

# The European Economic Security Package: What It Means for Business

Teneo Insights | December 2025



**The European Commission unveiled its European Economic Security Package (EESP) on 3 December, consolidating the EU's existing trade and technology resilience strategies through an updated Economic Security Doctrine and the new RESourceEU Action Plan.**

These measures build on the priorities of the 2023 Economic Security Strategy and the 2024 Critical Raw Materials Act, emphasizing risk anticipation, proactive action, more effective use of existing tools and diversified partnerships to counter geopolitical pressure.

Although the package offers few new instruments or funding streams, it reflects a sharper, more strategic focus on securing critical supply chains at a moment when Europe is increasingly exposed, particularly due to its lack of raw materials. The package sets out a new political backdrop: Europe's strategic industries are increasingly caught between China, which is using export control measures more aggressively, and the U.S., which is following a more protectionist approach that combines technology, trade and national security.

Recent Chinese export restrictions on rare earths and automotive chips, which nearly halted European car production after disruptions at chipmaker Nexperia, have been a turning point for policymakers in highlighting the EU's deep vulnerabilities. These events underscore the need for a coherent economic security architecture within the EU, anticipating and monitoring risks across supply chains, technology, investment and infrastructure. While the EU continues to support open, rules-based trade, its openness is increasingly tempered by efforts to reduce strategic dependencies and protect sensitive economic assets.

## European Security Doctrine

The Economic Security Doctrine introduces a more systematic approach to identifying and managing high-risk dependencies. These occur when the EU relies on a single supplier for over 60% of a strategically significant input or when foreign market distortions create structural vulnerabilities. Such risks are particularly pronounced in areas such as critical raw materials, semiconductors, defense technologies and clean-energy components.

To address these issues, the European Commission will review whether current competition, trade-defense and investment-screening tools can respond swiftly enough to emerging threats. The doctrine refers to a broad set of instruments, including foreign subsidy investigations, anti-dumping actions and the EU's Anti-Coercion Instrument, and initiates reviews across six areas of heightened exposure, such as critical technologies, strategic infrastructure and the defense and space industrial base. If gaps are found, additional measures are expected to be introduced in summer 2026.

Rather than creating new legal instruments or funding mechanisms, the doctrine brings existing tools together within a more coherent framework. Economic security is recast as a cross-cutting principle that will influence routine decisions on trade, investment, technology policy and funding. For businesses, this is likely to result in a more structured and predictable regulatory landscape. Companies that anticipate these evolving expectations and integrate them early into strategic planning, risk management and compliance processes will be better positioned to operate within the emerging, more unified economic security framework.

## RESourceEU Action Plan

The RESourceEU Action Plan sets out the EU's most practical measures for reducing strategic dependencies in critical raw materials (CRMs). Its central goal is to diversify supply chains and cut reliance on external suppliers by up to 50% by 2029. Early action prioritizes permanent magnets, battery inputs and defense-related materials, areas already affected by supply disruptions. To accelerate alternative supply, the European Commission plans to mobilize up to €3 billion for projects capable of delivering new capacity by the end of the decade.

A core element is the creation of a European Critical Raw Materials Centre, which will coordinate market intelligence, joint purchasing and strategic stockpiling, addressing the EU's lack of management when it comes to CRM reserves. By aggregating procurement across Member States, it would create buying power akin to major defense acquisition programs. This could make Europe the world's second-largest structured buyer of rare earth magnets and critical mineral derivatives, improving supply security for European industries and potentially reducing price volatility through more diversified sourcing.

The strategy also aims to retain more value within Europe by limiting exports of critical materials, scrap and recycling feedstock while boosting domestic processing, refining and recycling. Mandatory diversification requirements mean large companies will have to assess and mitigate supply-chain vulnerabilities. The intention is not to restrict trade but to ensure that dependence on any single supplier, including China, does not create systemic industrial risks to European industry.

These measures are supported by expanded raw materials diplomacy, including new and deepened partnerships with resource-rich, like-minded countries and engagement through Global Gateway, the G7 and the G20. These partnerships target regions with established mining sectors, predictable regulation and geopolitical alignment with European interests.

## Europe's Diversification Shift Provides Clear Business Opportunities

The EESP aims to reshape Europe's sourcing model, opening opportunities across the entire value chain, from international suppliers to EU-based CRM producers and industrial off-takers. As mandatory diversification takes hold, European companies will widen their supplier base rather than reduce demand, which is set to rise with the growth of clean-energy, mobility, digital and defense sectors.

This shift creates clear opportunities for non-EU suppliers. As the RESourceEU Action Plan is translated into concrete project pipelines, the EU will seek trusted partners with secure sourcing and strong environmental performance. Countries like Japan and Australia, where strategic partnerships with the EU are deepening, stand to benefit while other suppliers may face declining market share as European firms are required to diversify.



For industries, the package offers greater supply security and a more predictable regulatory environment, provided companies integrate these new expectations early into their strategic risk planning. The RESourceEU plan, supported by the upcoming Centre, will mobilize EU and EIB financing for mining, processing, recycling and substitution projects.

Companies that position themselves early as reliable CRM enablers will be well placed to co-invest in strategic capacity, access public financing, lock in long-term offtake agreements and advance technology collaborations. Funding will be tied to meeting diversification and security goals rather than purely commercial metrics. While this may create tension where geopolitically preferred suppliers offer less competitive pricing, it will reward companies that align early with EU priorities.

## Authors



**Claire Peers**  
Associate Director



**Jesse Ruysen**  
Consultant

## **Teneo is the global CEO advisory firm.**

We partner with our clients globally to do great things for a better future.

Drawing upon our global team and expansive network of senior advisors, we provide advisory services across our five business segments on a stand-alone or fully integrated basis to help our clients solve complex business challenges. Our clients include a significant number of the Fortune 100 and FTSE 100, as well as other corporations, financial institutions and organizations.

Our full range of advisory services includes strategic communications, investor relations, financial transactions and restructuring, management consulting, physical and cyber risk, organizational design, board and executive search, geopolitics and government affairs, corporate governance and ESG.

The firm has more than 1,700 employees located in 45+ offices around the world.

**[teneo.com](https://teneo.com)**