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Editors' introduction to the Special Issue

European Union and Asia-Pacific trade relations and economic interaction

BEATRIZ PÉREZ DE LAS HERAS
University of Deusto (Spain)
beatriz.perez@deusto.es

HAJIME IMAMURA
Toyo University (Japan)
hajime@toyo.jp

Introduction

The European Union (EU) has become a key trade partner for most countries in the Asia Pacific region over the last 15 years. The increasing relationship has resulted in the conclusion of some bilateral free trade agreements (FTAs) and economic partnerships between the EU and South Korea, Japan, Singapore and Vietnam. A number of bilateral free trade negotiations are also currently underway with other countries, among them Australia, New Zealand, Indonesia, and Malaysia. In December 2020, the EU and China concluded a comprehensive agreement on investment after years of negotiations. Almost at the same time, the EU and ASEAN agreed on a Strategic Partnership while a future region-to-region FTA is currently under discussion as well. At the same time, important multilateral initiatives have emerged in the Asia

Pacific region over the last years, such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP). In addition, beyond trade and investment, the EU is also striving to increase its role in the region to focus on issues of connectivity and governance.

In this evolving context, the EU-Asia Pacific dialogue is currently undergoing critical changes as consequence of some profound shifts. The United Kingdom's exit as the important gateway to Asia, the persisting rivalry between China and US and the huge economic impact of the Covid-19 pandemic are among the most relevant factors determining the interregional relationship. The global health crisis derived from Covid- 19, in particular, exposed the vulnerabilities of a globalized economy since its onset, with governments around the globe rushing to hoard medical supplies and restrict exports for fear of national shortages. EU member states were not an exception to this aggressive economic nationalism, undermining the single market principles. In Asia Pacific region, each country also approached the crisis in its own way.

The current global crisis highlights more than ever the need for a more international cooperation and multilateral rules-based system. In this unprecedented challenging and uncertain context, how will the EU and the Asia Pacific countries, including regional organizations like ASEAN, respond to these challenges? How will the interregional economic relations evolve in the coming years?

The special issue of ANZJES "European Union and Asia-Pacific trade relations and economic interaction" aims to make a timely contribution to the knowledge and understanding of the major actors and factors that determine the evolution of the interregional dialogue. With this approach, the six contributions in this special issue address various topics related to trade and economic relations between the EU and its partners in the Asia Pacific region.

Xinchuchu Gao and Xuechen Chen initiate this special issue with the joint article *Understanding the EU's changing trade policy strategy towards the Asia-Pacific region from a role-theory perspective*. The authors discuss how the growing number of FTAs and economic partnerships concluded by the EU with some Asia-Pacific countries, not only seek to reinforce the bilateral trade relations, but also serve as a foreign policy tool for the EU to increase its political influence in the region. Against this background, the authors use role theory to assess how the EU's trade relations with its partners in the Asia-Pacific influence the EU's pursuit of its economic interests and political and security goals in the region.

Javier Martín Merchán and Laura Paíno Peña's article *COVID-19 as a catalyst of asymmetric bilateralism: ASEM's vulnerable position and economic salience as a saviour of the EU-Asia multilateral relations* discusses how the Covid-19 pandemic has served as a catalyst to exacerbate the existing asymmetric bilateral relations between a supranational European Union and individual Asian states. This trend counteracts the inter-continental cooperation that fora like Asia-Europe Meeting (ASEM) aim to promote. While the European members of ASEM act as one, the Asian members' positions are generally very heterogeneous, which reinforces the asymmetries of the bilateral dialogue between both continents. The authors conclude that if ASEM is unable to make such a shift, a new inter-continental platform should be created to ensure the sustainability of the EU-Asia relations.

Ana Gascón Marcén's contribution *The regulation of personal data flows between the European Union and the Asia Pacific region* highlights the current trend to regulate cross-border transfers of personal data, not only in data protection domestic laws, but also in FTAs and the controversies that such a trend generates among some trade players. Against this background, the article examines the EU's legal framework on cross-border transfers of personal data and its proposals for a global regulation agreed to by the World Trade Organization.

From an interdisciplinary approach, Salvatore FP Barilla's contribution *EU-China trade and investment relations and Covid-19: old struggles or new challenges?* explores the evolving relationship between the EU and China on trade and investment, assessing its impact on the global economy. The author finds that the mutual perception and the main themes that have characterised the debate between the EU and China have remained unaltered after the outbreak of Covid-19. The preliminary text of the Comprehensive Agreement on Investment (CAI) and its final signature is clear evidence of this unaltered bilateral dialogue.

Paula Cisneros Cristóbal's contribution *The Economic Partnership Agreement between Japan and the European Union: Analysis of the First Years of Life and Prospects for the Future* analyses the evolution of trade and economic relations between the EU and Japan after the entry into force of this agreement (EPA). The article delves into the EPA negotiation process, its legal scope, and key elements. It finds that the EPA has helped boost mutual trade exchanges since it came into force on 1 February 2019, but its impact goes beyond the commercial realm. In this sense, the study argues that the EPA is also expected to increase the EU's economic weight and political visibility in the Asia-Pacific region.

In closing this special issue, Milenko Petrovic and Adam Griffin discuss *The EU's Eastern enlargement as an opportunity for increasing trade and socio-economic relations between the EU and New Zealand*. After providing an overview of the socio-economic and trade relations between New Zealand and the new EU member states from Central and Eastern Europe, the authors assess their relevance and potential to expand the trade and economic relations between New Zealand and the EU in the prospect of their bilateral FTA under negotiation.