relations.

Northern Macedonia and Albania have met all the conditions for opening accession negotiations. Unfortunately, the adoption of the negotiating framework with Northern Macedonia is still blocked, in particular by Bulgaria's complex to incomprehensible positions, which are linked to the history, the identity and the language of North Macedonia. We must break this deadlock and ensure that we make progress on this issue. We must not disappoint the citizens of Albania and Northern Macedonia! The credibility of our enlargement policy is at stake.

We see the negative effects of not keeping our promises in the destabilisation of one of the most pro-European governments in the Balkans, namely Northern Macedonia.

The situation in **Turkey** is and remains extremely difficult, but we must not forget that Turkey is an important partner for Europe. In all our exchanges with Turkey, we must emphasise that human rights and the rule of law are non-negotiable. We are committed to maintaining channels of communication with Ankara in order to have a positive impact on the Turkish Government. We are very concerned about the human rights situation and the rule of law in Turkey. There can be no justification for the wanton imprisonment of journalists, academics and opposition politicians without legal charges and without a fair trial. Human rights defender Kavala, like many others, has been innocently imprisoned for four years. Without trial Turkey is a member of the Council of Europe and is moving further and further away from the principles of that Council. We are monitoring the situation closely and will continue to do so together with our European partners in the fight for respect for human rights and the rule of law in Turkey, including through bilateral projects, including with civil society actors. Luxembourg is not currently in favour of the EU making concessions on issues such as the customs union or visa freedom as long as human rights are being trampled on in this large and important country.

In addition to promoting the rule of law and human rights, stability in our neighbourhood remains, of course, one of our main objectives. In our immediate vicinity, in the **South Caucasus**, there was until recently a war between two countries, which are both members of the so-called Eastern Partnership of the European Union. Although there is now a ceasefire between Armenia and Azerbaijan, we know that the situation remains tense. After this war, there is still a lot of work to be done between Armenia and Azerbaijan. The EU can lend a hand there, and we hope that Turkey will use its influence in the region in a positive way. In **Belarus**, Lukashenko has been on the fence since the rigged elections last year. Dictatorship is flourishing here. After suppressing opposition in his own country, he behaved like a bandit and did not hesitate to have a Ryanair flight turned around to arrest Roman Protasevic, a dissident. In the summer, he began instrumentalising migrants, mainly from Africa and Syria, to put EU countries on the spot. Mr Lukashenko is playing with human lives to blackmail the EU. The EU continues to support civil society in Belarus, which runs contrary to Lukashenko's reckless policies. We show solidarity with the EU countries under pressure and also support them bilaterally with concrete assistance. As I have already said, however, we expect the securing of the EU's external borders to be in accordance with EU law and international law. The scenes that have taken place at this border in recent weeks are inhumane.

In **Ukraine**, which I have visited twice this year, the situation regarding Crimea and the Donbass region has not improved either. Our eastern neighbourhood, which is so important for our own stability, is still in a very fragile state.

An opportunity to give new impetus to the region will arise in December, when we meet with the six countries of the Eastern Partnership for a summit. It is in our European interest that this region should be able to develop peacefully and economically. Of course, Lukashenko will not take part in the discussion, but I hope that a solution can be found so that Belarus can somehow remain in a relationship with the EU, because the people of Belarus deserve better.

I regret that we have still not found the way with our largest eastern partner, namely **Russia**, to take our relations to another level. I remain convinced that we can work together in many areas - climate protection, the fight against terrorism, the Middle East peace process or the energy sector. But to do so, we would need to rebuild the necessary trust. Unfortunately, the few opportunities that have presented themselves have not been seized. The closure of Russia's representation to NATO in Brussels is not helpful. Russia and the EU are drifting apart, which is not good. I sometimes look back 10-15 years with nostalgia to a time when partnership was looming large. Well, nostalgia and foreign policy do not mix. Foreign policy and patience and intelligence, do. The world should not be driven in this decade by the total enmity between America and China on the one hand, and the same political antipathy between Europe and Russia on the other. Apart from the fact that this dynamite would be bad for world peace, the major goals today, such as CO2 neutrality by mid-century, would fail miserably because of a latent threat of the destabilization of all multilateral cooperation. The EU is not a world policeman, but the history of Europe in the 20th century must at the same time warn and show that civilised engagement with one another and even peace is possible.

Much remains to be said about the **fragility of our neighbourhood and the need for the EU to play its full role there**. We need to convince **Tunisia**, and in particular its President, to restore the rule of law and democratic institutions. The latest developments here must worry us. Constitutions cannot be changed by presidential decree. Democracy is upside down here. The peace process in **Libya** is on a good but fragile path, and the elections scheduled for December are an important step along this path. We must work with all partners to advance the **transition in Mali** and convince the Malian authorities that Europe is the right partner, not the mercenary force of the Wagner Group, which is a stranger to international law and has no conscience.

Beyond our neighbourhood, the EU is a global player and partner. At the end of October, I was in Kigali, Rwanda, where I exchanged views with our African partners within the framework of the **EU-African Union meeting**. This was an important step in the run-up to the summit between

the African Union and the European Union, which is due to take place next year in February. These are high offices, of course, but it is important to send the signal that Europe considers Africa to be important and not just a source of war, violence, migration and human trafficking of all kinds. Africa is and remains a continent with great opportunities and potential, for which Europe must also show its own interest. Especially now, when other global players are increasing their presence in Africa, Europe must also be represented with its values. The time has come for us to enter into a new partnership with Africa and to see this continent as a full partner and not just as a beneficiary of European development policy. Africa is also a political and economic player with enormous potential, especially with a dynamic and young population, which we must also take into account in this role.

Unfortunately, the continent is still plagued by familiar problems, most notably wars and military coups that lead to human rights abuses and humanitarian emergencies. Military coups, which we assumed belonged to the past are once again on the upswing. We have seen this in Mali and Tchad and recently in Guinea and Sudan.

Almost exactly a year ago, a brutal war broke out in the north of **Ethiopia**, in Tigray, in the very country where its prime minister won the 2019 Nobel Peace Prize for his commitment to peace with his Eritrean neighbour. The humanitarian crisis going on there right now is frightening: 7 million people are now in need of humanitarian aid. There is an acute famine. The report that was published last week by the Office of the United Nations High Commissioner for Human Rights together with the Ethiopian Human Rights Commission, documents the extent of the human suffering in Tigray. This report is an important step toward holding those responsible for these grave human rights violations to account. When I visited UN Secretary General Guterres, in New York a few weeks ago, there unfortunately was no optimism to be drawn from his comments. The latest news are concerning. Tigray rebels are marching onto Addis, and Prime Minister Abiy has called onto the population to procure weapons in order to defend the capital. This scenario must be avoided at all costs. Luxembourg, like all of us in the EU, must continue to strive for a

definitive ceasefire. Only political dialogue can lead to a solution. In this context, it is positive that a more diplomatic dynamic has developed over the last two days under the leadership of the USA and the special envoy of the African Union Obasanjo. Ethiopia remains a very important player in the whole region and therefore a political solution must be found.

China is and remains an important partner for us, but China is also a competitor that to a large extent does not share our values. This became even clearer last year when the EU had to decide on sanctions against those responsible for human rights violations and forced labour camps in Xinjiang. China has since imposed sanctions on Members of the European Parliament and national parliamentarians, academics, research centers and think tanks, as well as EU diplomats. As you know, three Luxembourgers are also affected by these sanctions because of their role. These Chinese sanctions are regrettable and unacceptable, and we again hope to be able to find a solution here in dialogue with China. The EU must be able to talk about our common interests with China, as well as about the more difficult issues such as human rights. One thing is clear: the EU, and Luxembourg too, will continue to work for respect for human rights, including in Xinjiang. It is to be hoped that the principle of the One China policy will not be called into question by military intervention in Taiwan. This would certainly throw world peace into a turbulent phase. We are also concerned about the situation in Hong Kong. The National Security Act dramatically restricts freedom of expression and creates a climate of permanent control.

We also continue to seek **dialogue and cooperation with China** on issues such as combating pandemics and climate change, where China has a key role to play. The same applies to dealing with and solving regional problems - I have already mentioned this in connection with Afghanistan, where we must try to work together with China. China and the EU have a common interest in a stable and peaceful Afghanistan from which no danger emanates.

In the new confrontations we are witnessing at international level, it is not only the balance of power that has changed, but also the means by which attempts are made to destabilize the adversary. In this context, **cyberspace** is becoming increasingly relevant as a space of conflict due to its natural multipolarity.

Over the years, cyberspace has developed not only as a free information space that can neutralize censorship and enable freedom of expression around the world. Some actors have realized that this absolute freedom and openness of cyberspace can be abused to implement geopolitical goals in terms of disinformation, espionage and sabotage.

It is worrying that information can easily be weaponised with little effort and at little cost, with enormous consequences for our political system and our open society. These hybrid and cyber-based methods aim to sabotage the democratic process and destabilise and poison our social interaction by spreading targeted lies. They exploit the openness of our society under the guise of freedom of expression, as we saw in the 2016 US election or more recently in the context of the Covid vaccination. We must not be naive here!

Cyber attacks also regularly target the infrastructures of our Western countries. Such hybrid and cyber-based methods remain in a grey zone and it is therefore particularly difficult to repel such attacks and defend our values and principles in cyberspace.

That is why we must work to ensure that **international law also applies in cyberspace** and is respected by all states. During the pandemic, as we became even more dependent on the Internet and global virtual communication without borders, we became increasingly aware of the value of a free and democratic cyberspace.

Despite the pandemic, we spared no effort to **promote our economy worldwide**. Our network of embassies, consulates, and trade and investment offices was more than ever at the service of our citizens and businesses, who were often forced to manage their international operations remotely. Our people on the ground were often able to pitch in and keep track of important issues.

Connectivity between Europe and Asia is increasingly important and will be strengthened by the EU's new Indo-Pacific strategy, which I mentioned earlier. Our diplomatic network in Asia helps our companies to establish closer contacts in these markets. This further strengthens our economic relations in established markets such as China, Japan or South Korea. As announced this year, Luxembourg will also be present with a pavilion at Expo 2025 in Osaka. This is an important signal and strengthens our long-standing partnership and friendship with Japan.

At the same time, we are constantly looking for new opportunities for our companies in emerging markets such as the ASEAN countries. Next year, we will once again be holding our traditional ASEAN Day in Luxembourg.

The pandemic has also occasionally helped our companies gain **access to new markets**. For example, B Medical Systems from Hosingen, which manufactures special refrigerators for the medical sector with the support of the government and our embassy in Delhi, was able to set up a factory in India in record time. From there, they now produce their vaccine refrigerators for the Indian and regional markets. The framework for our economic relations with India was also expanded last year through a series of agreements between our regulators, stock exchanges and advertising agencies.

The political stability and security we enjoy in Europe requires more than just cooperation with our partners and allies and dialogue with our competitors. **Our security also depends on our ability, as the EU, to have the ability to act and to have our say.** After all, this is our continent we are talking about, and we cannot afford to have discussions going on over our heads. Luxembourg will therefore continue to work to ensure that we speak with one voice with our partners in a polarised world. As the EU, we must help shape a security situation that builds on our values and sets the course for peaceful interstate relations.

That is why we are actively participating in the EU's work to develop a **Strategic Compass** for the Union. This compass, which is due to be adopted in March next year, will give the EU guidance in a multipolar world. We must adapt to the new multipolarity and strengthen the EU's role. Here

too, in foreign and defence policy, the answer is more Europe, a Europe that believes in itself, instead of a Europe that constantly questions itself. The Strategic Compass will not provide an answer to every situation, but it will help us agree within the EU on the challenges and threats facing the EU and, on the means, and instruments we have to respond to them.

We must stop reinventing the wheel during every crisis and always looking a little fearfully in the direction of NATO and the United States. **Of course, NATO remains the cornerstone of our collective defence**, and Luxembourg is a committed ally that makes contributions that benefit NATO and all its allies, for example in space. But NATO is a regional defence alliance and has far fewer instruments to respond to international crises than the EU. **The EU has instruments** in trade policy, in sanctions policy, in development policy, the EU has a network of EU delegations around the world, the EU has relations with all countries, the EU has action and aid programmes from climate protection to vaccine delivery. **The EU can and must stand on its own two feet when it comes to security and defence.** I am a little tired of the discussion about complementarity between NATO and the EU. Of course, everything the EU does in defence matters is complementary to NATO! We do not have double budgets, and none of the 21 EU Member States that are also members of NATO could afford to do things on both sides that are not fully compatible. After all, we are not schizophrenic. The better positioned the 27 of us in the EU are, the more interoperable our systems are, the better for NATO it is. It is also obvious that European defence involves us in Europe also buying and developing European equipment.

Afghanistan, like the Covid pandemic, has shown us that we as an international community are never fully prepared for the major crises we face. I am convinced that any effort to make the EU more independent in the security field will make us collectively more resilient to future crises and strengthen our **partnership across the Atlantic**. The US needs a strong Europe that is well organised and can look after itself.

“America is back”, declared Joe Biden when he spoke to the allies for the first time as the new US president at the NATO summit in June. It is true that since 20 January new tones have been

coming out of the White House, and it is reassuring that we are past the Trump era with its permanent surprises. The US is once again a trustworthy partner for the EU and the entire international community. The United States has become predictable again in its international policy. The great influence that Trump continues to wield over the Republican Party, despite the disastrous storming of the Capitol on January 6 this year, is concerning. A real attack on democracy is also taking place in many Republican-controlled states, where a massive obstruction to postal voting is taking place as well as more restrictive and complicated voting registration to restrict the number of voters. It is a disgrace for the US democracy and a latent danger for 2024.

“America is back” is not enough, however. You have to look beyond such declarations and analyse what exactly it means. After nearly 10 months, the conclusion is mixed: The US is an important partner for the EU, but this does not solve all the problems. This also applies to trade relations, where some difficult chapters remain open. There has been some good news in the area of steel and aluminium in the last few days, the US and the EU have agreed to work together on a broader agreement and in the meantime to once again allow the import of European steel and aluminium without tariffs and in the same quantities as before the Trump era. The EU can therefore now also suspend the counter-tariffs on American products such as whiskey and Harley Davidsons. The first US-EU Trade and Technology Council in Pittsburgh in September was an important step. In the coming weeks and months, **further trust will need to be built in the transatlantic relationship** to deal with the uncoordinated withdrawal from Afghanistan and the surprise announcement of the AUKUS partnership.

I would like to give you two more examples which, on the one hand, underline the value of European diplomacy and, on the other, illustrate what happens if we do nothing or not enough.

1. On the one hand, we have the **nuclear agreement with Iran**, signed in 2015, which remains one of the greatest achievements of European diplomacy. Then, in 2017, someone came along who thought he had to smash this agreement. However, despite his best efforts, he did not

succeed. Why? Well, because the EU stuck together and said: No, we are sticking to this agreement and we are not going to let ourselves be dissuaded from diplomacy and cooperation.

Now we must do everything we can to get the so-called “JCPOA” back on track. The EU has spent months coordinating the negotiations in Vienna to get the Americans to drop their sanctions and rejoin the agreement, in return for Iran's renewed compliance with the nuclear restrictions. Since the election of Iran's new president, Ibrahim Raisi, the talks have been on hold. When I met the new Iranian Foreign Minister in New York in September, I told him in no uncertain terms: “It is now five minutes to twelve, you absolutely must return to the negotiating table in Vienna!” Negotiations in Vienna will finally resume on 29 November. It is in the interests of the United States and Iran to bring this process to a swift conclusion.

I would also like to take this opportunity to emphasise that we are by no means turning a blind eye to **Iran's destructive regional policy and to the brutal repression and human rights violations** under which the religious minorities, such as the Bahai, are suffering very badly. This repression must finally come to an end, and I have also made that very clear to the Iranian Foreign Minister, and that is why Luxembourg and the EU will continue our commitment.

2. Where the EU and the international community's lack of commitment can lead has been seen again this year in **Gaza**. As long as we do not address the fundamental roots of the conflict between Israel and the Palestinians, the people in the region will remain trapped in a vicious circle of hatred, violence and destruction. Let me remind you that we are not talking about the first Gaza war here, but the fourth since 2008, and if nothing fundamentally changes, the fifth will surely come.

In the West Bank and East Jerusalem, the **two-state solution** has been systematically destroyed by Israel for many years. If Israel classifies six Palestinian NGOs as terrorist organisations without proof, then this is just another step in that direction. But if we are to reverse this trend, the Palestinians must of course get their house in order. I also said this to the Prime Minister of the

Palestinian Authority, who visited us recently: they cannot remain in perpetual dispute and young people can never have a say because there are no elections. Soon it will be too late, there will be no turning back. But what is the alternative to the two-state solution? A single state with constant conflict and systematic inequality? That cannot be the answer under any circumstances. Such a state would not be a sustainable solution for Israel either, if it wants to develop peace and security in its region.

The EU must finally put the so-called **Middle East peace process** back at the top of its list of priorities and, in particular, insist that Israel finally apply the Oslo Accords - which it signed in the 1990s. We have a historic responsibility towards Israel and Palestine, and we are friends of both Israel and Palestine. It is not a question of being FOR one or AGAINST the other, it is a question of the right to self-determination, it is a question of international law being observed, of human rights being respected, of people once again abiding by what they have signed up to and of all people between the Jordan and the Mediterranean being able to live in peace, security and dignity. No more, but no less.

The pandemic has brought us closer together. It has made it clear to many that crises of this magnitude cannot be overcome alone, and it has shown us how important European solidarity is. How great the **added value of the Union** is when we work together in a spirit of solidarity.

Now that we see light at the end of the tunnel, it is important to build on these lessons from the pandemic, to consolidate cohesion within the EU and to put the citizens at the center of our policies – in particular the young generation.

The Covid-19 crisis was a time that took a lot out of much of the younger generation. Young people were often left to their own devices: no normal studies, no opportunity to travel, and no social events among friends.

However, the future belongs to young people. That makes it all the more important now to focus on young people. To show them that we take their concerns and fears seriously and to avoid a generational conflict.

“The future is in your hands” - this is also the motto of the **Conference on the Future of Europe**. The conference offers citizens across Europe the opportunity to express their expectations of the European Union. Together with the citizens, new ideas and proposals can be developed to bring the Union closer to its citizens. This, too, with the aim of helping to strengthen the democratic legitimacy of our Union.

Of course, the conference is also an opportunity to address the negative trends and criticisms of the Union and to contribute together to strengthening the Union and preparing better for future challenges. I can therefore only encourage citizens to participate actively in this process.

In particular, we should listen to the fears and hopes of **young people** in this process. With this in mind, in the spring I had a discussion with the German Secretary of State, Michael Roth, with young people from German, French and Luxembourg secondary schools. However, in order to facilitate an honest and constructive exchange and to reach as many people as possible, this debate requires a joint effort by all the players. I am therefore all the more pleased to see that **the Chamber** has also created a number of interesting formats for dialogue with citizens on the future of Europe.

However, let us not anticipate the **conclusions** of the conference and start talking already about institutional changes. My impression is rather that we should focus more on the daily concerns of our citizens: the economy, work, climate and social issues - instead of discussing decision-making bodies and personnel issues. Let us therefore first listen to the concerns and ideas of the citizens. In spring 2022, the conclusions will be presented under the French Presidency.

The conference on the future of Europe was officially opened on 9 May, 71 years to the day after Robert Schuman laid the foundations for building the Europe we know today on 9 May 1950.

The founding of the **European Coal and Steel Community**, or ECSC for short, on 18 April 1951 marked the beginning of a project of peace and cohesion, true to the motto “Unity is strength”, which has ensured Europe's prosperity for more than 70 years.

The ECSC Executive, the “**High Authority**”, held its first meeting in Luxembourg on 10 August 1952. 2022 marks the 70th anniversary of the presence of the European Executive in Luxembourg. 70 years of concrete European integration, in which Luxembourg has been at the forefront, helping to shape it.

This historical role and Luxembourg's contribution to European integration are reflected in our committed and active headquarters policy.

I stressed at the beginning of this speech how important it is to defend the rule of law, including within the EU. The **European Public Prosecutor's Office**, based in Luxembourg, also plays a key role in this. Since 1 June 2021, the European Public Prosecutor's Office has already opened around 300 investigations as part of its operational work up to mid-September: The total potential damage to the EU budget is around €4.5 billion. It is therefore worth highlighting that the 130 posts that have been allocated to the European Public Prosecutor's Office for the seat in Luxembourg until 2021, including a large number of highly specialised lawyers, financial experts and IT specialists, have already been filled. Due to the increased workload of the Prosecutor's Office, the Commission has also proposed that the European Public Prosecutor's Office be expanded to include an additional 118 posts in 2022. The Government can only fully support this. Three more floors in Tour B, the headquarters of the European Public Prosecutor's Office in Kirchberg, have already been completed today.

In the field of justice, 2021 has also brought further positive developments: the **Unified Patent Court** (UPC) is now about to enter into force, after several delays due in part to Brexit. Luxembourg has been actively involved in the preparations for this new court, which will have jurisdiction over the unified European patent, since 2013. The Cour d'appel and the panels of the UPC will be here in Luxembourg. The offices at the Nouvel Hémicycle are ready.

Alongside the European Public Prosecutor's Office, this new court will further strengthen Luxembourg's status as a center of competence in European justice.

We will also continue to work to develop Luxembourg as the seat of the **European financial institutions**, including promoting synergies under the new financial instruments available to the Commission with bodies such as the European Investment Bank (EIB) or the European Stability Mechanism (ESM). We are also actively working with the ESM on the construction of its new, larger building on Kirchberg: This is an important step and reflects not only the consistent expansion of the ESM's competencies, but also Luxembourg's awareness of its location.

In this context, I would like to thank all the other ministries and administrations, in particular the Ministry of Finance and the Administration des bâtiments publics, for their cooperation and commitment with regard to our headquarters policy.

As far as the third major area, the digital area, is concerned, in May of this year, together with the Minister for Economic Affairs and Commissioner Breton, I was able to inaugurate the **European High Performance Computing Joint Undertaking (EuroHPC JU)**, which has its headquarters here in Luxembourg. Here, too, there is already an expansion in-house: in September, with Luxembourg's support, the mandate of the EuroHPC JU was extended to include, among other things, the promising quantum computing. In this context, the EuroHPC JU was also granted a significant increase in staff: From its current level of 15, it is to be increased to 47 people in 2022 and up to 57 posts from 2023.

Another piece of good news in the digital field is that, in addition to numerous European and international institutions such as the European Public Prosecutor's Office, the European Investment Bank, the European Commission, NSPA (*NATO Support and Procurement Agency*) and the European Patent Office, all of which have opted for a Luxembourg Tier 4 Data Center, Monaco has decided to set up an “**Ambassade de données**” (Data Embassy) in Luxembourg. Monaco is the second State, after Estonia, to entrust its data to Luxembourg.

In addition to these three major areas - Justice, Finance and Digital Affairs - the government is actively working to identify new structures in other areas that could be established here in the Grand Duchy or where greater synergies could be created with European and national services that are present. I will come back to this tomorrow to talk specifically about the health sector, in the context of the *question élargie* (extended parliamentary question) from the honourable Member of Parliament Viviane Reding.

As you can see: A lot is happening in terms of Luxembourg as a business location, and the government will tirelessly continue these efforts together with the international and European institutions in Luxembourg.

The pandemic has fundamentally shaken us all. It has been a difficult time, but we are beginning to see light at the end of the tunnel. This speech could be given again here in the Chamber, which is a sign that things are getting better.

One could have become morose in recent months in the face of the many woes this virus has brought upon the world, the many restrictions, the fact that many things have slowed down, many important events have had to be postponed or cancelled, or could only take place virtually. Video conferencing has been a good emergency stop, but it is no substitute for the proper craft of foreign policy. Human contact, direct exchange and impressions on the ground are enormously important.

But we are also taking some of the new habits from the pandemic into the next phase. We have learned to communicate more easily digitally - for example, this has allowed us to engage more actively on the ground in some places where we do not have an embassy. For a small diplomatic network like ours, this is extremely valuable, and we want to keep it that way. We have all developed a new sense of what is important and what can stay.

Mr President,

Ladies and gentlemen,

In 2020/2021, we have again succeeded in conducting foreign and European policy in the service of Luxembourgers and in the service of the European and multilateral ideal of integration and cooperation. Luxembourg will continue to stand up for its interests, values and convictions on the international stage. I now look forward to tomorrow's debate, to the next year, and to a new normality in work and life.

Thank you for your attention.