

DISCUSSION PAPER No. 378

The EU Global Gateway strategy: Giving local authorities a voice

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Local authorities (LAs) have played a relatively limited role in the EU's Global Gateway strategy so far, despite their crucial importance in territorial development. They are often seen as beneficiaries rather than active participants, with central authorities and financial institutions leading decision-making. The Global Gateway strategy primarily focuses on national governments and private sectors, lacking explicit recognition of LAs in its policy. There are clear opportunities for local authorities to be more involved moving forward. However, challenges remain, including lack of effective decentralisation, capacity limitations at the local level, and unclear connections between national and local plans that the EU will need to address.

The question of the involvement of local authorities in the Global Gateway strategy was a central topic of discussion among participating cities in the EU-funded programme 'Partnerships for Sustainable Cities', an innovative decentralised cooperation scheme between municipalities from Europe and the partner countries launched in 2018.

This discussion paper reflects these debates. It seeks to inform and stimulate a reflection among cities, internally within the European Commission – in DG INTPA in particular – as well as with interested external partners on the involvement of local authorities in the Global Gateway strategy. The paper highlights the importance of the active participation of LAs in this major EU investment plan and discusses concrete options for the EU to enhance this engagement in the future.

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Acronyms

AFD	French Development Agency (<i>Agence Française de Développement</i>)
C2C	City to city
CSO	Civil Society Organisation
DFI	Development Finance Institution
DG INTPA	Directorate-General for International Partnerships
EC	European Commission
EFSD+	European Fund for Sustainable Development Plus
EIB	European Investment Bank
EU	European Union
EUD	European Union Delegation
GG	Global Gateway
LA	Local authorities
NDICI	Neighbourhood, Development and International Cooperation Instrument

1. Introduction

The Global Gateway strategy, launched in 2021 by the European Union (EU), aims at addressing the global infrastructure investment gap and seeks to mobilise €300 billion in investments between 2021 and 2027, prioritising sectors such as digitalisation, health, energy, and transport. It promotes sustainable, high-standard partnerships and emphasises democratic values, environmental sustainability, and local community benefits. On paper, local authorities play a crucial role in the success of infrastructure related projects, as their involvement ensures investments are well-targeted, effectively implemented, and aligned with local development priorities. The inclusion of Local Authorities (LAs) in the EU's Global Gateway strategy has been limited so far, despite their crucial role in territorial development.

The question of the involvement of LAs in the Global Gateway strategy has been widely discussed with the cities involved in the framework of the EU-supported programme: 'Partnerships for Sustainable Cities', an innovative decentralised cooperation scheme between municipalities from Europe and the partner countries launched in 2018. This discussion paper reflects these debates. It seeks to inform and stimulate a reflection among cities, internally within the European Commission, and DG International Partnerships (INTPA) in particular, as well as with interested external partners and stakeholders, on the reasons why the active participation of LAs in this major EU investment plan is critical, and on what concrete options could be considered by the EU to enhance this engagement in the future.

After a brief recapitulation of the main features of the new EU investment plan (section 1), the note builds up an argument on why it is critical to fully associate LAs in rolling out the Global Gateway processes (section 2). It then examines concrete progress achieved so far in adopting such an inclusive participatory approach with full recognition of the incipient phase of implementation and the need for learning and experimentation as well as the inherent challenges and constraints to be addressed over time (section 3). Issues for considerations and concrete options to further enhance the incorporation of local authorities are then suggested to the EU in the concluding part of this note (section 4).

2. Global Gateway: the EU's offer to address the investment gap in development

In recent years, the **EU has sought to step up its ability to act as a global player as well as a geopolitical actor** in an increasingly volatile and competitive international order. To this end, it upgraded its core policy framework for EU external action and modernised its toolbox for mobilising financial resources -beyond development aid- to **address global challenges more effectively** (as reflected in the new NDICI-Global Europe instrument).

The Global Gateway, launched in 2021, is the logical concretisation of the EU's evolving approach to international cooperation. It has since been the overarching framework defining priorities and ways of delivering by the geopolitical Commission. It marks a transition from

traditional development cooperation towards international partnerships aimed at addressing complex challenges –particularly in infrastructure– in a sustainable manner while promoting Europe’s own strategic autonomy.

According to G20 estimates, the global infrastructure investment deficit will reach US\$15 trillion by 2040.¹ Faced with this major investment gap, the Global Gateway represents the **EU’s “positive offer”** (EC 2021) to potential partner countries and regions. **The EU seeks to project itself as a “trusted partner”² in designing investment projects based on a set of core principles**, including *“democratic values (e.g., the rule of law, transparency), equal partnerships, environmental sustainability, safe and secure infrastructure and provision of an enabling environment to make sure projects deliver to local communities”*.

Using all of the financial and development tools at the EU’s disposal and supported by the strong political commitment from EU member states (Council of the EU 2021), the Global Gateway strategy seeks to mobilise investments of up to €300 billion between 2021 and 2027. The investments will prioritise **digitalisation, health, climate and energy and transport sectors, as well as education and research**.

In terms of delivery, the Global Gateway strategy relies on **innovative financing instruments**, such as guarantees and blended finance, to draw on the combined resources from both the public and the private sectors. **Operational tools** –such as technical assistance, policy and economic dialogue, trade and investment agreements and standardisation– will equally be used to help create better conditions for quality investments. The **European Fund for Sustainable Development Plus (EFSD+)** is the main EU financial tool for mobilising investments under the Global Gateway strategy, and complemented by financial instruments from EU member states.

The Global Gateway strategy is also a qualitative offer. It aims to offer comprehensive partnerships that goes beyond hard connectivity and includes also actions to improve the “enabling environment” for investments to be sustainable and developmental, for instance in terms of sustainable financing (including access to finance for small and medium-sized enterprises (SMEs), regulatory reforms, norms and standards (including Environmental, Social and Governance standards (ESG)), technology and knowledge transfers, skills and education as well as youth and employment. In that regard, the promotion of good economic governance and public finance management, including domestic resources mobilisation and sustainable debt management, remain key priorities. It also encompasses the key principles underpinning Global Gateway interventions (highlighted above): green and clean, equal partnerships, democratic values and high standards, good governance and transparency, security focused and catalysing the private sector. This is the so-called **“360-degree approach”** of the Global Gateway strategy.

¹ The Global Infrastructure Hub: <https://outlook.gihub.org/>.

² Ibid.

In terms of **governance of the Global Gateway strategy**, the overall process is organised at high-level. Implementation is steered by the President of the European Commission, assisted by a Global Gateway Board to provide strategic guidance to this initiative, in particular in relation to the development of Team Europe projects. The governance architecture includes a Business Advisory Group (BAG),³ which will be informed in advance of the projects and play a consultative role. It also launched in October 2023 a Global Gateway Civil Society and Local Authorities Advisory Platform “to ensure a fully inclusive approach” (EC 2021). This governance system is now operational and setting up its way to function effectively, including in terms of providing suitable levels of information and transparency in operations to external stakeholders (such as civil society and local authorities) (Buhigas Schubert and Costa 2023).

It is **too early to assess the effectiveness and impact of the Global Gateway strategy contribution to narrowing the investment gap**. This is logically work in progress, and it will take time and genuine efforts to develop the Global Gateway into a successful strategy. To realise its full potential, the sustained buy-in of member states will be critical, bringing both their political and financial clout to the table. The Global Gateway will also require a change in the way EU development, foreign and economic policy areas work together, combining geopolitical steering and development considerations (Bilal and Teevan 2024). Success of this new strategy will also be determined by its effective uptake internally within EU institutions, including in terms of adequate staff skills and competences, managerial practices and efficient inter-institutional collaboration. Finally, there will be no Global Gateway unless the EU and its member states manage to trigger private sector interest and scale up private sector investment (Teevan et al. 2022, Platforma 2023).

3. Why local authorities are critical to the success of Global Gateway implementation

There are many factors and actors that will determine the effective implementation of the Global Gateway. In this reflection note, it is argued that local/regional authorities are crucial if the Global Gateway is to deliver on its objectives. Three key reasons why their inclusion is key and should be considered by EU policymakers can be highlighted:

- ✓ Spatial realities: all investments ‘land’ in territories. While investment planning and decision-making processes tend to be centralised, the **infrastructure investments ‘happen’ in the territory of subnational authorities**. Whether investments are rolled out effectively and have an impact, will largely depend on the existence of an enabling environment at local level and the involvement of the territorial actors (local authorities, the private sector, civil society organisations, etc.) directly concerned.

³ The Business advisory group was officially launched by Koen Doens in September (EC 2023a).

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- ✓ LAs have a 'mandate' to promote local economic development and investments. Among all local actors concerned by infrastructure investments coming to the territory, LAs occupy a special position. They represent a **political entity** acting on behalf of the constituencies of a given locality. Constitutions and laws in partner countries across the globe provide a **general mandate** to (elected) LAs to deliver public goods and services (including investment infrastructure) in the municipality or region. Increasingly, subnational authorities assume a **catalyst role in local/territorial development from the bottom up**,⁴ with the active involvement of local stakeholders so as to respond to locally defined needs and priorities. Considering this mandate, it is important to ensure the meaningful inclusion of LAs in Global Gateway processes, not only through adequate consultations but also in terms of investments planning and promotion, resources mobilisation and subsequent implementation and monitoring.⁵

 - ✓ EU commitment to ensure that Global Gateway projects benefit local communities. The Global Gateway strategy is explicit about the need to demonstrate that the investment projects produce genuine and sustainable development outcomes that **benefit local communities** (EC 2021). This clear link with the citizens depends on local communities' structures to represent their interests, voice concerns, or give feedback on benefits received. Local (elected) governments have the legitimacy and (constitutional or legal) mandate to do so, in close collaboration with other spheres of governance such as civil society organisations. As public entities representing local constituencies, they are also accountable towards their citizens. As the closest level of government to citizens, LAs can facilitate this connection and foster sustainability (through relevant local public policies). Hence, in order to align to the core principles underlying the Global Gateway such as democratic values, good governance, transparency and equal partnerships, it is critical that elected LAs are involved. The associations of local and regional authorities at different levels are also explicitly formulating such a demand (see Box 1 below).

⁴ A specific EC guidance on territorial approaches to local development (TALD) was elaborated through a participatory process, involving a wide range of EU staff and public/private actors from different regions. The resulting vision of territorial development requires multi-level dialogue and collaboration, but the essence is the active involvement of LAs as actors in their own right, with their own vision and plans for the development of the territory. See the resulting Reference Document: EC 2016.

⁵ Applying the same logic of 'localisation', it is increasingly acknowledged that advancing on most of the SDGs will depend on the active involvement of cities/LAs -beyond merely monitoring progress or acting as implementing agencies to attain targets set by central government.

Box 1: Clear demand from local/regional authorities to be involved in the GG strategy

In several fora, associations of local and regional authorities have called upon the EU to ensure a meaningful participation in rolling out the Global Gateway processes. Two recent examples here below:

✓ For CEMR/PLATFORMA, a leading European association of LAs, the Global Gateway strategy has “the potential to have profound effects on the citizen’s lives, their economic development and the fabric of local economies” – hence the interest to explore feasible ways to meaningfully involve cities/LAs. PLATFORMA has developed a position paper addressing the issue (Platforma 2023) and local authorities from Europe, Latin America and the Caribbean have used the recent EU-LAC region (July 2023) to formulate a set of recommendations. Regarding Global Gateway, the core recommendation is for “the EU to include clear examples and guidance on how the EU investment agenda for the LAC region, developed in the framework of the Global Gateway, is going to respect and promote fair trade, green transition, due diligence, social inclusion, human rights and the inclusion of local and regional governments, as partners of the instrument” (EC 2023b).

✓ A similar message came out of the 2023 Forum on ‘Localising Global Gateway’ involving cities, regions and EU institutions (Brussels 29 November–1 December 2023) (EC 2023c). This gathering, organised jointly with the EU Committee of the Regions, mobilised around 300 elected local representatives, and generated important political conclusions such as the need to: (i) avoid ‘business as usual approaches’ in rolling out investments projects by recognising the specific role and added value of cities/LAs (as state actor); (ii) associate cities/LAs as critical ally in genuine multi-actor and multi-level approaches for sustainable outcomes benefiting local communities; (iii) empower cities to effectively engage in localised investment processes -amongst others by working on an enabling environment in terms of local democracy and decentralisation reforms.

4. Inclusion of LAs as actors in Global Gateway processes: progresses and challenges

To what extent has the objective convergence of agendas between the Global Gateway and local/territorial development driven forward by LAs, helped to foster inclusive approaches? Did the EU’s Global Gateway create opportunities for a realistic yet meaningful involvement of LAs as full-fledged actors (and not merely beneficiaries) in rolling out this major innovative investment plan aimed at delivering sustainable benefits to local communities?

Data and information collected so far (through documentary analysis and interviews)⁶ suggest that **LAs as actors** -with their specific mandate and catalyst role in territorial development- **have only been integrated in a relatively limited manner so far**, both in the policy documents related to the Global Gateway as well as at implementation level. Still, there are also some promising progress and examples to build on, such as the CityRiz programme mentioned here below.

At policy level, the 2021 Joint Communication on Global Gateway does not explicitly mention local authorities altogether. The focus is on the intended main drivers of the strategy, i.e. EU, member states, European and national financial institutions, the private sector. In line with the principles of good governance and transparency on which Global Gateway is supposed to be based, it is explicitly stated that those *“most affected by potential projects – local communities, businesses and partners – must have their full say through proper public consultations and civil society involvement”*. In line with EU policies regarding LAs and their recognised role as catalysts of territorial development, it can however be assumed that LAs are *implicitly* included in the concept of ‘local communities’.

From a policy coherence perspective (i.e. regarding EU commitments towards LAs), there are other **missing or unclear links** in the Joint Communication, including regarding the following dimensions:

- ✓ *The EU commitment to support territorial development from the bottom-up.* The EU has embraced the concept of territorial development⁷ and supported its implementation in various partner countries (with the help of a specific facility). Yet the notion of territorial development with its attending implications such as the spatial focus, the need for integrated approaches and the catalyst role of LAs- is not incorporated in the Global Gateway communication, despite the obvious connections.
- ✓ *Project planning:* According to the Joint Communication, Global Gateway projects will be designed, developed and implemented in close cooperation and consultation with partner countries. Infrastructure projects will be based on the needs and opportunities that *‘they’* identify for their local economies and local communities, as well as the EU’s own strategic interests. However, it is not clear which partner country actors are targeted

⁶ A variety of sources were used for producing this note. As the Global Gateway constitutes a core priority of ECDPM (the institution to which the team leader of the C2C Coordination facility is attached), it was possible to build on that reservoir of knowledge. ECDPM also participated in the EU evaluation of the new financing instruments (NDICI) in which the Global Gateway featured prominently (again providing deeper insights through a wide range of interviews). The C2C Coordination facility exchanged informally with city representatives during the two global events with them as well as during the November conference by EC/Committee of Regions. Furthermore, targeted interviews were held with INTPA actors, specialised agencies (e.g. AFD) and key stakeholders (e.g. UCLG).

⁷ A specific EC guidance on territorial approaches to local development (TALD) was elaborated through a participatory process, involving a wide range of EU staff and public/private actors from different regions. See the resulting Reference Document: EC 2016.

here under the word *‘they’*⁸ and which links are foreseen between existing national and local development plans –due to serve as strategic framework for investment projects. Whether there is space for meaningful inclusion of LAs will largely depend on the type of investment considered and the political economy conditions in a given country context (including progress achieved with genuine democratic decentralisation as well as the existing capacity and the quality of governance at the local level). Yet the EU could help to clarify things by adopting a stance that a *‘whole of government’* approach is required at the level of partner countries –including both national and subnational authorities and related ministries, public agencies, etc.

The **limited inclusion of LAs as an actor on its own in Global Gateway so far can be attributed to several factors** such as:

- (i) the centralised management mode of operation that traditionally characterises investment planning and decision-making in partner countries, which can also be seen among the key institutional and financial players now involved in the Global Gateway implementation;⁹
- (ii) the preference still often given to “sectoral” above “territorial” approaches by the key actors involved in investment planning, both national governments, development finance institutions and donors;
- (iii) the lack of effective decentralisation processes in some partner countries and the tendency (by sector specialists, units in charge of infrastructure or financing institutions) to see local authorities as implementing entities rather than political actors with a governance mandate;¹⁰
- (iv) the real/perceived lack of capacity of LAs to participate effectively in investment planning, to prepare bankable projects and to mobilise and manage the needed financial resources to fund investments;¹¹
- (v) the tendency of the EU, its member states, development banks and others, to *‘go local’* in terms of orienting aid flows or investment funds to the local level (as a geographic area) without making a clear analysis of *‘who should do what’* among the actors in the local/territorial arena and implement the programs accordingly;¹²

⁸ This is not a new debate. The 2005 Paris Declaration on aid effectiveness was criticised for being too focused on central governments. The 2012 Busan Outcome Document corrected this and emphasised the need to shift from ‘government ownership’ to ‘country ownership’ paving the way for the adoption of multi-actor partnership approaches that include LAs as a distinct layer of governance.

⁹ Sources consulted suggest there is resistance among key European players involved (e.g. member states, DFIs) to *“allow too many cooks in the kitchen”* of Global Gateway/EFSD+ processes, particularly at decision-making level.

¹⁰ Source: Interview with INTPA official.

¹¹ The issue of scale is a real question for the type of investments targeted by Global Gateway, yet it may also be used in an inappropriate manner to exclude bigger/intermediary cities.

¹² A growing number of EUDs are keen to invest in urban development (see Annex 1) and several Team Europe Initiatives (TEIs) also focus on this. These support programmes reach out to the *local level*, and funding goes into the territories. Yet many of

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- (vi) the early stage of implementation of the Global Gateway strategy – with the need to ‘*give time to time*’ for learning, experimenting and finding feasible approaches to integrating LAs into Global Gateway investments processes.

At the operational level, it is interesting to look at the projects that are in the **pipeline of the Global Gateway strategy**. Based on the information published by DG INTPA in December 2023 (EC 2023d). This preliminary data analysis shows there are important resources that *target* urban development agendas and cities (as beneficiaries) in different partner regions (see Annex 2). However, the **level of direct involvement of LAs in the overall planning and selection of the projects seems limited**, confirming the findings from the literature review and feedback collected from the various interviews carried out.^{13 14}

The above-mentioned EFSD+ (i.e., the main EU financial vehicle for the Global Gateway) is a comprehensive tool (EC N.d.). Its ‘Open Architecture’ component for commercial investments consists of **six investment windows, of which one is dedicated to sustainable cities**. Under this window, projects related to sustainable and green urban development, including water and sanitation (WASH), will be supported. One of the specific objectives of this window is “to increase municipalities’ limited capacities to access sufficient, long-term financing” (EC 2022). Sources consulted point out that the specific angle of cities has only mobilised a limited number of investment proposals submitted under this window and may need to be better promoted among development finance institutions (DFIs). It should also be noted that under other investment windows, covering issues such as energy, transport, or digital notably, DFIs can also invest in cities, as in the case of commercial sub-sovereign operations. It remains to be seen if and how future investment projects will create space for a meaningful focus on and participation of LAs.

In this context, it is interesting to zoom in on two EU guarantee programmes: one signed with French Development Agency (AFD) and called CityRIZ (30 million EUR), and one signed with UNCDF (150 million EUR) called the “Guarantee Facility for Sustainable Cities” to promote sustainable urban investments. The **CityRIZ programme** in particular is yet to become operational, but it displays **innovative features** regarding the role of cities/LAs.¹⁵ As a

these initiatives tend to engage with cities/LAs as beneficiaries or implementing agencies for priorities decided elsewhere. The catalyst role of cities/LAs (as political entities with a general mandate towards their constituencies) is often not acknowledged.

¹³ [Global Gateway 2023 flagship projects](#) with an urban dimension include [Tramway Rabat III](#), which will extend by 37 km the tramway network in the Rabat-Salé-Témara agglomeration (Morocco), improving [access to electricity in Bujumbura](#) (Burundi), the construction of a Bus Rapid Transit system in Dakar and the development of Dakar Bus Public Transport Network (Senegal), [construction of the Bus Rapid Transit system in Nairobi](#) (Kenya), sustainable and smart cities as part of the [Green Deal – Team Europe–Brazil Framework for Sustainable Investment and Recovery](#), the [conversion of urban bus fleet to electric in Costa Rica](#), the construction of drinking water plant and sanitary sewage systems, as well as the [construction of pluvial drainage and collection systems in the Portoviejo municipality of Manabí](#), and the [construction of green urban infrastructure](#) (Ecuador), the [construction of a sanitary landfill, sewage networks and wastewater treatment plants in Peten](#) (Guatemala), and [metro lines extension](#) in Panama.

¹⁴ Due to lack of time and resources, a more in-depth analysis of the most recent available project lists and data (2024) could not be carried out in the context of the preparation of this discussion paper.

¹⁵ Source: Interview with AFD unit in charge with CityRiz.

dedicated guarantee scheme, set up by the EU and AFD, it seeks to encourage banks to take the risk of working with LAs and enabling cities of all sizes to benefit from loans with favourable financial terms. The purpose is also to **experiment with more bottom-up approaches** that would take existing local public investment plans of intermediary cities in Africa as the starting point in searching for relevant projects. Technical assistance will be provided to local authorities for a meaningful participation (including in project preparation). Dialogue channels will be ensured with central authorities. The purpose is also to channel the resources involved through the municipal budget -which is key if investments are to be owned and adequate accountability towards local constituencies is to be organised. The AFD recognises that such an approach requires a conducive environment at the country level (in terms of political space for LAs, decentralisation, capacity of intermediary cities). It therefore expects that, for the moment, only five countries may be fit for purpose to roll out such a bottom-up approach that seeks to empower local authorities by providing critical funding for their own territorial development plans.¹⁶

Under the EFSD+ dedicated window for sovereign operations by the European Investment Bank (EIB), the EIB can also benefit from EFSD+ guarantees and technical assistance for public investments in cities and with local authorities, via the central government, or directly in non-commercial sub-sovereign operations. Other initiatives, such as the EIB-managed City Climate Finance Gap Fund,¹⁷ funded by Germany and Luxembourg, which provides technical assistance for early-stage preparation of green and climate-resilient urban development plans and projects, could usefully help promote a pipeline of investable projects for a more ambitious Global Gateway approach to sustainable cities and LAs.

5. Conclusions and scenarios for the future

The Global Gateway strategy occupies a dominant point of orientation for a wide range of EU actors involved in external action operating at country level -particularly also the EU Delegations (EUDs). This prominence increasingly attracts the interest of other stakeholders, such as civil society and local authorities (through their national, regional and global associations) who want to better understand the Global Gateway strategy, how they can engage in it and what concrete opportunities exist to access funding and participate in the design and roll-out of Global Gateway investments.

The **mid-term evaluation of the multiannual financial framework (MFF) and related external financial instruments (EFIs), as well as the forthcoming discussions on the next MFF 2028-35**, provide a window of opportunity for a better inclusion of LAs in the overall EU cooperation and in the Global Gateway strategy in particular. In this context, it will be important to adequately document experiences gained by LAs that are targeted by the Global Gateway - as the Team Europe Initiatives and investment plans are being rolled out. In a similar vein,

¹⁶ These include: South Africa, Senegal, Morocco (regional approach), Kenya/Tanzania.

¹⁷ See [City Climate Finance Gap Fund](#).

important lessons could be learned from more inclusive existing investment schemes (such as the Western Balkans Investment Framework).

The EU has shown a clear willingness to explore ways and means to meaningfully involve diverse categories of stakeholders. Clear indicators of this trend, as mentioned above, are the last Local Authorities Forum held in Brussels in November 2023 on the theme 'Localising Global Gateway', as well as the recent launch of the Global Gateway Civil Society and Local Authorities Advisory Platform meant to assist the European Commission ensuring that the Global Gateway is rolled out as a value-based strategy contributing to sustainable investments that deliver for the local people. This global Platform, which currently includes 57 members (of which 11 Associations of Local Authorities), will be complemented by inclusive consultation mechanisms activated at country level (starting with five pilots across Latin America, Africa and Asia and covering the five priority sectors of the Global Gateway).

Here below is a set of issues for consideration and discussion for the future, with the purpose to further opening up the Global Gateway to a meaningful engagement with LAs and ensuring that the EU provides sustainable investments that benefit local communities:

At country level/EUDs:

1. **Inclusive dialogue/consultations:** building inter alia on the recently set-up Advisory Platform for civils society organisations (CSOs) and LAs and ongoing pilot work in five countries (see above – para. 20), systematically involve and consult local authorities (eventually through existing national associations) in relation to the identification of Global Gateway (GG) investment proposals and subsequent implementation and monitoring. This would ideally include the prior analysis of the role/mandate of local authorities in relation to the sectors covered by the GG investment proposals considered (as well as the politics around it), as well as the inclusion of local authorities in the related dialogue with the DFIs and the central authorities. Clear guidance and political steering from headquarters (HQ) will be key to ensuring that EUDs are equipped to engage meaningfully with LAs in the design and implementation of future GG investment programmes. The existing Territorial Approach to Local Development (TALD) facility (geared at empowering EUDs for the promotion of territorial approach to local development) managed by DG INTPA/G2 can be mobilised to provide such a support to EUDs which require it.
2. **“360 degree” approach:** as part of the Global Gateway ‘360 degree approach’ (explained above), explore how current/future EU country programming in partner countries could be used: (1) to strengthen overall multi-level governance and decentralisation processes, public finance management (PFM) and business climate reforms also at the local level (in order to create a better country “enabling environment” to empower local authorities in terms of identification of investment’s needs at the local level and resources mobilisation/access to funding), and; (2) to support public policies and capacity development at the local level (“enabling” dimensions) connected with

Global Gateway infrastructure investments (for instance for the maintenance of these public infrastructures or their use by/access for the citizens, tasks which often fall under the remit of local authorities).

3. **Capacity building:** explore how EU country programmes as well as “support measures” and technical cooperation facilities available in the country multiannual indicative programme (MIPs) can be mobilised to strengthen the skills and capacities of local authorities and their associations/platforms in connection with the Global Gateway (in terms notably of preparation of bankable projects, financial resources mobilisation, financial/risks management, design of public-private partnerships, investment planning etc.). This kind of capacity-building programs could also be envisaged at the global level through the existing Framework Partnership Agreements (FPAs) with LAs global associations, managed by the European Commission (DG INTPA/G2).
4. **“Corridors” approach:** include strategic cities as social and economic agents in existing transport “corridors” and use the Global Gateway connectivity portfolio to leverage additional urban development as well as territorial investments (in particular in secondary cities, but also connecting urban and rural areas).
5. **Economic diplomacy:** foster a more inclusive EU-partner country dialogue on business climate and investment promotion within the existing business fora by also including, where/when relevant, local elected representatives/mayors and local LAs associations.
6. **Territorial agencies for investments:** consider, where these exist and could be set up, to support and engage with territorial agencies for investments that can accompany local governments to attract investments and design bankable projects that could then be connected with the Global Gateway strategy. There is now an interesting process going on in Africa to set up such a structure by 2025.¹⁸ The purpose is to target cities/LA to attract funding for their own place-based priority climate and green growth investments, considering also a more appropriate scale of intervention and funding, in line with the capacities of the actors involved. These more localised projects could usefully complement the larger ‘big projects’ funded through more traditional channels and methods of work with quite standardised selection criteria (which may not be suitable for countries confronted for instance with major governance/rule of law challenges, fragility and/or a poor business climate).

¹⁸ The Africa Territorial Trade and Investment Agency (ATIA) is an initiative led by UCLG Africa that directly contributes to the implementation of the provisions outlined in the Addis Ababa Action Agenda (AAAA). [Its focus is on enhancing the financial and economic development of African cities and subnational governments by facilitating their access to the financial market.](#)

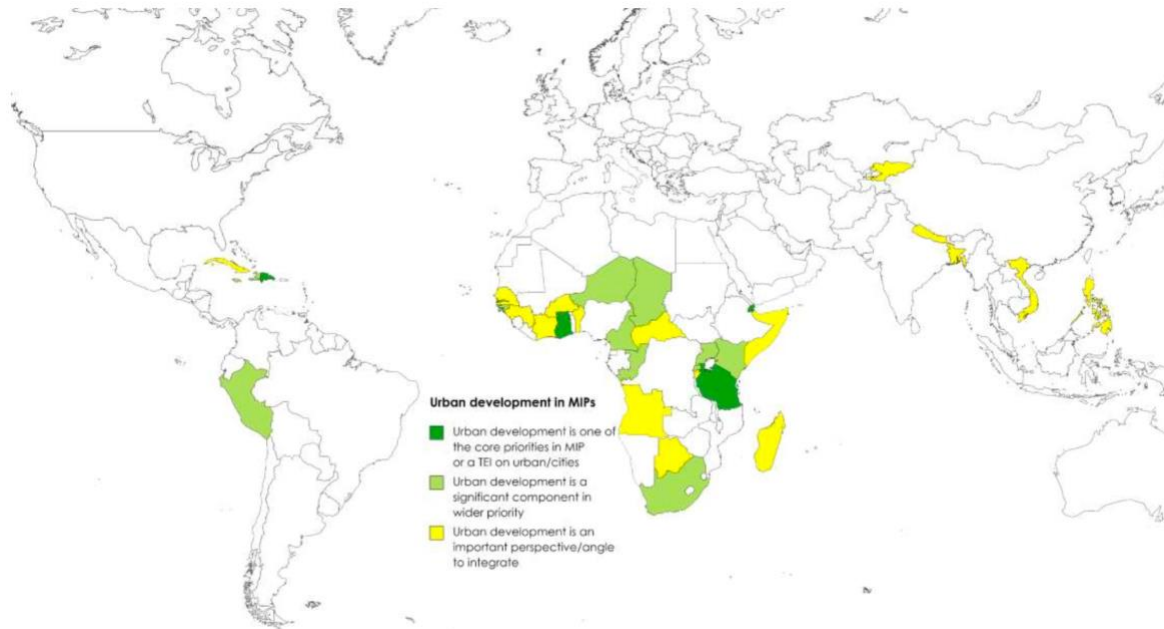
At HQs level: there are some concrete actions that could be considered at the European Commission's HQs level to enhance the engagement of LAs in the Global Gateway strategy, building on existing instruments (such as the TALD Facility and the strategic FPAs with LAs associations) as well as recent initiatives such as the Advisory Platform for CSOs and LAs and the 2023 LAs Forum on "Localising the Global Gateway".

1. **Analysis/research:** conduct a more in-depth analysis of the participation so far of local authorities in the EFSD+ operations and Global Gateway investments, with the purpose to understand/document better the different modalities of engagement and dynamics and to identify systemic constraints and challenges, lessons learnt/good practices, opportunities and eventual successful examples/success stories to showcase and replicate.
2. **Partnerships/advocacy:** building on recent global events such as the 2023 Local Authorities Forum, deepen the collaboration of DG INTPA with external European partners such as the Committee of the Regions, regional/global associations of LAs (like PLATFORMA) and willing/influential European local authorities in order to advocate politically for a more meaningful engagement of European LAs in the implementation Global Gateway strategy.
3. **Strategic dialogue with DFIs:** enter into a more regular/structured dialogue with European DFIs such as the EIB and AFD on the question of inclusive consultations and access to funding for LAs in partner countries in the context of the Global Gateway.
4. **Pilots:** explore opportunities for small-scale experimentation/pilot initiatives to support access to funding for LAs in connection with the Global Gateway strategy.
5. **Strategic communication/visibility:** building on the research/advocacy/piloting work mentioned above, select a few positive/successful examples of LAs engagement in the Global Gateway to be used and advertised as Flagships and showcased for possible inspiration/replication.
6. **Decentralised cooperation:** explore how EU-funded city-to-city partnerships between municipalities in Europe and in partner countries could, in the future, be strategically connected to Global Gateway investments, for instance by enhancing the cities' capacities to plan and prepare solid investment proposals, raise financial resources or manage public-private partnerships; improving the policy environment to make it more conducive to attract investments; or strengthening the skills available at the local level to manage and maintain local infrastructures within the purview of their mandates.

Looking ahead, enhancing the role of LAs in Global Gateway initiatives through these various modalities and with these key considerations in mind will be crucial in fostering effective participation and maximising the impact of EU investments at the local level.

Annexes

Annex 1: Urban Development in the Multi-Annual Programmes



Source: DG INTPA's presentation (F4 unit), Global meeting of the city-to-city partnerships projects, March 2023.

Annex 2: Examples of Global Gateway projects related to urban development

- Latin America
 - Costa Rica - conversion of urban bus fleet to electric
 - Panama - sustainable access to electricity
 - Ecuador: Development of green urban infrastructure projects
 - Brazil - protecting tropical forests and achieving sustainable and smart cities
- Africa
 - Cameroon - construction of Yaoundé bypass
 - Egypt - Modernisation of Alexandria area control centre
 - Kenya - construction of bus rapid transit system in Nairobi
 - Niger - hybrid and solar power plants
 - Morocco - transportation Rabat Salé Témara agglomération
 - Senegal - construction of bus rapid transit system in Dakar + Development of Dakar Bus Public Transport Network
 - Gambia - expansion and rehabilitation of Port of Banjul
 - Djibouti - airport development projects
 - Côte d'Ivoire - hybrid and solar power plants
 - Republic of Congo - Extension and upgrading of the infrastructures of the autonomous Port of Pointe-Noire + Construction of the new industrial and artisanal fishing ports
- Asia-Pacific
 - Regional - Central Asia - transport: construction of sustainable transport corridors between Europe and Central Asia
 - Regional - Pacific Islands - Climate: climate resilience of Pacific Islands' ecosystems, economies and communities
 - Bangladesh: development of solar and wind power energy investments
 - Papua New Guinea: Rehabilitation of the port of Rabaul
 - Indonesia: Double tracked upgrading and electrification of suburban train
 - Vietnam: 3 projects on energy (hydropower plant, wind farm, ...)

Source: [DG INTPA website](#), consulted in November 2023

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