

THE QUIRINAL TREATY

Resuming a strong Franco-Italian partnership at a critical moment



On 26 November 2021, French President Emmanuel Macron and Italian Prime Minister Mario Draghi have signed the Quirinal Treaty, a **historic pact** bringing the two countries closer and reinforcing their mutual cooperation within the European Union. This agreement is the result of **4 years of negotiations**, initiated in 2017. The cooperation enshrined in the agreement is similar to the one that France historically has with Germany, since the 1963 Élysée Treaty.

The Treaty aims to **settle once and for all the disputes** that have undermined the stability of diplomatic relations between Italy and France in recent years (e.g. on industrial issues such as Fincantieri and on migration), paving the way for greater cooperation in **key sectors such as digital and ecological transition, defense, culture and education**.

POLITICAL COMMITMENT

The agreement comes at a **politically crucial time**, in the aftermath of **Brexit**, and as the **end of the Merkel era** challenges the German leadership in Europe, opening the way to new alliances and a new balance of power. Additionally, both France and Italy are approaching important milestones: the **French Presidency of the European Council** will start on 1 January 2022, and both countries in the next semester will hold **Presidential elections**, which will be crucial to confirm or overturn the current leadership.

The new Treaty will allow France and Italy to lead the way on strategic discussions at European Union level, including the **reform of the Stability and Growth Pact** and the creation of a **stronger European Defense**. While Prime Minister Draghi ensured that France would receive Italy's full support during its Presidency of the European Council, the two countries are also committing to **coordinating in advance ahead of all EU Summits**.

The reinforced cooperation, which testifies Italy's increased political weight, will also **move the European balance of power towards the South**, and closer to the Mediterranean.

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I greet the signature of the Treaty of Quirinale, which beyond the friendship and history that tie our two countries since decades, must reinforce our present economies.

The synergy between these economies is essential to reinforce the European Single Market notably in the digitalization, cybersecurity, biotechnology, and energy transition sectors. With the finalization of the capital markets union, which is one of European Commissioner Mairead McGuinness' priority, it is a major advancement to guarantee the power of Europe.

Jean Bizet

APCO Senior Advisor and former French Senator

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The Treaty is a framework of cooperation which will need to be constantly implemented in the coming months and years, positively impacting many areas of our everyday life.

[...] Businesses are among the key beneficiaries, as both countries have a great interest in enhancing and protecting the uniqueness of Italian and French products and companies.

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Nicoletta Manzione

RAI Correspondent from Paris

IMPLICATIONS FOR BUSINESSES

Such close cooperation will also be reflected in intensified exchanges in key industrial sectors, as well as **coordinated investments and action** to foster the digital and ecological transition, in the wake of the implementation of **post-pandemic recovery strategies**.

For businesses operating on both sides of the Alps, it will be essential to reflect this integration and **valorize initiatives with impact in the two countries**.

Cooperation between Italian and French businesses will also be enhanced, and new fora for a for business exchanges may arise.

KEY POINTS OF THE AGREEMENT

The enhanced cooperation between Italy and France will unfold on the following key strategic areas:



Industrial cooperation: Joint projects for the development of start-ups, small and medium-sized enterprises (SMEs) and large companies. Strengthening of bilateral industrial collaborations and promotion of joint initiatives for the enhancement of strategic European value chains (e.g. semiconductors and hydrogen) and industries (e.g. space). To this end, a consultation forum has been set up between the competent Ministries.



Digital sovereignty: Deepened cooperation in strategic areas for European digital sovereignty and transition, such as cybersecurity, cloud, artificial intelligence, data sharing, connectivity, 5G-6G, digitalization of payments. Better regulation and integrated governance of the digital sector and cyberspace at European and international level.



European Affairs: Regular mutual consultations and coordinated action to develop a common approach within the EU, especially on budgetary strategy, industry, energy, transport, competition, labor, and the fight against corruption.



Social policies: Improving working conditions and pay for all workers, including platform workers, guaranteeing an adequate minimum wage, and fostering skills development. Supporting policies for full equality and women empowerment.



Ecological transition: Implementing multilateral instruments relating to both sustainable development and environmental and climate protection, to help achieve climate neutrality by 2050, within the commitments of global agreements and the UN 2030 Agenda. Focus is on: renewable energies and energy efficiency, protection of biodiversity, sustainable blue economy for the Mediterranean, and developing sustainable tourism.



Food and agriculture: Fostering the resilience, and sustainable transition of the agricultural and agri-food system, while ensuring the food sovereignty of the European Union. France and Italy will also promote measures to prevent food waste, and projects in the field of agri-food chains and organic farming.



Migration: Supporting a European migration and asylum governance and integration policies based on the principles of shared responsibility and solidarity between Member States, through a regular consultation mechanism between France and Italy.



Defense: Safeguarding common European security and strengthening Europe's defense capabilities, also consolidating the European pillar of NATO. Strengthened coordination in the Italo-French Defense and Security Council.



Cross-border cooperation: Increasingly integrated development of a cross-border rail, road and maritime transport network and establishment of a Border Cooperation Committee.



Culture, education and youth: Greater collaboration in the cultural and creative industries and a biennial inter-ministerial meeting. Creation of an Italo-French civil service.

The Treaty, which will have to be approved and ratified by both National Parliaments, also provides for political coordination mechanisms, including intensified consultations and inter-ministerial coordination, particularly during crises and close to strategic deadlines. An annual intergovernmental summit will be held, and at least once every quarter, an Italian minister will attend French Council of Ministers and vice-versa.