

State of the Union Address 2021 / Key takeaways

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Digital



- Calling digital “the make-or-break issue”, Commission President Von der Leyen welcomed the fact that over **20% of funding under the NextGenerationEU Recovery Fund will be spent on digital priorities.**
- Focusing on European tech sovereignty, the Commission announced a new **European Chips Act**, focusing on becoming a world leader in the semi-conductor ecosystem, and boosting domestic production.
- The Commission is also working on a new **European Cyber Defence Policy**, while focusing on common cybersecurity standards under a new **European Cyber Resilience Act.**

Climate & Environment



- In the context of the EU’s strengthened climate policy, the President called on **countries all over the world to step up efforts** ahead of COP26 in Glasgow.
- The Commission will propose an additional **€4 billion in climate finance for the least developed and most vulnerable countries until 2027**, urging the US and others to follow suit.
- The EU will **double its external funding for biodiversity** in the most vulnerable regions worldwide.

Financial Services



- In the next weeks, the European Commission will relaunch the discussion on the **Economic Governance Review**, aiming to find a consensus on the way forward by 2023.
- Continuing work on cracking down on tax avoidance, the Commission will put forward an **initiative to address companies hiding profits** behind shell entities.
- The Commission stressed that it seeks to **support and promote the global deal on minimum corporate taxation**, agreed amongst the G7 countries.

Europe in the world



- To counter infrastructure programmes like China’s ‘Belt and Road Initiative’, the President announced a **new global infrastructure funding program called ‘Global Gateway’**, seeking to fund strategic projects across the world.
- The Commission seeks to **enhance cooperation with the US** on issues such as health security and sustainability, and through the new **Trade and Technology Council.**

Get in touch...



Helena Walsh
Managing Director, EU Public Affairs
helena.walsh@cicero-group.com

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