



# OPINION

European Economic and Social Committee

## Strategic foresight 2022

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Communication from the Commission to the European Parliament and the Council  
2022 Strategic Foresight Report  
Twinning the green and digital transitions in the new geopolitical context  
[COM(2022) 289 final]

INT/998

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## **Preamble**

The European Commission's report and the following opinion have been drawn up at a time marked by the social, geopolitical and economic implications of Russia's continued military aggression against Ukraine. The strategic choices being made by the European Union in these months are set to shape not only the achievement of the objectives of the twin green and digital transitions, but also the EU's resilience and strategic autonomy.

Therefore, with the following opinion, and aware of the fundamental role that organised civil society plays in identifying and interpreting megatrends, and thus of the importance of involving organised civil society upstream in the EU's strategic foresight process, the EESC is also seeking to contribute to the drafting of the 2023 Strategic Foresight Report, which will focus on strategic guidance to strengthen the EU's global role.

### **1. Conclusions and recommendations**

- 1.1 The EESC encourages the Commission to continue developing the strategic foresight agenda, and is calling for increased involvement in the process from the very beginning. Greater involvement for the EESC, as the voice of the social partners and organised civil society, would enhance the EU's analysis and foresight capacities and help to pinpoint trends and possible solutions.
- 1.2 The EESC would like to see the strategic foresight agenda, as well as the European Commission's action, geared towards building a new development model that takes due account of economic, environmental and social sustainability.
- 1.3 As achieving the twin transitions also depends on people's willingness and behaviour, the EESC recommends that the Commission also pay attention to the concerns of society and to the possible reluctance among people towards the proposed changes.
- 1.4 The report describes the desired future and the resources needed to achieve it, without addressing the risks and threats in sufficient depth. The EESC calls on the Commission to set out a clearer picture of the risks involved and to analyse the possibilities and scenarios in the event that the desired objectives are not met, especially in the part concerning the availability of raw materials, rare earth metals, water resources and possible related issues.
- 1.5 The ongoing geopolitical challenges will influence supply systems and the resilience of Europe's agri-food sector. The recent events linked to COVID-19 and to Russia's military aggression against Ukraine disrupted our distribution system and this is likely to happen again in the short term. The EESC welcomes the recommendation to reduce the EU's dependence on imports of feed, fertilisers and other inputs and proposes establishing a definition of open strategic autonomy applied to food systems, based on food production, workforce and fair trade – with the overarching aim of ensuring food security for all EU citizens through a healthy, sustainable, resilient and fair food supply.
- 1.6 The Strategic Foresight Report does not give consideration to the strategic importance of a strong, cohesive, and innovative European industrial system that is capable of generating quality jobs.

The EESC calls on the European Commission to develop specific forecasts on the future of European industrial policy and recommends that suitable economic policies be adopted in order to enhance its long-term competitiveness and productivity and boost public and private investment in this regard.

- 1.7 Russia's military aggression against Ukraine, the energy crisis and the new economic and geopolitical reality will have an impact on the path towards the twin transitions. The EESC welcomes the EU's determination to achieve its objectives, but at the same time calls on the Commission and the Council to develop all the necessary tools in order to strengthen strategic energy autonomy, bolster the European industrial system and support businesses and workers following on from what was done during the pandemic crisis with the adoption of an instrument based on the SURE model.
- 1.8 The EESC welcomes the increased references to the social dimension and, as previously stated in its 2021 opinion, calls on the Commission, as part of its strategic analysis, to develop specific forecasting tools relating to the impact of the transitions on social security systems, and consequently propose specific measures to mitigate the social effects of the twin transitions.
- 1.9 The EESC believes that to reinforce the role of the EU as a global player, the EU needs to stand by its values and to continue working together with third countries, strengthening the common external policy, looking for common solutions and ensuring that our cooperation and trade are beneficial to the economic and social rights of the peoples of those countries, especially in view of long-term sustainability.

## 2. **General comments**

- 2.1 The Russian military aggression on Ukrainian territory and the fallout for the economic, social and industrial system – in terms of technology, trade, investment standards and changes in the industrial structure – reinforce the need to invest in the green and digital transitions, including with a view to pursuing European strategic autonomy. For these reasons, the EESC welcomes the strategic reflection on the interplay between the green and digital transitions, and their ability to reinforce each other.
- 2.2 The succession of crises, first pandemic then military, has increased the demand for security across different aspects of our lives, as people seek greater protection. To this end, delivering on the objectives of the twin transitions must involve paying close attention to the potential negative economic and social consequences, as well as the consequences in all other areas, including by providing for appropriate policy instruments. In this regard, the EESC points out that European citizens, especially those most vulnerable, could be more resistant to the changes brought about by the transitions if they perceive that the consequences of those transitions are harming them.
- 2.3 Increasing the EESC's involvement in the strategic foresight cycle activities – as the voice of the social partners and organised civil society – would strengthen the EU's analysis and foresight capacities, and help to more accurately pinpoint trends.

- 2.4 The EESC develops organised civil society's strategic foresight capacity through its members (and by extension the national organisations they represent), and through civil society at EU level by means of its Liaison Group, where the major EU-level civil society networks and organisations are represented. Specifically, it facilitates dialogue and consultation with organised civil society, raises awareness of the importance of strategic foresight and also provides real tools to achieve it. The structured involvement of organised civil society represented by the EESC will also make it easier to cover the different dimensions (industrial, social, economic, environmental, etc.) in the strategic agenda in a holistic way.
- 2.5 For all these reasons, the EESC is very keen to cooperate with the European Commission in the strategic foresight cycle from the very beginning of the process so as to make it more participatory. An example of this is the hearing through which the EESC has collected the views of civil society organisations as well as experts, to reflect on the challenges and opportunities that the EU will face in moving towards a socially and economically sustainable Europe. The EESC offers, throughout this opinion, input and suggestions on these key aspects on which the European Commission should focus in its next report.
- 2.6 Given the challenges and opportunities that Europe will face in the decades to come, strategic foresight is set to increase in importance. Therefore, the EESC calls on the Commission to continue developing the strategic foresight agenda by stepping up the EESC's involvement in the analysis and development phase of the report.
- 2.7 The report does not adequately take into account the fact that the digital divide between the EU's different regions jeopardises achieving the twin transition objectives. The next strategic report must take into account these divides and the possible consequences from the social point of view and in terms of the opportunities available.
- 2.8 The EESC knows that digital technologies can have a positive impact on achieving the climate objectives, not least by strengthening energy security, and that the green transition also has the potential to transform the digital sector and the economy. In this regard, the EESC welcomes the numerous references to the need for investment in technology and for appropriate policies to achieve the objectives, and also endorses the references to the need to adopt cybersecurity measures to protect strategic technologies.
- 2.9 On multiple occasions, the 2022 Strategic Foresight Report emphasises the energy needs stemming from digitalisation and from the consumption generated by networks, systems and devices, offset by the increased efficiency and sustainability of the processes to which they are applied (agriculture, logistics, cloud computing, etc.). The references to the need to improve energy efficiency and for Europe to restore a greater focus on the sector's circular economy (from access to raw materials to the management of electronic waste and the development of advanced digital technologies) appear timely.
- 2.10 However, it would be appropriate to mention in more explicit terms the sustainability and energy-saving benefits associated with the digital transition (going paperless and "substituting"), thus

helping to strengthen the buy-in of the public and policy-makers to the value and impact of these profound transformation processes.

- 2.11 Among the changes associated with digitalisation, there is no reference to cryptocurrencies and digital currencies. In fact, their growing prevalence is directly related to the all-pervasive nature of digitalisation and the development of blockchain technology, the flows of which go beyond States' regulatory capacities, leaving ample room for the illegal economy to operate. The EESC therefore points to the need for a dedicated section in the strategic foresight report for interpretation and analysis on the use of cryptocurrencies and digital currencies, and encourages the Commission to adopt and implement a single regulatory framework in line with the G20 conclusions.
- 2.12 The EESC welcomes the dedicated section in the foresight report on agriculture because, unlike with many other areas, it places the role of European policy and its central position in determining future developments at the centre of the foresight. In this case, the report specifies actions to be taken by the EU to prevent risky backsliding, unlike what is generally the case in the other areas under analysis.
- 2.13 EU food systems should be more diversified; the agricultural workforce should be strengthened especially by attracting young people and ensuring decent working conditions and remuneration; trade policies should be aligned with EU food sustainability standards and competitiveness. Concentration in food chains and financial ownership should also be addressed as well as market transparency, to ensure that future crises will not be exacerbated by excessive commodity speculation.
- 2.14 The EESC wishes to highlight that in the current geopolitical context, access to critical raw materials is crucial, not only for achieving the twin transition objectives, but above all for maintaining and strengthening the European industrial system and also for social, economic and employment resilience. To this end, the EESC suggests that the Commission carry out a more detailed in-depth analysis through appropriate analysis (also from a geopolitical point of view) and forecasting tools.
- 2.15 The EESC points out that water and water resources, referred to several times in the report, constitute not only a problem but also an area of potential, especially with regard to improving water efficiency, resource management and awareness-raising campaigns for responsible consumption. In particular, the blue economy plays a considerable role and has ever-increasing potential in the EU and global economy, in terms of job creation and people's welfare and health. The EESC believes in seizing these opportunities – that cover a wide range of both traditional and emerging sectors and operations – to the maximum extent, while at the same time minimising the adverse impact on the climate, biodiversity and the environment.
- 2.16 The EESC calls on the Commission, in the context of the twin dynamics, to take greater account of how situations may change arising from the war in Ukraine, especially in relation to the supply of energy and critical raw materials

- 2.17 The EESC agrees with the call for European policies to be adapted to a new economic model, for an increase in investment to enhance well-being, and for an increase in the productivity and competitiveness of Europe's industrial and economic system. Here, the EESC calls for specific forecasts to be developed on the future of European industrial policy, which is essential for achieving full strategic autonomy.
- 2.18 The EESC agrees with the recommendation to step up public and private investments in order to achieve the transition objectives. However, it points out that European economic decisions, and especially the prospects of possible further interest rate hikes, could negatively affect investments.
- 2.19 The EESC welcomes the call for a just transition and the report's stronger focus, compared to the previous one, on social cohesion and the role of social dialogue. The EESC also believes that the focus on the social dimension and the quality of work will become priority factors on the European agenda, modifying a scale of priorities that still places them in a complementary position.
- 2.20 The EESC appreciates the attention paid in the 2022 Strategic Foresight Report to the changes brought about by the twin transitions regarding the labour market and the economic situation of the most vulnerable sections of society (families, communities), as well as the simultaneous emphasis on the need for adequate resources for social intervention. The EESC also calls for more attention to be paid to issues of poverty and social exclusion.
- 2.21 The EESC calls on the EU to take into consideration the ageing of the population and demographic change, with the consequent increase in the foreseeable demand for care on the one hand, and the shortage of healthcare workers on the other. The EU must ensure that care remains accessible and affordable and does not become a luxury good.
- 2.22 The EESC draws attention to the vagueness with which the 2022 Strategic Foresight Report addresses the accelerating workplace hybridisation caused by digitalisation (including relegating it to an aside in the paragraph on digitalisation and transport demand), framing it as a consequence of a mere technological transformation process and neglecting its effects on working conditions and employment relationships, as well as on the associated regulatory requirements.
- 2.23 The EESC notes that the strategic foresight system risks becoming overly economic, and centred on competition and on the market as the true cement holding European action, interests and strategy together. It places civil society and workers in a complementary role, without considering sufficiently the twin transitions' ability to generate new and greater wealth and to facilitate the creation of new models capable of reducing vulnerabilities and socialising the benefits generated.
- 2.24 The EESC calls on the Commission to conduct a specific Eurobarometer survey on the topics to be covered in the next Strategic Foresight Report in order to better understand citizens' expectations and points of view. This is also crucial for gauging the degree to which future measures proposed by the foresight analysis will be accepted.

Brussels, 22 March 2023

Christa SCHWENG

The president of the European Economic and Social Committee

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**N.B.:** Appendix overleaf.



# Appendix to the OPINION

of the European Economic and Social Committee

- **CCMI (Consultative Commission on Industrial Change)**
  - [Sustainable recycling, use of secondary raw materials and Just Transition in the European ferrous and nonferrous metal industry](#) (CCMI/191)
  - [Making packaging a safe, affordable and eco-friendly industry](#) (CCMI/186)
  - [Addressing structural shortages and strengthening strategic autonomy in the semiconductor ecosystem](#) (CCMI/192)
  - [How REIIs \(Resources and Energy Intensive Industries\) can take advantage of the EU Recovery Plan in their socially acceptable transition towards de-carbonisation and digitalisation \(own-initiative opinion\)](#) (CCMI/183)
  - [Digital Innovation Hub as facilitator for the green and digital transition of industrial SMEs: an overview of the main experiences](#) (CCMI/194)
  - [Role of carbon removal technologies in decarbonising the European industry](#) (CCMI/190)
  - [The European furniture industry – Its recovery towards an innovative, green and circular economy](#) (CCMI/187)
  - [Textile strategy](#) (CCMI/188)
  - [Roadmap on security and defence technologies](#) (CCMI/189)
  - [A Chips Act for the EU: Implications of the European Chips Act for defence and aerospace manufacturing](#) (CCMI/195)
- **ECO (Economic and Monetary Union, Economic and Social Cohesion)**
  - [Annual Sustainable Growth Survey 2022](#) (ECO/569)
  - [Additional considerations on the Annual Sustainable Growth Survey 2022](#) (ECO/589)
  - [Additional considerations on the Euro area economic policy 2022](#) (ECO/590)
  - [Social taxonomy – Challenges and opportunities](#) (ECO/581)
  - [Crypto Assets – Challenges and opportunities](#) (ECO/591)
  - [A digital euro](#) (ECO/580)
  - [Anti-Money Laundering Legislative Package](#) (ECO/555)
  - [Fight the use of shell entities](#) (ECO/572)
  - [Minimum effective taxation of companies](#) (ECO/573)
  - [Debt-Equity Bias Reduction Allowance](#) (ECO/595)
  - [Business Taxation for the 21st Century](#) (ECO/558)
  - [The role of EU structural and cohesion policy in driving forward the transformation of the economy in an innovative and smart manner \(exploratory opinion at the request of the German presidency\)](#) (ECO/514)
  - [8th Cohesion Report](#) (ECO/579)
- **INT (Single Market, Production and Consumption)**
  - [How will given industrial ecosystems contribute to the strategic autonomy of the EU and the wellbeing of Europeans?](#) (INT/964)
  - [A competitiveness check to build a stronger and more resilient EU economy](#) (INT/1000)

[Action Plan for the social economy](#) (INT/972)

- **NAT (Agriculture, Rural Development and the Environment)**

[Food price crisis: the role of speculation and concrete proposals for action in the aftermath of the Ukraine war](#) (NAT/873)

[EU long-term vision for rural areas](#) (NAT/839)

[Aligning food business strategies and operations with the SDGs for a sustainable post-COVID-19 recovery](#) (NAT/821)

[Towards a holistic strategy on sustainable rural/urban development](#) (NAT/820)

[Towards an EU strategy on sustainable consumption](#) (NAT/789)

[Compatibility of EU trade policy with the European Green Deal](#) (NAT/791)

[Towards structured youth engagement on climate and sustainability in the EU decision-making process](#) (NAT/788)

[The sustainable economy we need \(own-initiative opinion\)](#) (NAT/765)

[Reflection Paper "Towards a Sustainable Europe by 2030"](#) (NAT/760)

[Civil society's contribution to the development of a comprehensive food policy in the EU \(own-initiative opinion\)](#) (NAT/711)

[Leaving no one behind when implementing the 2030 Sustainable Development Agenda](#) (SC/53)

- **REX (External Relations)**

[Setting the course for a sustainable blue planet, an update of the international ocean governance agenda](#) (REX/558)

[Forced labour products ban](#) (REX/565)

[The power of trade partnerships: together for green and just economic growth](#) (REX/561)

[Youth action plan in the EU external action](#) (REX/566)

[Energy policies and strategies in the Euro-Mediterranean region](#) (REX/555)

[Socio-economic situation in Latin America following the COVID-19 crisis – the role of civil society in the recovery process](#) (REX/552)

[Geopolitical impact of energy transition](#) (REX/550)

[Youth Policy in the Western Balkans, as part of the Innovation Agenda for the Western Balkans](#) (REX/553)

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- **TEN (Transport, Energy, Infrastructure and the Information Society)**

[A strategic vision on the energy transition to enable the EU's strategic autonomy](#) (TEN/770)

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[State of the Energy Union 2022](#) (TEN/791, ongoing)

[Electricity market reform](#) (TEN/793, ongoing)

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