BRIEFING NOTE No. 203

Global Gateway investments in fragile settings: How to do it?

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Summary

The EU is scaling up investments in renewable energy and the green transition to secure stable supply chains for critical raw materials. These are often concentrated in fragile regions.

Infrastructure investments in fragile and conflict-affected contexts (FCACs) can either foster peace and resilience or – if poorly designed – exacerbate tensions. Integrating climate and conflict sensitivity is vital to promote inclusive resilience, supporting sustainable development and contributing to peace and stability.

This briefing note examines the EU's Global Gateway strategy and its approach to infrastructure investment, with a specific focus on the challenges and opportunities presented by FCACs, in relation to energy and the green transition. We analyse how the EU can better integrate principles of conflict and climate sensitivity into its investments to ensure they contribute to long-term peace and resilience.

Our main findings reveal that, while the Global Gateway's 'green and clean' principle supports climate resilience, conflict sensitivity remains weakly embedded. 'Security' is another principle of the strategy, but there is little evidence that current EU frameworks for conflict analysis and conflict-sensitive programming are systematically applied to Global Gateway or green energy projects.

As the next MFF is negotiated, and the Global Gateway is scaled up, the EU should embed integrated analysis, covering gender-, conflict- and climate-risk assessments, as a prerequisite for all programming and investments. In addition, the EU should ensure alignment with the Sustainable Development Goals, the Paris Climate Agreement and a 'do no harm' approach. Investments should

prioritise peace- and nature-positive projects that enhance resilience and inclusivity through participatory planning, governance reforms and local ownership. Stronger coordination across Team Europe, along with guarantees and financing that are subject to conflict- and climate-sensitive indicators, would improve accountability, reduce risks and maximise peacebuilding and sustainability outcomes.

1. Introduction

Infrastructure shapes how people access resources and services, and plays a decisive role in peace, resilience, and sustainable development. It lies on the frontline of climate change, as intensifying floods, droughts, and storms threaten livelihoods and societal systems. In fragile and conflict-affected contexts (FCACs), these challenges are compounded by political instability, violent conflict, and growing competition over the use of, and access to, scarce natural resources such as water, land, and critical raw materials.

Without climate- and conflict-sensitive planning, infrastructure can collapse under climate stress, exclude vulnerable groups, and reinforce grievances. Conversely, when designed to deliver inclusive socio-economic benefits, it can strengthen livelihoods, foster peaceful cooperation, and build social cohesion. In FCACs, infrastructure and investment decisions can therefore either mitigate risks and transform communities or deepen inequalities and tensions if poorly conceived.

The European Union (EU) is increasingly investing in infrastructure through its Global Gateway strategy, launched in 2021 to position the EU as a more united and geostrategic actor. The initiative offers opportunities in fragile contexts, but it also requires careful attention to local realities and associated risks. Experts emphasise that infrastructure investments must consider peacebuilding and fragility dynamics alongside economic and environmental objectives.

Energy access and transition have also become increasingly central to the EU's pursuit of strategic autonomy. The Russian war in Ukraine has further reframed energy as a security issue, shifting the focus away from over-reliance on a single source of energy, and has accelerated the push for a green transition, making reliable access to critical raw materials (CRMs) a strategic priority. While these shifts can unlock opportunities for sustainable development, they also entail risks: the race for CRMs and rapid rollout of green energy projects may overlook conflict dynamics in the absence of conflict-sensitive practices, particularly in fragile settings where such resources are concentrated.

Against this backdrop, **this briefing note examines why conflict- and climate-sensitive infrastructure matters and how the EU can better integrate these principles into its investments, especially in FCACs and in particular through the Global Gateway**. In Section 2, we discuss why conflict- and climate-sensitive infrastructure investments matter. In Section 3, we present and discuss the relevant EU policies on infrastructure investments, with a focus on the green energy transition. Section 4 presents lessons learned from past and current examples, while Section 5 provides recommendations on how the EU can strengthen attention to climate and conflict-sensitivity, under the Global Gateway, but also under the next MFF. This briefing note is the second of two notes, and integrates key insights from a panel event organised by ECDPM and Search for Common Ground on 7 October 2025.

2. Why conflict and climate-sensitive infrastructure investments matter

Investing in conflict- and climate-sensitive infrastructure is essential for promoting sustainability, long-term peace, resilient development, and social cohesion. Both physical (**hard infrastructure**) or intangible (**soft infrastructure**) infrastructures are crucial for a functioning society, and are complementary and interdependent on one another, making integrated planning and investment essential for sustainable development.

Climate-sensitive infrastructure is designed to anticipate, withstand, and adapt to changing climatic conditions. When climate risks are ignored, infrastructure becomes vulnerable to extreme weather, disrupting livelihoods and deepening inequalities. For example, in 2019, Hurricanes Kenneth and Idai caused over USD 2 billion in infrastructure damage in Mozambique, isolating communities from rescue efforts and revealing the devastating cost of climate-blind development.

Equally important is **conflict sensitivity**, which involves understanding the local social, political, and economic dynamics to ensure that infrastructure investments do not exacerbate existing tensions or inequalities. For instance, roads that cut across herders' migratory routes or irrigation systems that divert shared water resources without consultation can trigger violent disputes between communities. Conflict-sensitive planning helps avoid these risks by ensuring projects are inclusive, transparent, and responsive to local contexts.

When infrastructure is designed with both climate and conflict sensitivity, it becomes a tool for peace and resilience. It enables communities to adapt to environmental change, reduces competition over scarce resources, and fosters

cooperation rather than division. Also, inclusive, participatory planning (especially involving women, youth, and marginalised groups) ensures that infrastructure reflects diverse needs and strengthens social cohesion (see box 1 for an example).

Box 1: The 'peace infrastructures' in Niger

The High Authority for Peacebuilding (*Haute Autorité à la Consolidation de la Paix* - HACP) in Niger follows a 'holistic strategy' to address poverty, exclusion and injustice. This 'holistic strategy' is being tested in northern Tillabéri, a region marked by pastoral conflicts and cross-border tensions with Mali and Burkina Faso. Longstanding disputes between pastoral and agropastoral communities – driven by competing uses of natural resources, differing lifestyles and weak governance – are worsened by climate change, economic hardship and recurring crises. To address this, the HACP launched "peace infrastructures" in 2015, which are shared community projects in vulnerable or nomadic areas that promote dialogue and equitable resource use. These include boreholes, grain and cattle feed banks, animal health facilities, schools and income-generating projects. Community-negotiated agreements (or 'social agreements') helped improve joint management of and access to these peace infrastructures (Interviews 2025).

However, to ensure that infrastructures are sustainable and do not exacerbate the underlying drivers of fragility –especially in FCACs–there are a series of complex trade-offs and risks to take into account.

First, conventional infrastructure planning tends to overlook the risks posed by fragility, existing patterns of exclusion and conflict dynamics. Projects focused on economic growth or connectivity can unintentionally fuel tensions by bypassing marginalised regions, disrupting pastoral routes, or favouring certain groups. At the same time, many investments remain climate-blind, with limited attention to future risks like flooding, drought, or heat stress, leaving critical assets vulnerable to damage or destruction.

Second, the practical application of conflict sensitivity in infrastructure development remains limited. While many actors (including the EU) have conflict analysis tools, they are rarely used systematically in infrastructure programming. This can result in infrastructure that reinforces social divisions or is exploited during times of crisis. Similarly, climate resilience and peacebuilding are often treated as separate objectives rather than integrated ones. Finally, there are no

provisions to 'pull the plug' if an assessment shows investments, despite necessary adaptation, risk triggering tensions or conflict.

Third, gaps persist in inclusivity and governance. Decision-making around infrastructure frequently lacks transparency, with communities consulted late or not at all. This fuels mistrust, especially when projects affect access to resources or cause displacement without compensation. Women, youth, and marginalised groups seldom have a meaningful voice, despite being disproportionately affected. Weak local authority involvement further reduces ownership and the longevity of investments once external support ends.

To achieve lasting impact, infrastructure planning must move beyond conventional models. It should integrate climate and conflict sensitivity from the outset, grounded in local participation, transparent governance, and flexibility to adapt when risks emerge. Only then can infrastructure truly contribute to sustainable development, peace, and resilience, especially in FCACs.

3. What the EU is doing on infrastructure investments

The EU and its member states have invested in infrastructure projects through different channels, including the EU-Africa Infrastructure Trust Fund, regional programmes and more recently through the EU's Global Gateway strategy. The rapidly evolving geopolitical landscape, together with a combination of internal priorities and the intention to respond to security concerns, has prompted the EU to refocus on areas of strategic interest, particularly the green energy transition and related infrastructure investments.

The next sections will examine the Global Gateway and energy-related investments, given their centrality in the policy agenda. However, other pressing issues are equally demanding attention. The adoption of the first-ever European Water Resilience Strategy in June 2025 underscores the growing importance of water as a strategic concern. **Water security is increasingly recognised as integral to climate resilience, economic stability, and peace.** Global water demand is estimated to surpass what is available by 40% in 2030, with over one billion people estimated to have insufficient access to water by 2050.

For the EU, this is not a distant challenge. Water scarcity and degradation are already affecting large parts of Europe, threatening agriculture, energy production, and industry, while undermining public health and ecosystems. Beyond Europe's borders, **water stress can act as a risk multiplier**, driving displacement, straining urban systems, and in some cases being exploited by

armed groups or criminal networks. These dynamics directly affect **community resilience, regional stability, and EU external action priorities.**

Although this briefing note does not focus specifically on water, it is essential to acknowledge its rising strategic relevance. We therefore include dedicated boxes highlighting the EU's evolving approach to water resilience, covering key policies and initiatives (see Box 2 for an overview of recent EU policies and commitments).

Box 2: Water resilience in EU external actions

The EU's external policies clearly recognise the connection between water, peace, and security. The 2021 Council Conclusions on Water in the EU's External Actions identify water as a vector for peace, security and stability, calling for conflict-sensitive, gender-responsive and rights-based management. Building on this, the first-ever European Water Resilience Strategy (June 2025) acknowledges that competition over scarce water resources drives conflict and displacement. Although focused on Europe, it includes a global chapter on water diplomacy and resilience, aligning with the UN's 2023 Water Action Agenda. It also commits EUR 1.2 billion through Global Gateway and Team Europe for governance and investments in major transboundary basins in Africa and Central Asia.

Before the European Water Resilience Strategy publication, CSOs had called for an enhanced governance framework and better and more targeted investments in (climate-resilient) infrastructures. Despite a commitment to play a global role on water resilience, the Strategy does not provide clarity about how these investments will be made, what kind of infrastructure will be prioritised, and, in particular, which tools, strategies and (monitoring) frameworks will be applied to ensure these water infrastructure investments and initiatives will be conflict-sensitive.

The EU has also recognised the interdependencies between water and energy. Water systems depend on energy for pumping, treatment and desalination, while energy production relies heavily on water. Recognising the synergies, the EU has supported the Water-Energy-Food-Ecosystem (WEFE) Nexus, with the purpose of breaking the siloes among the sectors and adopting a comprehensive approach to identify mutually beneficial responses based on synergies between water, energy and agricultural policies.

3.1 The EU's Global Gateway strategy

Launched in 2021, the Global Gateway aims to build sustainable, trusted and high-quality physical infrastructure worldwide, with a strong focus on Africa. Before this strategy, EU infrastructure investments were fragmented, mostly tied to development aid, and did not receive much visibility or geopolitical recognition. Over time, the Global Gateway has become the EU's flagship strategy that is reshaping its global influence by fostering investments in a more geostrategic and united manner. Many of its projects are delivered through Team Europe Initiatives (TEIs),[1] used by "Team Europe" actors (EU and its member states) to mobilise joint resources and promote coordinated programming.

Initially, the EU aimed to mobilise up to € 300 billion by 2027 in public and private resources by leveraging the EU budget, contributions from member states, the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD) and private sector investments. This target has been surpassed (standing at €306 billion) and is now projected to reach €400 billion by 2027.

Since the launch of the Global Gateway strategy, its focus has seemingly shifted, now aiming to pursue both developmental and geostrategic objectives. Telling in this regard is the launch of the Global Gateway Investment Hub during the second Global Gateway forum held in early October 2025. The initiative still needs to be further worked out by the European Commission, but it aims at enhancing the coordination of development and financial actors in a Team Europe effort by being a single-entry platform for European companies to propose investments.

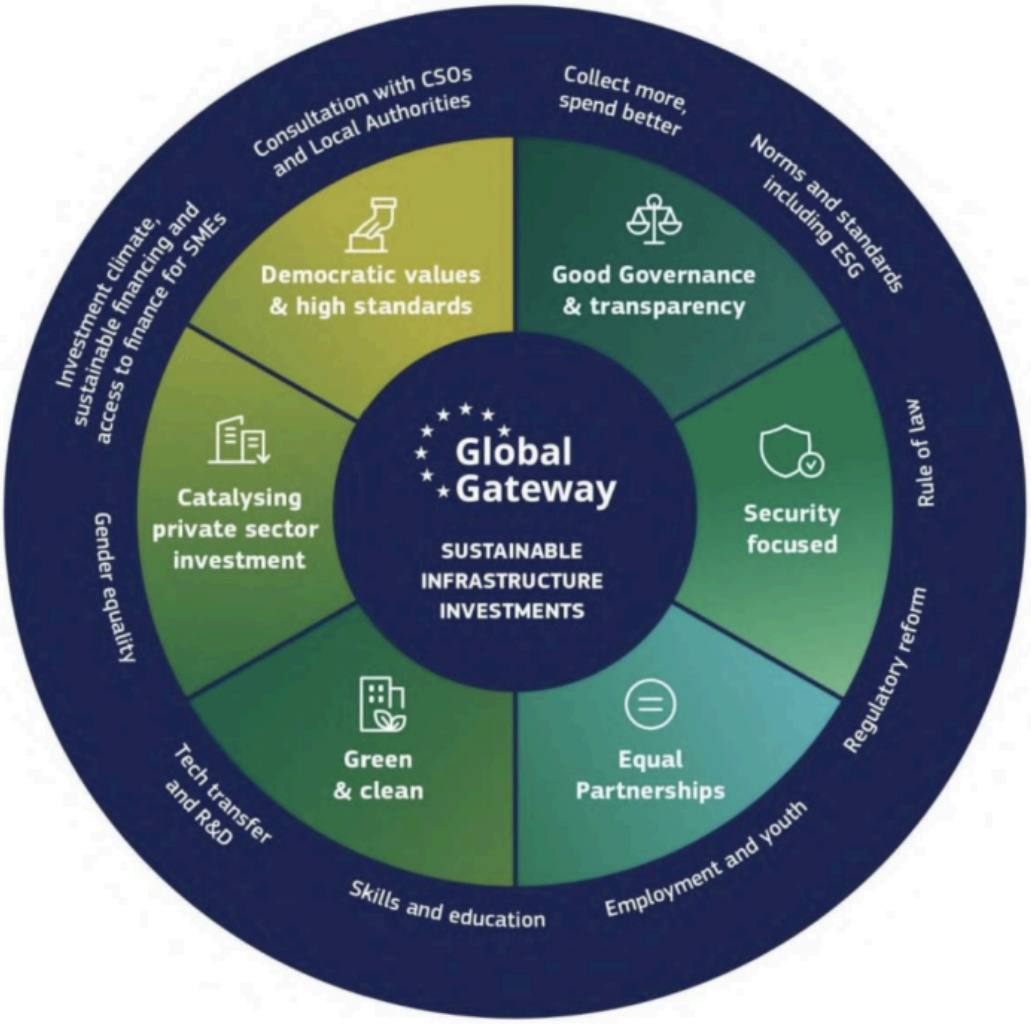
3.1.1 Key principles

The **Global Gateway is in principle articulated around six guiding principles:** democratic values and high standards; good governance and transparency; equal partnerships; green and clean; security-focused; and catalysing private sector investment (see Figure 1). The 360-degree approach was then adopted to provide guidance on the application of these principles, which should look beyond physical and hard infrastructures to make sure that key processes and actors are considered (including consulting civil society organisations (CSOs) and local authorities (LAs), gender equality, employment for youth and regulatory frameworks).

The 360-degree approach implicitly recognises that infrastructure is not neutral: it shapes access to resources and opportunities. It is meant to avoid negative

impacts and foster an enabling environment for Global Gateway investments that are both 'green and clean' and 'security-focused'.

Figure 1. The Global Gateway's 360-degree approach



Source: *EC 2024*.

3.1.2 Risks and opportunities

Both the six principles and the 360-degree approach provide a clear opportunity to integrate climate and conflict sensitivity into infrastructure projects. **But while climate resilience is clearly addressed, conflict sensitivity remains largely overlooked.** Under the 'green and clean' principle, the EU commits to deliver clean, climate-resilient infrastructure and apply a 'do no significant harm' (DNSH) approach through environmental and strategic impact assessments and adherence to norms, standards and the so-called Environmental, Social, and Governance (ESG) principles, in line with the Green Deal. However, DNSH focuses heavily on environmental objectives, leaving conflict-related risks unaddressed. **The 'security-focused' principle of the Global Gateway appears to take a**

narrow view of security, focusing mainly on the reliability and safety of (connectivity and digital) infrastructure.

Existing research has shown the need to apply 'fragility lenses' and conflict sensitivity in order to understand the conflict situation, how it might affect investments and how investments themselves might affect the conflict. Currently, the Global Gateway lacks clear commitments and guidance for applying a conflict-sensitive approach in infrastructure projects. **Despite rolling out flagship projects in fragile contexts, it remains unclear whether the Global Gateway draws on existing EU policy frameworks and toolboxes[2] for ensuring conflict-sensitivity**. Global Gateway flagship projects have been launched in 30 of the 61 fragile countries according to the OECD, but other sources quote 41 countries[3]. In particular, peacebuilding organisations and practitioners worry that none of the existing frameworks and toolboxes are currently explicitly included in the design of Global Gateway flagship projects. This will require further research, as at the moment information is very scarce and/or not transparent. For example, there is no public repository of conflict and climate-sensitive projects under Global Gateway, making it difficult to know how much has been mobilised so far.

Concerning FCACs, they pose greater challenges, often lacking the conditions needed for large-scale traditional infrastructure investment (including strong governance and rule of law, scope for meaningful policy dialogue, see box 2) and private sector engagement. Yet, **the 360-degree approach can prepare the ground for larger investments by ensuring an enabling environment in FCACs**.

Box 3: Development finance institutions (DFIs) investing in FCACs: the importance of conflict sensitivity

Investors perceive FCACs as high-risk environments for investments, given the risk of political instability, weak institutions and regulatory environments, and limited capital access. As a result, FCACs receive little foreign direct investment, little foreign portfolio investment (stocks and bonds), have high overhead costs and usually projects are only small-sized. Yet, DFIs can play a key role in making investments in FCACs possible, especially those that can benefit entire markets, such as resilient infrastructure, expanding access to (renewable) energy or expanding access to digital tools. The World Bank, for example, has a dedicated Fragility, Conflict, and Violence strategy to engage in fragile settings, which will be revised and updated as its current terms end at the end of 2025. The strategy emphasises a 'doing business differently' approach and promotes the use of innovative financing as well as analytical tools like the Conflict Analysis Framework (CAF). European DFIs have also adopted strategies to operate in FCACs, and recognise the need to adopt a conflict-sensitive approach to make investments work. They have also worked to better structure their partnerships with other European DFIs to reinforce joint work, and have welcomed 'innovative partnerships' with specialised organisations. These are all welcome initiatives that can help de-risk investments in infrastructure projects and foster sustainable development and (climate) resilience in FCACs.

3.2 The green energy transition: between policies and realities

The Global Gateway has placed a great emphasis on green and renewable energy in the EU's international partnerships, suggesting that the EU recognises its pivotal role in addressing climate change and boosting economic resilience. The war in Ukraine has accelerated the EU's green transition in ways previously unthinkable, reframing energy as a security issue. As a result, energy access moved to the top of the EU's agenda, and CRMs were integrated into the EU's external investment agenda as a cornerstone of its strategic autonomy.

The heart of EU policies on green energy transition is made up of a combination of policies, comprising the European Green Deal (2019) and its *de facto* successor, the Clean Industrial Deal (2025). According to the latest European Green Deal Barometer, the Clean Industrial Deal has narrowed and weakened the original

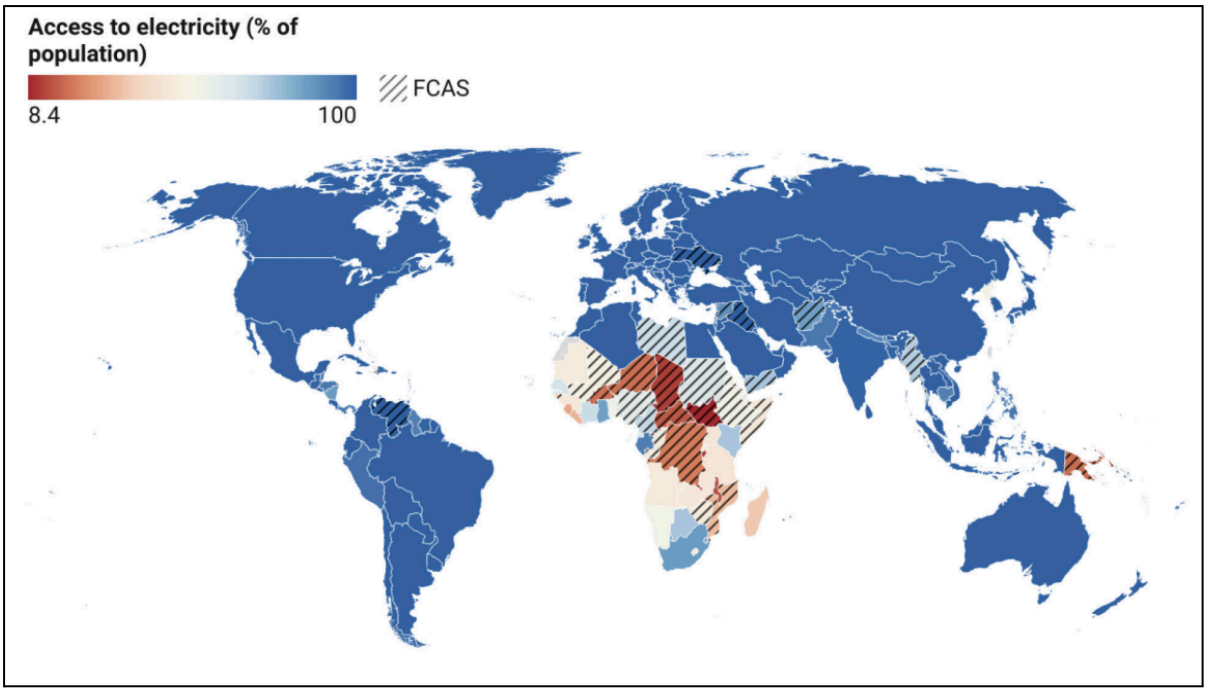
Green Deal agenda, shifting emphasis from comprehensive sustainability goals toward decarbonisation, industrial competitiveness, and affordable energy. In 2024, given the EU's heavy reliance on imported CRMs and an expected increase in demand for CRMs up to four times by 2040, the EU adopted the Critical Raw Materials Act, formalising the EU's commitment to building strategic partnerships or Clean Trade and Investment Partnerships (CTIPs) with resource-rich countries to secure a diversified and sustainable supply of CRMs.

While these policies demonstrate Europe's determination to build strategic autonomy in clean energy, they pay limited attention to conflict sensitivity or the local governance risks associated with resource extraction. Earlier regulations, such as the 'Conflict Minerals' Regulation 2017/821 (2021), introduced due diligence requirements on EU importers of a list of CRMs from conflict-affected and high-risk areas, to prevent the trade in minerals that finance armed conflict and human rights abuses. But reviews suggest that its impact on addressing the issue of conflict minerals has been limited, with implementation not sufficiently accounting for climate and conflict dynamics, and poor governance. **This raises questions about the real impact of conflict sensitivity on the EU's approaches**. There are also real concerns that the speed with which the EU and member states, among other actors, are trying to secure the procurement and safeguarding of CRMs for their energy transition might hinder conflict-sensitive and sustainable global practices.

The EU's evolving approach to energy — from the Green Deal to the Clean Industrial Deal and CTIPs — reflects a growing convergence of climate, industrial and geopolitical goals. **But in fragile contexts, this convergence risks sidelining key aspects of peacebuilding, inclusion and local ownership**.

In fragile settings a green energy transition seems out of reach given the many challenges around stability, reliable regulatory environments, and skilled labour. These are, however, precisely the contexts where clean, reliable and affordable energy could deliver the strongest transformative impact — powering hospitals, supporting livelihoods, and reducing reliance on volatile fuel imports. Across Africa, 57% of the population still lacks access to electricity (see Figure 2) and the African Development Bank estimates that €54 billion is needed annually to meet demand.

Figure 2. Energy access rates in fragile and conflict-affected states (FCAS)



Source: *Clingendael 2024*.

Crucially, the majority of large energy projects remain conflict-blind, even though peacebuilding organisations stress the need for community engagement and buy-in as key success factors. Local actors and decentralised solutions show strong potential as they do not depend on large grid infrastructures. The cost of solar energy, in particular, has decreased dramatically, possibly creating incentives for private or development financial actors to invest more in fragile settings. Nevertheless, for external partners, these solutions require significant local engagement and political navigation. Section 4 below includes several examples of how the lack of conflict-sensitive approaches and engagement increases risks and costs for investors.

4. Drawing from existing and good practice

Previous sections highlighted both the risks and opportunities of investing in infrastructure in FCACs. Many organisations operating in these contexts, including humanitarian, development, and peacebuilding organisations, are already well-positioned and working on infrastructure development and implementation in a climate- and conflict-sensitive manner. Examples include water-related projects (see box 4), specific approaches and solutions (such as nature-based solutions, see box 5), as well as green energy and energy transition projects.

Box 4: Examples of water-related infrastructures

Water-related infrastructure investments in FCACs, even when well-intentioned, can unintentionally fuel tensions if not carefully designed and managed. Decisions about borehole locations, water allocation between displaced and host communities, or access rules can all become sources of conflict. Integrating conflict sensitivity into water infrastructure planning and governance is therefore essential.

Organisations are already applying climate- and conflict-sensitive approaches to ensure infrastructure contributes to resilience and peace. For example, WaterAid's Securing Water Resources Approach (SWRA) in Burkina Faso, Mali, Niger, and Ghana helped rehabilitate dams, de-silt reservoirs, and relocate water points from flood-prone areas. To prevent resource-based conflicts, water points were redesigned for multiple uses (domestic, livestock, irrigation) with agreed access schedules and priority for domestic use during dry periods, enhancing water security, social cohesion, and climate resilience in semi-arid areas.

Search for Common Ground's work in Mali illustrates the importance of locally owned, climate- and conflict-sensitive approaches. In Bandiagara (Mopti) climate shocks, such as droughts and unpredictable rainfall, intensified competition over water and land between Fulani herders and Dogon farmers. Search facilitated a two-year local dialogue process, bringing together community leaders, including women, to explore the links between environmental stress and conflict. Together, they co-designed practical, shared solutions, resulting in climate-resilient infrastructure such as shared wells, small irrigation dikes, and market gardening areas. Women's cooperatives emerged as a particularly transformative outcome: Fulani and Dogon women now farm together, sharing income, responsibilities, and mutual respect, strengthening both social cohesion and local climate resilience.

The Search work in Mali also shows that gender inclusion must be a central feature. Women and girls are disproportionately impacted by water scarcity and declining water quality, as these affect household needs but also their personal hygiene and childcare responsibilities. Interventions should therefore explicitly aim to reduce the disproportionate burden of water collection on women and girls, and expand or grant access to safe drinking water and

sanitation. For example, Enabel's project to support the Right to Access to Drinking Water and Sanitation in Fada N'Gourma, Burkina Faso incorporated a strong gender-sensitive approach. It deliberately expanded the water network to ease women's daily workload and improve health outcomes.

Box 5: Nature-based solutions (NbS) to reduce both climate risks and conflict drivers

NbS include actions that protect, restore, and sustainably manage ecosystems to address social, economic and environmental challenges while providing benefits for human well-being, resilience, ecosystem services and biodiversity. Examples include restoring wetlands for flood control or rehabilitating degraded rangelands, and they might offer cost-effective alternatives to 'hard infrastructure', which has traditionally been the focus of infrastructure investments, at the expense of the natural environment. Research has shown that NbS can simultaneously address the impacts of environmental change and reduce the risks of conflict, as it uses a given landscape and the communities living therein as a point of departure, including any climate and conflict stressors that may already exist. But NbS remains an underfunded and overlooked area of infrastructure investments in FCACs. The EU has already been promoting NbS and nature-positive investments, notably in its partnerships with the Association of Southeast Asian Nations (ASEAN).

Green energy and energy transition projects are critical for strengthening climate resilience, as they (1) reduce greenhouse gas emissions from fossil fuels, thereby addressing the root causes of climate change such as extreme weather events; and (2) enhance the resilience of energy systems by diversifying energy sources, improving efficiency, and integrating technologies like energy storage.

However, if such projects and investments are conflict and climate-blind, they can trigger or intensify conflicts, particularly in FCACs. Navigating complex settings like these requires an in-depth understanding of the context, including the risk of possible unintended consequences. Research has shown that renewable energy projects, including those driven by donor aid and foreign direct investment, risk falling short in understanding and managing local conflict

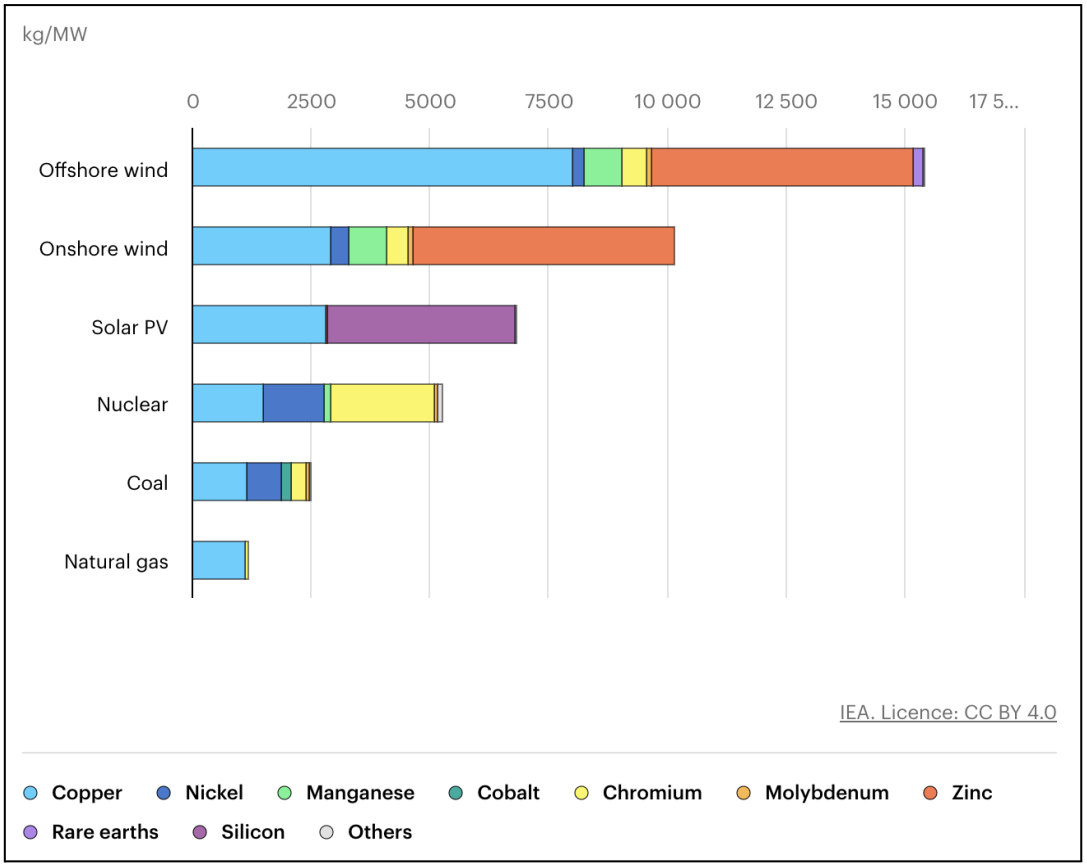
triggers and protecting the rights and benefits of local communities from such projects.

One well-documented example is the Turkana Wind Farm in Western Kenya. Kenya is leading efforts in Africa to increase its use of renewable energy, which currently accounts for an impressive 73% of its installed power generation, mainly stemming from hydropower and geothermal energy. In response to increasingly erratic rainfall patterns, the country has tried to diversify its energy production from hydro to wind and solar. In Turkana, indigenous and pastoralist communities have challenged a 30+year lease of 150,000 acres of land in Marsabit county for solar and wind energy. Turkana indigenous and pastoralist communities are claiming that free, prior and informed consent (FPIC) protocols were not followed, and land acts were violated in the course of obtaining these leases.

Another example is **Morocco, where the expansion of solar and wind energy installations has shown the risks of prolonging and deepening existing conflicts.** Morocco is heavily dependent on energy imports and continues to rely on coal (imports) for its energy production. At the same time, the country has set ambitious goals for renewable energy production, such as solar and wind, notably in the Western Sahara. The growth of energy installations and the extraction of solar and wind energy from the Western Sahara, including for export to European countries, contributes to conflict dynamics and creates human rights risks. Research by International Alert shows that the creation of job opportunities in the green energy sector mainly attracted skilled Moroccan workers from outside the Western Sahara, worsening tensions with local Saharawi communities who already feel marginalised from national decision-making processes.

The importance of critical raw materials in the green energy sector and transition is hard to overstate, as solar photovoltaic (PV) plants, wind farms and electric vehicles (EVs) generally require more minerals to build than their fossil fuel-based counterparts. Rare earths, cobalt, nickel and tungsten are used in various energy transition technologies (wind turbines, solar panels, etc.), while lithium, graphite, silicon and phosphate play a key role in batteries and energy storage (see figure 3 below).

Figure 3. Minerals used in clean energy technologies compared to other power generation sources



Source: *IEA 2021*.

In fragile and conflict-affected settings, where governance systems are overall weak, the quest for and extraction of CRMs pose huge challenges. The Democratic Republic of Congo is among the most telling examples. The country supplies 70% of the world's cobalt, a critical raw material used in batteries as well as electric vehicles. However, its mining sector is poorly governed, leading to weak transparency in the issuing of contracts and a lack of integration of artisanal mining companies, which operate illegally, and extremely poor conditions and protection for its workers.

4.1 Towards conflict-sensitive and Peace-positive investments

Several actors, including peacebuilding organisations, international cooperation agencies, multilateral actors, and private sector entities, have aimed to reinforce the conflict sensitivity of energy-related infrastructure projects and investments. **This has been achieved through the promotion of positive (or peace-aligned) investments and the inclusion of Peace Enhancing Mechanisms (PEMs) within these investments.**

PEMs encompass strategies and actions that prevent conflict, foster reconciliation, and build sustainable peace. Implemented through participatory and inclusive processes, they engage communities and authorities to build trust and address the root causes of conflict. Examples include diplomacy, mediation, dialogue, peace education, and community-level initiatives such as outreach programs, mental health services, and interfaith dialogue.

Peace-positive investments have been coined as an approach to manage risks and improve returns for investors in FCACs. It is seen as a possible pathway to make the 'business case' for conflict-sensitive investments in renewable energy in fragile settings – including by matching more directly development partners and finance institutions, investors and peacebuilding organisations. In theory, peace-positive investments can help meet combined goals, including, among others, the expansion of renewable energy capacity at scale in response to the huge investment gap unlocking economic and social opportunities and enabling transformative development outcomes while attracting further investments.

A recent Clingendael report notes that peace-oriented investment in renewable energy generates economic and social opportunities through job creation and infrastructure development. They also improve energy security by reducing the reliance on volatile (and often import-driven) fossil fuel markets. But even locally driven and decentralised renewable energy investments in fragile settings will not be immune to geopolitical rivalry. **This means that both small-scale and large renewable energy infrastructure must be managed inclusively and transparently, while avoiding aggravating existing tensions or excluding local communities and populations from the benefits and profits**.

In this regard, incorporating PEMs into (renewable) energy infrastructure and investments can mitigate these. The 360-degree approach of the Global Gateway is a viable avenue to promote peace-aligned investment principles, because it is precisely aimed at supporting a conducive environment for investments. Examples of PEMs include participatory peace and conflict analysis and resilience mapping, or the establishment of community-led land acquisition dialogue mechanisms, at the design phase of projects. Another example is to allocate a proportion or percentage of the profits to local peacebuilding and CSOs, as well as their actions.

Our event on 7 October highlighted the need not to disregard the transformative potential of smaller (combined) infrastructure projects in areas such as renewable energy and water. This could include, for example, prioritising smaller renewable grids for essential services, multi-use water points and

climate-resilient small works, especially in contexts where larger projects face high social and security risks. The focus on larger, centralised projects should be done only where conflict analysis shows risks can be credibly mitigated.

4.2 The EU's next multiannual financial framework (MFF)

The Commission's July 2025 proposal for a new Global Europe Instrument (GEI) (2028-2034) is intended to consolidate the EU's external actions financing into a single, larger (€200 billion) envelope with more flexibility to redeploy funds. The GEI also integrates the European Fund for Sustainable Development Plus (EFSD+), which will disappear as a separate fund, but its core function (the external action budgetary guarantee) continues — and is scaled and mainstreamed—inside the proposed Global Europe instrument for 2028–2034.

While the proposed GEI elevates crisis and fragility to a more central and political priority, this also presents several risks. First, engagement in FCACs could become politicised, prioritising political or economic interests over needs-based assessments, potentially undermining core development and humanitarian principles. Second, its focus on competitiveness and a new economic foreign policy may reduce international cooperation to a means of pursuing geo-economic interests – primarily promoting transactional partnerships – especially in the absence of a Commission-wide strategy on fragility. The development of a Commission-wide approach to fragility was a key priority for Commissioner Lahbib. It will now become a staff working document as part of a Communication on Humanitarian Action, expected to be published in April 2026.

In parallel, the proposed €409-billion European Competitiveness Fund (ECF) merges 14 internal programmes to back strategic technologies and deployment, and constitutes one of the four MFF headings under 'Competitiveness, Prosperity and Security'. The proposed ECF regulation mandates that the GEI will ensure "consistency, coherence, synergies and complementarity", notably with the EU Competitiveness Fund. In fact, the different geographic pillars and the global pillar under the proposed GEI should include 'competitiveness'. This clearly shows the intention of the EU to embed its industrial policy goals into its external action. As such, while primarily EU-facing, the ECF is expected to considerably shape the EU's external outlook, as it "aims to mitigate risks affecting its security and resilience emanating from critical external dependencies." Together, these moves point to a more geoeconomic, supply-chain-minded approach to external action, where budget guarantees, blended finance, and Team Europe platforms drive infrastructure partnerships.

Two gaps stand out for climate- and conflict-sensitivity. First, unlike the current NDICI-Global Europe instrument –where actions were *expected* to contribute

around 30% of spending to climate objectives– the GEI proposal drops a quantified climate earmark (as well as on other areas such as human development and gender equality) and leans on qualitative mainstreaming, which, however, at the moment is not fully articulated. That weakens a clear yardstick for infrastructure pipelines - unless corrected in the co-legislative phase. Second, under the existing EU toolbox and specific guidance for conflict-affected contexts, EU policy requires conflict analysis and a "do-no-harm" approach, but these requirements remain unevenly operationalised in large connectivity projects and financial intermediated operations (e.g. those investment operations implemented through DFIs), even if actors such the European Investment Bank have developed a dedicated approach to conflict and fragility, and a dedicated roadmap for climate resilience - though these remain separate strategies. The GEI package does not (yet) provide clear guarantees and has dropped the conflict analysis screenings (CAS), which were mandatory under the current NDICI-Global Europe.

In principle, the GEI could provide more funds, flexibility, and a stronger link to competitiveness – potentially accelerating the Global Gateway – **but risks climate dilution and insufficient conflict sensitivity**. Much will depend on the implementing rules, programming guidance, the roll-out of the 360-degree approach, and how the EU will operationalise the principles to be presented in the staff working document, Fragility - beyond humanitarian action.

5. Conclusion and recommendations

The EU's Global Gateway strategy marks a significant shift in its approach to international infrastructure investment, moving from a fragmented approach toward a more unified and geostrategic tool. The strategy presents a clear opportunity to foster sustainable, high-quality projects, and also to integrate climate sensitivity through its "green and clean" principle and a 360-degree approach. However, **conflict sensitivity remains weak**. Despite the existence of robust EU policy frameworks and tools for conflict analysis – including the 2020 Guidance Note and the CAS and EWS tools – there is little evidence that these are explicitly or systematically applied in Global Gateway flagship projects, raising particular concerns for investments in FCACs.

At the same time, the EU's push for green energy and access to CRMs introduces new complexities. The rapid expansion of green energy infrastructure and the scramble for CRMs risks overlooking local conflict dynamics, as seen in projects like the Turkana Wind Farm and Morocco's solar initiatives in Western Sahara. Yet, examples of **peace-positive and climate- and conflict-sensitive investments**,

especially those integrating gender considerations, demonstrate that infrastructure can be designed to foster resilience, stability, and long-term peace.

Going forward, and as negotiations on the next MFF proceed:

1. **The EU could strengthen integrated conflict and climate analysis into programming under the GEI, and Global Gateway pipelines.** This means conducting gender-sensitive conflict and climate-risk assessments before projects begin, and revisiting them during implementation as contexts evolve- especially in light of the absence of any targets. The emphasis here is on *integrated* climate and conflict analysis, not parallel assessments. The EU, its member states and development finance actors should draw on the EU conflict-analysis toolbox and the 360-degree approach to capture distributional impacts, land and water access, and cross-border dynamics of planned investments. This will require alignment with the Paris Climate Agreement, but also "do no harm" early on from the design stage.

2. **EU MFF negotiations should consider a credible alternative for climate targets and explore ways to effectively link it to cooperation and peacebuilding programming, as well as to investment decisions.** Concretely, the EU could:
    a. Provide stronger clarity and guidance on how this climate mainstreaming will be set up in the EU's external action, including the Global Gateway investment, and the proposed Global Europe Instrument.
    b. Tie investment project selection to climate and resilience indicators, including taking into account floods, droughts and heat risk. This can be done by prioritising nature- and peace-positive investments, and as much as possible promoting nature-based solutions. This would also increase coherence with the EU's stated objectives under the Global Gateway, its six principles, but also the EU Water Resilience Strategy.
    c. Prioritise project proposals that lower emissions and climate risks (such as nature-based flood protection, water-efficient systems, grid-ready renewables).

3. **The EU, Team Europe (member states) and investors (including DFIs) could prioritise context-appropriate, decentralised energy and water solutions with peace-enhancing mechanisms.** Prioritising such initiatives, informed by a well-rounded climate and conflict analysis, the EU should scale investments based on context-specificity. By building in peace-enhancing mechanisms, such as community-led land dialogues and earmarking a share of revenues for local peacebuilding, this will

strengthen the benefit and ownership of investments. When doing so, investors and the EU should apply the Water-Energy-Food-Ecosystem (WEFE) nexus lens to reduce resource competition (e.g., water-smart solar irrigation with agreed-upon user timetables).

4. **Support the conducive environment that makes hard infrastructure conflict- and climate-sensitive, by promoting inclusive governance and mediation mechanisms.** The EU should dedicate Global Gateway and Team Europe resources to participatory planning, dispute resolution, and land/water governance, alongside financing and support for local capacity. CSOs, particularly peacebuilding and climate-focused organisations, as well as civil society groups, including women, youth, and displaced individuals, should both actively engage in infrastructure initiatives and collaborate to leverage their complementary expertise. At the same time, they should be recognised as core partners by the EU and other investors. As part of the 'conducive environment', the EU should pair investments with regulatory and institutional reforms that keep services affordable and equitable. This strengthens legitimacy, reduces risks and improves long-term performance and community benefits.

5. **The EU and member states could further align as Team Europe, including with development finance institutions, around a shared risk-sharing and accountability framework.** The EU and member states could condition guarantees and blending against demonstrable conflict- and climate-sensitivity indicators and could reward pipelines that deliver access for marginalised areas and cross-community cooperation. From a peace-aligned investment perspective, the EU and partners should establish common indicators for peace-positive and resilience outcomes, third-party monitoring, and transparent disclosure of allocations and reflows of unspent budgets. In highly fragile or conflict-affected settings, the focus should be on sequencing enabling-environment and small-scale pilots before scaling up, and with a budget foreseen for necessary adaptations. Systematic coordination with local communities, civil society (including those focused on climate change) and peacebuilding organisations as co-designers and co-implementers will improve context intelligence and de-risk delivery. Once in place, infrastructure monitoring and evaluation should then assess not only their performance and durability, but also social factors such as equitable access for different groups, as part of climate- and conflict-sensitive M&E systems and clever reporting.

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Endnotes

1. TEIs cover a broader range of EU external actions beyond just infrastructure investments.
2. The 2020 Guidance note on the use of conflict analysis in support of EU external action set the parameters for EU conflict analysis, which offered the basis for the Conflict Analysis Screening (CAS) tool developed to meet NDICI-Global Europe's programming requirements to ensure conflict-sensitive EU programming. More recently, the 2023 Joint Staff Working Document on

Updated toolset for EU Conflict Analysis and Conflict Early Warning Objectives merged the CAS and the early warning systems (EWS) to enhance the EU's capacity to analyse and address conflict sensitivity issues, paying particular attention to gender-sensitive conflict analysis.

3. This number was shared during ECDPM's event on 7 October.

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