

GLOBAL GATEWAY: EXPLANATORY NOTE

This explanatory note for EU Delegations and Team Europe partners and other stakeholders recalls the main elements of the Global Gateway strategy and clarifies key aspects related to its implementation.

- Global Gateway is providing partners with a **quality EU offer, aligning partners' interests with EU interests**: it is the EU's contribution to narrowing the global investment gap, reducing strategic dependencies, accompanying the twin green and digital transitions beyond European borders and boosting competitiveness and security of global supply chains.
- It builds on the conviction that **scaling up high-quality, sustainable investments** will strengthen our bilateral partnerships and position the EU more prominently in a competitive world, boosting competitiveness and security of global supply chains.
 - **For the EU**, Global Gateway reflects a change in the way the EU approaches its external action, combining the demand for sustainable development in partner countries with a stronger **assessment of the EU's strategic interests** in the prioritisation and design of our external investments. It is also a vehicle for democratic **values and high standards**, as well as good governance and transparency, which make the overall approach unique and consolidate a distinctive engagement with partner countries.
 - **For partner countries**, Global Gateway supports partners in their green and digital transition by providing a **qualitatively superior alternative** to other public investment offers. Global Gateway also support partners in the achievement of the SDGs.
 - Global Gateway investments are an offer **to be discussed and implemented in agreement with partner countries**, and they are in line with the strategic framework set at Summits and other high-level events where we engage on the highest diplomatic level with partners (such as the [EU-AU Summit](#), [Samarkand Central Asia Conference](#), EU-ASEAN Summit, Indo-Pacific Ministerial Forum, the upcoming EU-CELAC Summit, the Western Balkan Summit, the Eastern Partnership Summit and the various Union for the Mediterranean high level formats). Selected flagship projects will be chosen to showcase Global Gateway.
- In terms of scope, Global Gateway boosts smart, clean and secure links in the **digital, transport, energy and climate-relevant** sectors, and strengthens **education, research and health networks**.
- It combines investments in **hard infrastructure** with investments in **the enabling environment**, regulatory frameworks, norms and standards, technology transfer, know-how.

In doing, so it creates powerful transformative packages. At its core are ideally transformative, large-scale projects, with a strong infrastructure element.

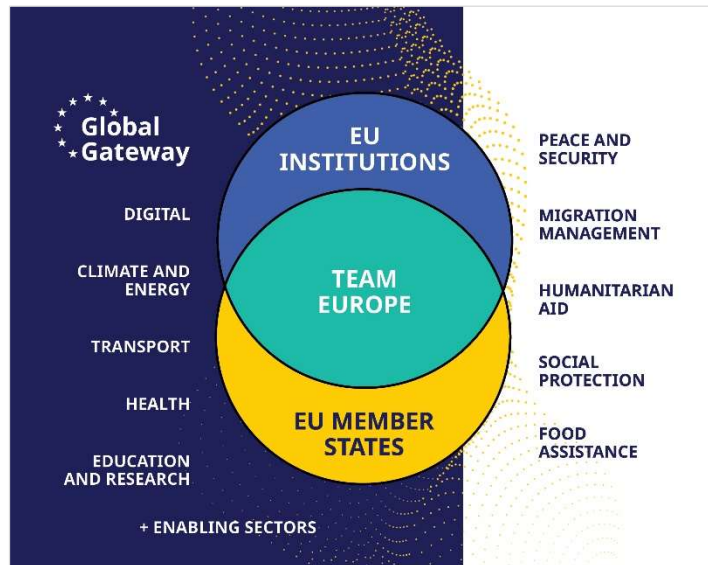
- Global Gateway is steadily becoming recognised as **a brand**, standing for trusted connectivity that brings economic opportunities. The adoption of the brand is driven by the success of **concrete projects** under Global Gateway, as also Member States need to increasingly brand their own bilateral initiatives as Global Gateway¹, and private companies are making similar proposals, outside of the programming process.
- In the neighbourhood and enlargement regions (DG NEAR), Global Gateway is being implemented through three regional **Economic Investment Plans (EIP)** with currently 84 (flagship) projects in the Western Balkans, the Southern and the Eastern neighbourhood.
- Initiatives in the following sectors are **not accounted as Global Gateway**: migration and forced displacement, conflict, peace and security, social protection, food security management and policies, households' food security programmes, food assistance, and emergency response.

Now it is all about implementation – how do we do it?

- Global Gateway is delivered by the EU and its Member States in a **Team Europe approach**. Global Gateway investments can only reach the scale and create tangible and visible impact on the ground if supported by the collective firepower of Team Europe. It mobilises all EU institutions, Member States, their Development Finance Institutions, the EIB, the EBRD and the European private sector.
- **Implementing Global Gateway in a Team Europe approach is based on a strong process of coordination in Brussels, in Member States, and in partner countries.** It requires a whole-of-Commission and EEAS approach and a similar whole-of-government approach in Member States (all relevant Ministries, development agencies, development financial institutions, export credit agencies...) alongside, and supporting, the private sector. Team Europe actors in partner countries (EU Delegations, Member States Embassies and Member State agencies, their development financing institutions, the EIB and EBRD) are at the centre of the implementation and have a crucial role in exchanging information on investments priorities and private sector views that inform strategic guidance. EU Delegations play a central role.

¹ For instance, EU Member States submitted a table to the RELEX Group in the Council outlining up to €20 bn in investments in the ASEAN region in key GG sectors, and supported by their own Export Credit Agencies

- Given the scope of Global Gateway, many, but not all, **Team Europe Initiatives, EU and Member States bilateral actions** will contribute to Global Gateway.



How is it financed?

- Global Gateway has a **target of €300 billion of investments by 2027**.
- Global Gateway is characterized by the capacity to leverage **multiple sources of funding**, especially private sector investments.
- It draws on **a set of financial tools in the EU multi-annual financial framework 2021-2027**, in particular the Neighbourhood, Development and International Cooperation Instrument (NDICI)-Global Europe, the Instrument for Pre-Accession Assistance (IPA) III, the digital and international part of the Connecting Europe Facility, but also Interreg, InvestEU and Horizon Europe, the EU research and innovation programme.
 - In particular, the European Fund for Sustainable Development+ (**EFSD+**), the financial arm of NDICI-Global Europe, will leverage **up to EUR 135 billion** for guaranteed investments in Global Gateway initiatives between 2021 and 2027.
 - Up to EUR 18 billion** will be made available in **grant funding** from the EU budget.
- EU Member States and the European financial and development finance institutions will generate up to **EUR 145 billion** in planned investment volumes.
- Through Global Gateway, we seek **to build packages that combine public and private financing for investments with a broad set of accompanying measures**, such technical assistance, capacity building, technical and vocational education/training, policy and

regulatory dialogue, trade and investment agreements², diplomatic support³ etc. in order to create better conditions for quality investments. We do this by **catalysing high-quality investments through whichever financial instrument is most appropriate** – whether that be grants, soft loans, guarantees or export credits⁴. Global Gateway is therefore not just about financial support provided as official development assistance (ODA) and is not a relabelling of traditional development policy.

The essential role of the private sector

- **Private sector participation and private capital are key**, both for the characteristics of Global Gateway and in order to mobilise the envisaged investments.
- The EU private sector is already active in the Global Gateway sectors and interested in closer cooperation. Companies do not necessarily need additional public financial resources, but welcome support to make their **investments more attractive to partner countries**. Investments as part of broader packages can offer high-quality holistic solutions. This constitutes the comparative advantage of our offer in a Team Europe spirit: we do not simply build roads or bridges, in parallel we provide support to policy reform, technical assistance etc.
- The Global Gateway **Business Advisory Group** will help setting up a structured strategic exchange with the private sector by bringing together CEOs of EU companies and institutional investors to focus EU strategic interests in the years to come and how this will impact the strategic orientation of Global Gateway implementation. The Global Gateway Business Advisory Group is being developed on the principles of inclusivity and representativity with regards to nationality, economic sectors and size of activity. It is being established through a call for applications.
- In addition, discussions of Global Gateway priorities will continue through **existing networks/platforms such as Chambers of Commerce** including those in partner countries, Business Europe, the European Round Table for Industry and the European Financial Services Round Table **as well as within joint fora** of European and partner country businesses. EU

² For example, the [EU-ASEAN Comprehensive Air Transport Agreement](#) (CATA) was signed on 17th October 2022. It replaces more than 140 bilateral air services agreements and will enable the private sector to now step in and bolster connectivity and economic development among the 37 member states of ASEAN and the EU.

³ For example, diplomatic support from the EU and US was essential in maintain support for a decisions made in 2021, when Malaysia's DNB [awarded](#) to Ericsson a \$2.64 billion contract to build the **national 5G network**, placing an emphasis on the key Global Gateway principles of transparency, sustainability and security. A similar challenge awaits us as Uruguay moves towards an auction for 5G Telecom spectrum in 2023.

⁴ Compared to the previous budgetary period, the NDICI-Global Europe budget of €80 billion for cooperation with third countries outside the European Union represents a 12% increase, and the Instrument for Pre-Accession budget of €14 billion represents a 40% increase. Together, these two instruments remain the main EU financial instruments for implementing Global Gateway.

Delegations have a key role to play, together with EU Member States Embassies, to engage with the private sector (European and local) in partner countries.

How is it governed?

- To facilitate the implementation of Global Gateway, EU and Member States have agreed to set up flexible and agile structures of governance.
- The **Global Gateway Board** (level of the President of the Commission and Member States Ministers of Foreign Affairs) will provide strategic guidance on implementation of Global Gateway initiatives. The Board will identify opportunities to showcase the impact of Global Gateway initiatives. The European Parliament will be invited as an observer, as well as, on an ad hoc basis, representatives of European financial institutions such as the EIB, the EBRD and Member States' national development banks.
- President von der Leyen convened the first meeting of the Global Gateway Board on 11 December. The meeting highlighted the progress that has been made in the first year of implementation of the Global Gateway with the target of mobilising €300 billion of investments by 2027. Discussions pointed to priorities for working together in 2023 to roll-out Global Gateway in a Team Europe approach, to gather scale and be transformative.

Cooperation with like-minded third country partners: a tool and a political objective

- Working together with like minded countries enables us to benefit from more diverse financing options and information, but also to demonstrate to third country partners the strength of a coordinated, democratic offer.
- In the framework of the G7, the Partnership for Global Infrastructure and Investments (PGII), to which the EU contributes with the Global Gateway, is a concrete example at international level of efforts to support quality infrastructure investments in low-and middle-income countries. See the [list of Global Gateway projects](#) announced in Indonesia on 15th November.
- Bilaterally, the EU established Connectivity Partnerships with both Japan (2019) and India (2021).
- Bilateral work with the US is also underway – notably under the Trade and Technology Council (TTC), with coordination on projects in Jamaica and Kenya being prepared. Digital Partnerships with Japan, Singapore, and the Republic of Korea as well as bilateral engagements, for example with Australia, will also contribute to Global Gateway aims. In all cases, it will be crucial to ensure that the EU's own visibility is not submerged under collective actions.

The essential role of Delegations

- EU Delegations are central to drive **the identification and implementation of Global Gateway projects** together with EU Member States Embassies, acting in a Team Europe approach.
- Delegations should collect information on private sector priorities and views through intensified outreach with Member States' Embassies to **EU businesses in partner countries**.
- **Communication matters**. It needs to be consistent and well prepared.
 - When communicating about issues falling within the Global Gateway scope, EU Delegations should use the **Global Gateway brand** and its visual identity. This should be done wherever possible in a Team Europe approach. Messaging must be tailored to the local context and region, such as the Western Balkans and Neighbourhood regions where reference should be made to the Economic and Investment Plans.
 - EU Delegations should also identify **project milestones** and potential launches with political-level participation where possible, well in advance as they offer key communication opportunities for the EU and its Member States
 - **Existing projects, which are now coming to fruition** and fit the Global Gateway vision, should be used to explain our Global Gateway offer and communicated as such, but funding pre-dating 2021 will not be counted as part of the EUR 300 billion of investments to be mobilised by 2027