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Scaling up Global Gateway: Boosting coordination in development and export finance

By San Bilal and Andreas Klasen

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The rapidly changing dynamics of global economic governance, coupled with rising geopolitical tensions, significantly impact Europe's trade, investment and development landscape. This calls for greater coordination and complementarity of EU external financial tools, in particular export finance and development finance, to contribute to the EU's ambitions to mobilise public and private sustainable investments. This is in line with the EU Trade Policy Review, the EU Global Gateway strategy, the announced EU clean trade and investment partnerships, the new EU foreign economic policy and statecraft, and the EU competitiveness agenda.

To fully realise the ambitions of the Global Gateway strategy and effectively move from start-up to scale-up, the EU must prioritise the creation of a comprehensive, coherent and competitive financial offer. The EU's approach needs to shift from isolated, ad-hoc coordination actions to a more systematic, long-term strategy that reflects whole-of-government models. In particular, five critical actions are required to harness the potential of Europe's export credit agencies and development financiers in EU sustainable investment endeavours. These include (1) high-level project support and EU member state alignment, (2) setting up a coordination entity for implementation and operational support, (3) more targeted EU financing mechanisms to improve the effectiveness of the EU guarantee system and promote project-based guarantees, (4) an active role for EU delegations, the European Commission and EU member states in project pipeline creation, and (5) strengthening communication and implementing measurement.

Table of contents

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 For comments and feedback, please contact Dr San Bilal (sb@ecdpm.org) and Prof. Andreas Klasen (andreas.klasen@ouce.ox.ac.uk).

Acronyms

BRI	(China’s) Belt and Road Initiative
COM	European Commission
CTIP	Clean Trade and Investment Partnerships
DAC	Development Assistance Committee
DFI	Development Finance Institution

DGGF	Dutch Good Growth Fund
EBRD	European Bank for Reconstruction and Development
ECA	Export Credit Agency
EEAS	European External Action Service
EFSD+	European Fund for Sustainable Development Plus
EIB	European Investment Bank
EIF	European Investment Fund
ESG	Environmental, Social and Governance
EU	European Union
EUD	European Union Delegation
INTPA	Directorate General for Internal Partnership of the European Commission
JBIC	Japan Bank for International Cooperation
JICA	Japan International Cooperation Agency
MLT	medium and long-term
MoU	Memorandum of Understanding
MS	Member States
NDICI	Neighbourhood, Development and International Cooperation Instrument
NEXI	Nippon Export and Investment Insurance
ODA	Official development assistance
OECD	Organisation for Economic Co-operation and Development
SACE	Servizi Assicurativi del Commercio Estero (Italian ECA)
SDGs	Sustainable Development Goals
SMEs	Small and medium-sized enterprises
SPV	Special purpose vehicle
TA	Technical assistance
ToR	Terms of Reference
UN	United Nations
US EXIM	Export-Import Bank of the United States

Executive summary

There are significant overlaps between mid to long-term export finance and development finance despite traditionally having evolved in two parallel universes without any significant interactions. In order to improve the level playing field with international players as well as the European Union's (EU) competitiveness in global value chains and to facilitate the dual green and digital transition externally, cooperation between these two separate yet complementary sources needs to be explored. The EU is looking into ways of working towards the goal of enhanced coordination of EU external financial tools, including providers of development finance, referred to, for simplicity's sake, as development finance institutions (DFIs) and export credits agencies (ECAs). Such objectives aim to contribute to the EU's ambitions to mobilise public and private sustainable investments, in line with the EU Trade Policy Review, the EU Global Gateway strategy, the announced EU Clean Trade and Investment Partnerships, the new EU foreign economic policy and statecraft, the EU competitiveness agenda outlines in the Draghi report and the EU Competitiveness Compass, and the Sustainable Development Goals (SDGs).

The key messages of this paper are the following.

- In its international financial support endeavours, the EU seeks to mobilise the private sector to pursue a dual, yet complementary, objective: (1) a development/SDGs/value-driven agenda, and (2) geostrategic, security, trade and competitiveness ambitions.

- These are embodied in the EU's Global Gateway and are likely also to be important dimensions for the announced Clean Trade and Investment Partnerships (CTIPs) and, more broadly, of the new EU foreign economic policy and statecraft for mutually beneficial relations with EU's partners.

- Yet, the Global Gateway mainly relies on development cooperation and development finance, with scant attention to trade finance.

- This puts the EU at a competitive disadvantage in a tense geostrategic global context where emerging economies - and notably China's Belt and Road Initiative (BRI) but not only - and some OECD countries, such as the US, Japan and Korea, actively promote their own private sector in their international development and investment initiatives.

- A coordinated European response is needed to ensure fair competition and strengthen European SDGs-aligned trade and investment opportunities towards mutually beneficial relations.

- This requires the political will to actively pursue enhanced coordination and complementarity at the EU and MS levels between DFIs and ECAs, building on Team Europe and Team National approaches, while addressing potential mandate-related, policy and regulatory impediments.

- In particular, five critical actions are required to help move the Global Gateway from start-up to scale-up and harness the potential of the ECAs in EU sustainable investment endeavours:

    1) **Action 1: High-level project support and MS alignment.** This includes strengthening whole-of-government and Team National approaches at the MS level and Team Europe at the EU level, including the private sector, while ensuring regulatory alignment to reduce bottlenecks to private sector engagement in Global Gateway.
    2) **Action 2: Coordination entity for implementation and operational support**. The creation of a dedicated EU coordinating body is essential to providing a unified operational framework. This new entity would lead joint project development task forces, ensure continuity of efforts and establish a project pipeline facility to coordinate European DFI-ECA and implementing agencies (and, more broadly, multi-stakeholders) actions and possibly co-finance Global Gateway flagship projects. Similarly, coordinating mechanisms should also be set up at the MS level to strengthen the Team National approach, including the private sector.
    3) **Action 3: More targeted EU financing mechanisms are needed to improve the effectiveness of the EU guarantee system and to promote project-based guarantees**. A special purpose vehicle (SPV) or a European Investment Bank (EIB) mechanism could be established to channel EU guarantees to ECAs to support the participation of the European private sector in exports and projects under the Global Gateway and other relevant EU strategies (such as the announced Clean Trade and Investment Partnerships and the Clean Industrial Deal).
    4) **Action 4: EU Delegations, COM and MS for Project Pipeline Creation**. EUDs, the European Commission and Member States' embassies should play an active role in identifying, preparing and supporting the

development of project pipelines in partner countries, in particular in the context of the Global Gateway strategy.

5) **Action 5: Strengthen communication and implement measurement.** Improved communication and measurement systems are needed to increase transparency, engage stakeholders and track the impact of enhanced coordination. If implemented, these actions would provide a clear and effective pathway for the Global Gateway initiative to move from start-up to scale-up.

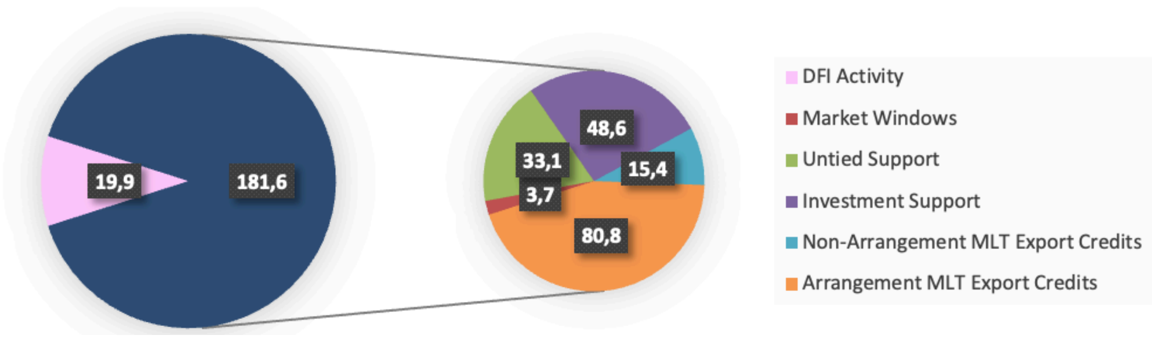
1. Introduction

The rapidly changing dynamics of global economic governance, coupled with rising geopolitical tensions, significantly impact Europe's trade and investment landscape. As traditional trade alliances fragment and global growth slows, European exporters face growing pressures from protectionist policies, supply chain disruptions and increased competition from state-sponsored actors. At the same time, European companies have a growing opportunity to capitalise on the significant financing needs associated with infrastructure projects in developing economies. These projects offer entry points for European firms to provide expertise, technology and solutions in line with the UN Sustainable Development Goals (SDGs).

This potential is in line with the European Union's (EU) Global Gateway strategy, which aims to mobilise up to €300 billion of sustainable public and private investments in quality digital, energy and transport infrastructure, as well as in health, education and research systems across the world. To this end, the EU seeks to mobilise its development finance and other development cooperation mechanisms, through a comprehensive, 360-degree approach. Private sector actors, and notably European ones, are an essential part of EU endeavours to engage its developing country partners in mutually beneficial projects. This is also the ambition of the announced EU Clean Trade and Investment Partnerships and the new EU foreign economic policy and statecraft.

However, harnessing the European private sector's potential and fostering its international competitiveness requires a better combination of European policies, instruments and operational frameworks. Indeed, European companies and investors are often at a disadvantage compared to competitors from non-EU countries, in particular those that are backed by comprehensive whole-of-government support. Several countries operate outside the Arrangement on Officially Supported Export Credits (Arrangement), which is administratively embedded in the Organisation for Economic Co-operation and Development (OECD), and often mixed with tied aid and highly concessional loans. This approach, combined with strong policy coordination between government ministries, ECAs and DFIs, puts European companies at a competitive disadvantage. A coordinated European response is needed to ensure fair competition and strengthen European trade and investment opportunities. In enhancing the complementarity and coordination of development finance and export, as well as trade-related and investment support, the EU could unleash the potential of its external financing tools in a synergetic manner. As illustrated in Figure 1, the Export-Import Bank of the United States (US EXIM) conservative estimates suggest that worldwide bilateral DFIs account for only about 10% of all external financing support to the private sector, and medium and long-term (MLT) export credits under the OECD Arrangement for 40%.

Figure 1. Global export, trade-related, investment and DFI support (2023, $ billion)



Source: EXIM (2024), Report to the U.S. Congress on Global Export Credit Competition. June.

The objective of this paper is to explore the potential for enhanced coordination between DFIs and ECAs in support of the EU's Global Gateway strategy and broader external economic policy. Given the scale of the global financing gaps and the dominance of non-EU actors in key strategic markets, development and export finance alone is insufficient to achieve Europe's geostrategic and development objectives. This paper argues for a shift towards a more systematic approach for high-impact, high-risk projects that leverage the combined strengths of DFIs, ECAs and the private sector to close financing gaps, reduce inefficiencies and deliver tangible impact. While the EU seeks to leverage DFIs investment in developing countries, it does not yet have the appropriate instruments and modalities at the EU level to leverage ECA insurance and guarantees to promote sustainable international investments and operations by the European private sector. The paper outlines pathways for progressive consensus building among MS and financial institutions, focusing on identifying best practices, showcasing concrete project successes and promoting a Team Europe and 360-degree approach to joint interventions. By proposing specific models and mechanisms, we aim to strengthen Europe's capacity to promote sustainable development, foster trade and investment competitiveness and support mutually beneficial partnerships.

The proposed approach is in line with and seeks to strengthen the policy guidance under the Global Gateway framework and serves as a potential pillar for the announced EU Clean Trade and Investment Partnership, foreign economic policy and strategy for export credits. It calls for efforts to move the Global Gateway from a start-up to a scale-up initiative. Our guidance aims to ensure that European exporters can compete on a level playing field, while advancing development and geostrategic objectives that are in line with the long-term vision of the Global Gateway.

2. Finding and Analysis

2.1. Policy, Strategy and Regulation

With its Global Gateway and other relevant strategies, the EU aims to pursue a dual yet complementary objective: a development (SDGs, green and value-driven) agenda and the EU self-interest (geostrategic and geoeconomic, security, trade and competitiveness) ambitions, in a mutually beneficial engagement with its partners. In this regard, the different mandates of DFIs and ECAs present both a challenge and an opportunity. While DFIs are primarily focused on promoting sustainable development in partner countries, ECAs aim to support domestic exports and strengthen the competitiveness of national companies abroad. Despite these different mandates, there is significant potential for complementarity, particularly in priority sectors and countries where EU strategic interests converge. Many DFIs and ECAs share similar objectives in relation to SDG-aligned investments and environmental, social and governance (ESG) principles, particularly as they seek to support the global energy transition. However, the lack of strategic coordination at the MS level remains a significant barrier. National governments often lack clarity on the roles, processes and intervention logic of DFIs and ECAs, which hampers joint action. In addition, commonalities between international, EU and national regulations provide an opportunity for greater alignment, such as the application of the United Nations Guiding Principles on Business and Human Rights and the International Finance Corporation's Performance Standards. Despite these common principles, fragmentation persists as EU and national regulations vary widely and are often highlighted as points of difference rather than opportunities. Addressing these regulatory gaps could strengthen the coherence of Europe's geostrategic external financing instruments, enabling DFIs and ECAs to act as more effective enablers of the Global Gateway Strategy. Yet, there are also perceived tensions and challenges. DFIs are constrained in their public procurement, which in general cannot be restricted to European actors. Potential reforms of European public procurement rules are currently under discussion. The EU funding available for the Global Gateway is also enshrined in the development policy and instruments, under the Neighbourhood, Development and International Cooperation Instrument (NDICI) Regulation, which specifies that 93% of the NDICI funding must be official development assistance (ODA). While the European private sector can benefit from ODA under open competitive processes, European development instruments are not meant to promote European private sector interests. A dedicated EU strategy and regulatory framework is missing to explicitly support European ECAs. Many DFIs and development cooperation officials in MS tend to see ECAs as a potential unwarranted competition for scarce EU development resources, away from the guiding principles enshrined in the NDICI. On the contrary, many ECAs, and more broadly the European private sector, sense the opportunity to benefit from EU facilitation and support to promote their sustainable operations internationally. Hence the need to set clear strategic, policy and regulatory frameworks to enhance the complementarity and coordination of European DFIs and ECAs, and more broadly the EU development ambitions and geoeconomic interests, under a coherent European financial architecture for international investments. The shaping of the next long-term budget of the EU, the Multiannual Financial Framework 2028-2034 (MFF), now offers the opportunity to reconsider some of the strategic, regulatory and operational modalities to foster such enhance complementarity between EU development and geostrategic/economic interests, facilitating the coordination between DFIs and ECAs.

2.2. Operational Framework

A conducive operational framework is a key condition to unleash the DFIs-ECAs synergies and complementary, in a mutually beneficial way. While there are some examples of ad hoc cooperation between national DFIs and ECAs, a truly strategic “Team Europe” approach to development and export finance remains the exception rather than the rule. There have been some successful cases of cooperation, but joint operational frameworks, which are essential for effective coordination, are generally still lacking or in their infancy at the national level, while none exists at the EU level. The main operational priority is to promote complementarity and greater coherence between DFI and ECA interventions. DFIs and ECAs can also join forces on common projects. But rather than relying on isolated project partnerships, there is a need for more innovative models that integrate project teams, joint due diligence processes and shared data platforms. Such an approach could streamline project selection and avoid duplication. At present, however, operational challenges remain, including inefficiencies in project selection, duplication of activities and limited transparency at the national level. These problems result in overlapping efforts and missed opportunities to maximise impact. While there has been some cooperation, particularly between the EIB and some large national ECAs, this model has not been systematised and extended to smaller ECAs and DFIs. Operational silos persist, and the lack of clear guidance on common approaches to due diligence, project development and risk assessment prevents the creation of a consistent approach. In addition, some actors are reluctant to fully engage in a coordinated framework due to concerns about risk sharing and differing mandates. Some national DFIs and ECAs remain cautious about deeper integration, fearing a loss of strategic control over their own lending priorities or a dilution of their position. Others are reluctant because of concerns about administrative burdens and potential conflicts in regulatory or governance standards. This reluctance further hampers progress towards a harmonised approach. To address these gaps, it is essential to develop a coherent operational framework at the national and the EU levels that promotes systematic cooperation between DFIs, ECAs and other actors, which is also key to scaling up the Global Gateway. The framework needs to be underpinned by a focus on timely strategic complementarity of DFI and ECA actions and, where appropriate, data sharing, transparency and some co-financing arrangements that could allow projects to be developed jointly from the outset, thereby improving efficiency and impact. Overcoming the reluctance of key actors will require a clear value proposition, demonstrating that enhanced complementarity and cooperation can lead to greater risk mitigation, increased financing capacity and greater collective impact. ECAs and DFIs can thereby strengthen and complement their activities, together with all other relevant Team Europe – and at MS level 'Team National' – actors, including technical, implementing, trade and investment promotion agencies, the private sector and other relevant non-state actors.

2.3. Products

Both DFIs and ECAs offer similar financial products, such as loans, guarantees, insurance and even equity investments. This overlap provides an opportunity to combine their instruments for maximum impact, particularly under the Global Gateway. However, many MS have not yet actively identified the most effective ways to bridge product gaps and avoid redundancies. At the EU level, the

European Fund for Sustainable Development Plus (EFSD+) is one such initiative with significant potential. The EFSD+ enables risk mitigation through guarantees but is mostly linked to ODA, targeted at DFIs through an "open architecture" window – complemented by dedicated windows for the EIB – under the NDICI. While EFSD+ has made progress in mobilising development finance, there is a growing recognition of the need to adapt the speed and possibly some of the modalities of the EFSD+. Some adjustments can be considered under the current MFF, following the NDICI mid-term review, while more substantive or radical changes could be considered for the next MFF, including regarding the legal framework which conditions the use of operational frameworks and products available. In the context of the Global Gateway, two major considerations should be worth highlighting. First, the EFSD+ guarantees are provided on a thematic pipeline of DFIs' proposals and not single specific projects. While the pipeline approach has some merits, it also entails a clear limitation in supporting specific flagship projects identified in the Global Gateway. ECAs tend to provide project-specific insurance and guarantees, limiting the scope of their involvement in the EFSD+. Second, many stakeholders have questioned the rationale and merits of using a development instrument such as EFSD+ to promote the EU's geostrategic and private sector interests. Using ODA-backed guarantees to support ECAs would amount to tied aid and limit the amount of guarantees available to DFIs. Since the NDICI Regulation requires that 93% of the funding be ODA, EFSD+ guarantees for ECAs should thus better be under the possible 7% non-ODA funds under NDICI. An attractive alternative would be to consider additional mechanisms. For example, the use of regional and thematic EU funds could ensure a more targeted and strategic deployment of financial instruments. The next MFF could also explicitly distinguish the external mandates of budget for DFIs and ECAs. This could be done by setting a specific non-ODA window for ECAs under EFSD+ type of mechanism. Alternatively, an external pillar of an InvestEU-type mechanism could also provide greater flexibility and support non-ODA-related financing, thereby bridging the EU domestic and international competitiveness agenda. This would provide DFIs and ECAs with a broader toolbox to finance trade and sustainable development. In addition, accompanying technical assistance (TA) and ODA instruments could play an important role in fostering cooperation between DFIs and ECAs. TA-funded due diligence and project preparation support would improve coordination and reduce transaction costs. The ultimate goal could be to establish a 360° financing model, combining grants, equity, loans, guarantees and technical assistance to create a comprehensive European offer comparable to the integrated financial support offered by other global players such as not only China but also Japan.

2.4. Private Sector Involvement

The private sector plays a critical role in achieving the objectives of the Global Gateway and its involvement is essential at every stage of the project's lifecycle. DFIs and ECAs each have different strategies for engaging the private sector. While ECAs focus primarily on supporting exporters, DFIs mainly support the local private sector development in partner countries. However, there is an opportunity for DFIs and ECAs to work together to bridge these two approaches. One solution could be to facilitate local content financing, which would allow European exporters to work with local companies on Global Gateway projects. This would not only improve local capacity but also create new markets for European companies. A joint EU offer, using both DFI and ECA capabilities, could make the European private sector a more attractive partner for developing countries. Such a model would be a win-win situation, as local private sector development would be accompanied by opportunities for European exporters. This could be achieved through better involvement of the private sector in project identification, preparation and financing. European companies could be involved at earlier stages of project design, thereby improving their ability to participate in procurement opportunities. In addition, value chains could be built around Global Gateway projects, with ECAs and DFIs facilitating links between European companies and local private sector actors in partner countries. Such an approach would enable Europe to make a more compelling, unified offer that can compete with whole-of-government financing packages offered by non-EU actors such as China and Japan. More broadly, the EU and its MS should give greater consideration to the way the European private sector can be involved in the Global Gateway. Strategic and operational frameworks and mechanisms to harness European ECAs to the Global Gateway would also provide a useful entry point for the European private sector's active participation in the Global Gateway endeavours.

2.5. Examples

Practical examples illustrate how improved coordination between the political actors in the EU/MS, DFIs, ECAs and private actors can bring significant benefits to the Global Gateway and other relevant EU strategies. One prominent case is the Team Europe e-mobility (e-buses and rail) offer for Costa Rica. The approach adopted by the EU demonstrated coordination between the European policy and diplomacy actors (e.g. EU and European MS ambassadors, high-level COM officials), DFIs/EIB, ECAs, implementing donor agencies and private sector, engaging with local stakeholders, and opening an opportunity for EU business. This approach ambitions to bring a comprehensive, integrated EU offer on sustainable mobility, which ultimately will rest on the attractiveness of the comprehensive business case proposed. Another example is the Dutch Good Growth Fund (DGGF), which demonstrates the potential of a blended finance approach combining export finance, technical assistance and development finance to support small and medium-sized enterprises (SMEs) abroad. By addressing financial and non-financial bottlenecks, DGGF promotes private-sector development while supporting Dutch exporters. The cooperation between the EIB, SACE and Enel serves as a flagship case of joint EU action in financing sustainable energy projects. In this case, the EIB provided a development finance facility, while the Italian ECA (SACE) provided an export credit guarantee to de-risk the investment. Enel, as a European multinational energy company, was able to mobilise the financing needed to develop critical infrastructure in emerging markets. Finally, non-EU examples of joint action offer valuable lessons for the EU's Global Gateway. Japan's collaboration between the Japan Bank for International Cooperation (JBIC), Nippon Export and Investment Insurance (NEXI) and the Japan International Cooperation Agency (JICA) shows how a whole-of-government approach can increase impact. They work together to provide a unified financial offering that combines concessional loans, insurance and development finance. The cooperation between NEXI and JICA has been formalised in a Memorandum of Understanding (MoU) in 2023. The aim is to complement each other, facilitate further cooperation and promote the mobilisation of private finance with collective impact and "offer-type" cooperation. This model enables Japan to compete more effectively in international infrastructure tenders. By emulating this approach, the EU could strengthen its own geostrategic influence and develop a "European equivalent" of Japan's successful financing model. In this context, it is worth stressing the pioneering and possibly pivotal role the EIB can play. The EIB cooperates with European ECAs, as in the case of SACE-Enel example above, where it benefits from an ECA guarantee, but also in cases where it provides financial support to a European ECA, as with the Hungarian ECA HU Eximbank and the Slovak ECA EXIMBANKA SR. The EIB also cooperate with the non-EU ECAs, as in the case of the MoUs signed with NEXI and JBIC in 2018. Even more promising is the InvestEU guarantee provided in 2024 to the EIB Group for the €300 million export credit guarantee facility by the European Investment Fund (EIF) to support exports by European SMEs and small mid-caps (up to 499 employees) to Ukraine.

3. Policy Recommendations

3.1. Action 1: High-Level Project Support and MS Alignment

Achieving the objectives of the Global Gateway will require systematic high-level political support at both COM and MS levels to generate projects and secure project wins. This support needs to go beyond traditional diplomatic engagement to include a more comprehensive whole-of-government and "Team National" approach. A whole-of-government approach involves coordination between ministries and their publicly mandated organisations to ensure coherence and efficiency in policy implementation. Team National builds on this by integrating the whole-of-government approach with structured private-sector partnerships, fostering collaboration around strategic national objectives. MS should strengthen cooperation between the national government, private sector actors, ECAs and DFIs to align with EU strategic interests and best practices seen in non-EU competitors. This alignment should be supported by the COM's efforts to foster greater cooperation among MS, including targeted capacity building to ensure that national actors understand and use available EU financing instruments along the Team Europe approach. An essential component of this process is the involvement of the private sector at both national and EU levels, ensuring that private actors are involved in project identification, preparation and financing. To facilitate better coordination, regulatory bottlenecks should be reduced by aligning key EU legislation. By ensuring smoother regulatory pathways, the EU can create an enabling environment for greater involvement of private sector actors in Global Gateway projects. By adopting a strategic, comprehensive and integrated approach, involving all relevant stakeholders, the whole-of-the-EU offer can enhance the attractiveness of its combined development and geoeconomic impact (Figure 2). The EU approach can be further strengthened by implementing of a 360-degree approach that integrates Global Gateway investment projects into broader developmental and strategic considerations, highlighted in Figure 3.

Figure 2. European strategic integrated approach

Figure 3. Global Gateway 360-degree approach

3.2. Action 2: Coordination Unit for Implementation and Operational Support

In order to achieve continuity and scale of coordination efforts, it is essential to establish a dedicated EU coordination entity within the COM. This unit must be staffed properly and would act as a central hub for coordinating DFI, ECA and EU actions to create a unified Team Europe package. The initial phase could be supported by secondments from an ECA and a DFI to ensure cross-institutional knowledge transfer. This new unit should help coordinate the strategic guidance and operational implementation of the Global Gateway, integrating Team Nationals and Team Europe priorities. It could also serve as an entry point to the European private sector (possibly through a dedicated facility). In practice, it could lead the development of a joint COM/DFI/ECA strategic framework aimed at identifying, developing and securing flagship Global Gateway projects. It would provide operational support for project identification, stakeholder engagement and capacity building. In addition, the unit could facilitate joint task forces for specific project development, bringing together the EIB, the European Bank for Reconstruction and Development (EBRD), DFIs, ECAs and representatives of the private financial sector. Such task forces should take advantage of existing initiatives such as GET.Invest, which already provides support for green energy investments, and develop it into a Team Europe "one-stop shop" for other sectors. Another key role of this unit would be to set up project pipeline facilities offering co-financing and co-guarantee mechanisms. These pipeline facilities would increase efficiency, avoid duplication and provide a standardised process for co-financing large-scale Global Gateway initiatives.

3.3. Action 3: More Targeted EU Funding Mechanisms

In order to fill financing gaps and support high-impact geostrategic projects, the EU needs to develop more targeted financing mechanisms tailored to the specific needs of DFIs, ECAs and private actors. Effective coordination between these institutions can be facilitated by a dedicated coordination unit and, where appropriate, the provision of EU guarantees to enable ECAs to operate in contexts they would otherwise avoid (see Figure 4). A key recommendation is to provide ECAs with access to EU guarantees either through a special purpose vehicle (SPV) or an EIB-led mechanism. ECAs could set up a collective SPV structure, similar to the EDFI Management Company, which would be subject to pillar assessment and would be eligible to receive EU-backed guarantees. Guarantees could be financed not only through EFSD+ but also through EU funds aimed at improving European competitiveness. Ensuring a balance between ODA and non-ODA financing is essential, especially given the constraints of the 7% non-ODA limit under the NDICI and its impact on total ODA volumes reported under Development Assistance Committee (DAC) rules. This raises wider questions about the DAC eligibility of EU aid and its consistency with international commitments. A more structured planning approach is needed to determine whether funding should be pre-allocated on the basis of thematic areas, regional priorities or a combination of both. In addition to EFSD+, a non-ODA window for export credits, an InvestEU-type mechanism or regional and thematic funds such as green hydrogen could provide tailored financing solutions. Expanding these instruments would provide ECAs with additional tools to de-risk projects and enhance the competitiveness of European companies without imposing excessive administrative burdens. In addition, leveraging national ECA guarantees through EU-supported mechanisms would increase the impact of the Global Gateway and other relevant EU strategies, benefiting both development objectives and the European private sector (see Figure 5).

Given the administrative complexity of direct ECA guarantees under EFSD+, especially for smaller ECAs, an SPV or EIB-led mechanism would help to streamline processes and reduce administrative burdens while ensuring greater efficiency. Project-based guarantees and targeted technical assistance (TA) should be made available to strengthen the complementary and coordination between DFIs and ECAs to avoid fragmentation and competition for project pipelines. The current guarantee scheme, which is primarily focused on DFIs, should be expanded to include project-based guarantees, allowing for more targeted support to Global Gateway flagship initiatives and key European private sector actors (see Figure 6). To further enhance cooperation, the EIB or an SPV could act as a central vehicle for EU guarantees, fostering greater complementarity and, when relevant, integration between ECAs and DFIs. Beyond standardised guarantees, this mechanism could also facilitate project pipeline sharing and co-financing arrangements. The EIB's ability to standardise guarantees, as demonstrated in the EIB-SACE-Enel case, highlights its potential role in improving the efficiency of ECA-backed financial instruments. However, national content requirements for ECAs remain a challenge. Establishing clear guidelines on how national ECAs can jointly support European projects without distorting competition is crucial to maintaining a level playing field and ensuring compliance with EU law.

Figure 4. Targeted support to foster ECA-DFI coordination

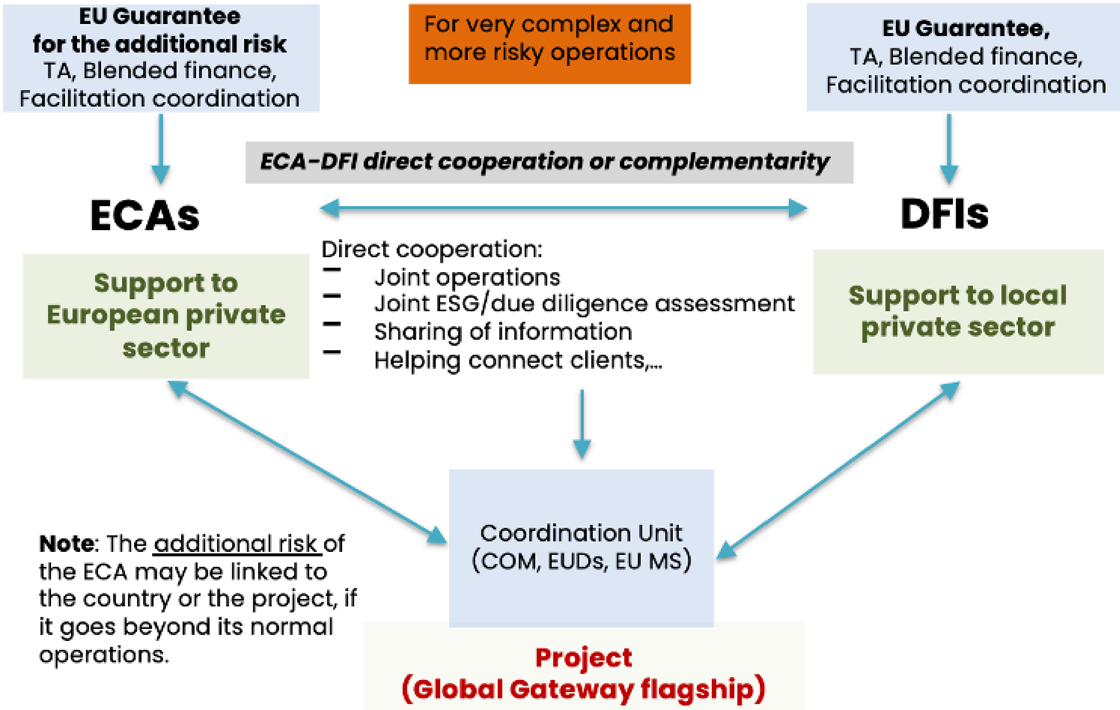


Figure 5. Leveraging effect of project-specific guarantees to ECAs

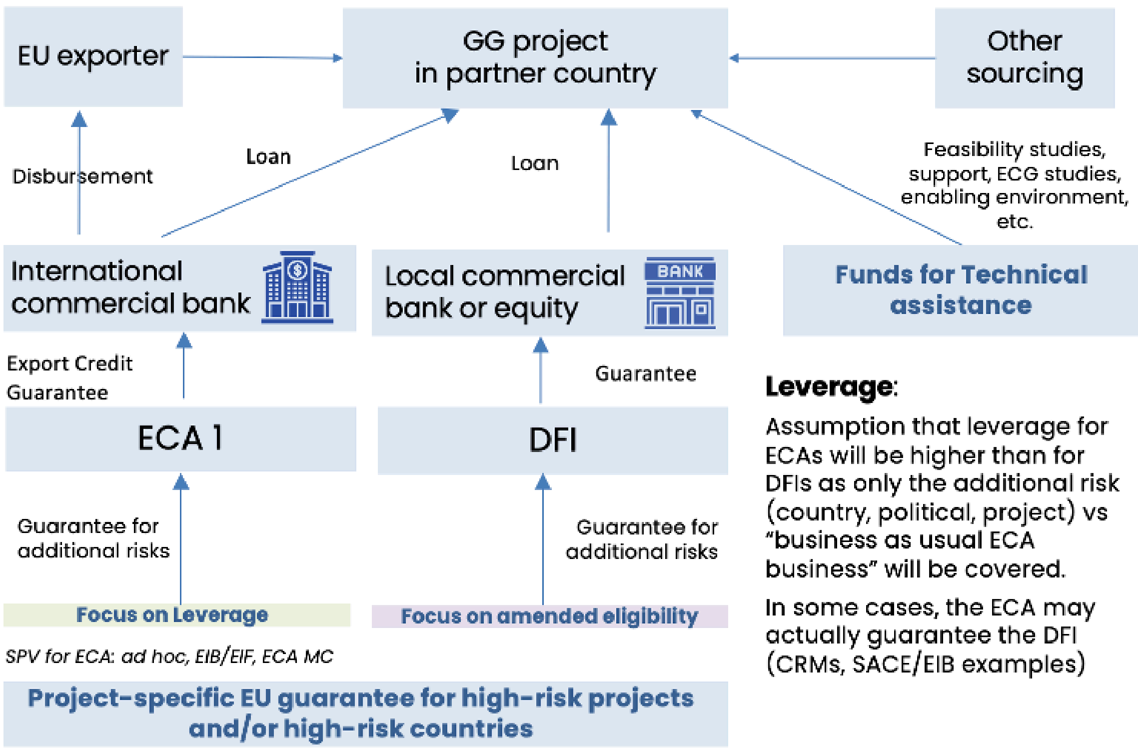
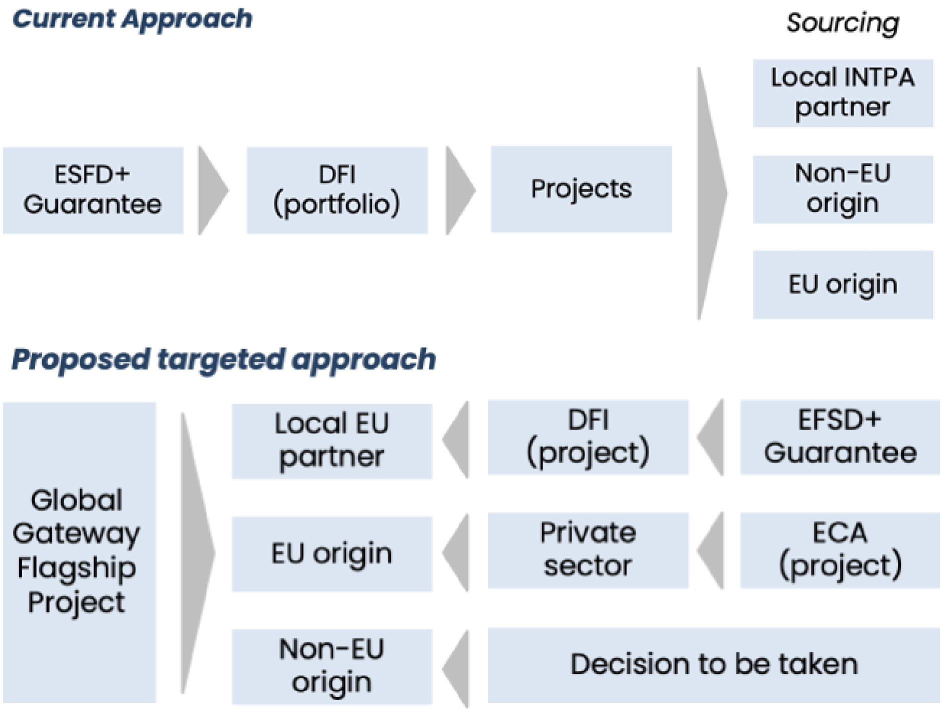


Figure 6. Proposed targeted approach



The implementation of a comprehensive 360° financing and support approach – integrating grants, loans, equity, guarantees and insurance, and the diversity of relevant Team Europe actors, including DFIs and ECAs – is essential to position the EU as a competitive player in global infrastructure and development finance. This holistic strategy would enable EU actors to compete effectively with countries such as Japan and China, which provide integrated financial support packages to developing countries.

3.4. Action 4: EU Delegations, COM and MS for Project Pipeline Creation

In order to strengthen the Global Gateway strategy at the country level, EU Delegations and MS embassies should play a more prominent role in project pipeline development. EUDs should act as the first entry point for project discussions with partner countries, using their local presence to identify opportunities, facilitate partnerships and connect European companies with local stakeholders. This requires the development of business development capacity within EUDs and embassies, supported by dedicated staff responsible for identifying and preparing potential projects. To achieve this, the European External Action Service (EEAS) and the Commission should design and deliver targeted training programmes to ensure that EUDs and embassy staff are equipped with the knowledge, skills and tools to identify projects, identify and contact relevant business associations and public financial institutions in the EU, support procurement processes and align activities with the objectives of Team Europe. In addition, EUDs should organise project-related workshops and networking events in host countries to bring together private sector actors, development partners and local governments. To operationalise this approach, a structured mechanism should be established to facilitate systematic engagement between EUDs, embassies, DFIs, ECAs and the private sector. This could take the form of a dedicated Global Gateway Business Facilitation Platform, which would provide EUDs with tools for project screening, matchmaking and investment facilitation, while ensuring coordination with financial institutions and European companies. In addition, a digital interface could be developed to streamline project identification and track engagement, ensuring more strategic pipeline development and improved visibility of opportunities for European businesses. Financing modalities and procurement processes should also be revised to facilitate project origination by the European private sector, which could be complemented by development support for local actors, to foster win-win cooperation and outcomes. This approach would help to create a steady pipeline of potential projects under the Global Gateway, including flagship projects. Coordination should be further strengthened through the establishment of an expertise-sharing mechanism between the EEAS, EUDs, COM, MS embassies, development partners, technical, implementing and trade promotion agencies, DFIs and ECAs to ensure that best practices and project lessons are systematically disseminated to all relevant actors.

3.5. Action 5: Strengthening Communication and Implementing Measurement

Effective communication and measurement are essential to ensure consistent messaging, transparency and stakeholder engagement for the Global Gateway. The EU should develop a structured communication strategy to inform stakeholders of the progress of the enhanced coordination efforts and showcase the achievements of the flagship projects. This strategy should include webinars, social media campaigns and online platforms to share best practices, success stories and ongoing developments. To improve transparency and accountability, the EU should develop a consistent set of metrics to track project outputs, outcomes and impacts. These metrics should capture key indicators such as the volume of ECA-supported financing, contributions to the SDGs, and the impact of Team Europe interventions. As part of this, ECA financing supporting Global Gateway initiatives should be counted towards the strategy's €300 billion target. Establishing clear reporting cycles with regular updates on project progress and emerging challenges would allow for better stakeholder oversight and promote greater accountability. This approach would also support efforts to engage with private-sector actors. By organising consultations and workshops with European companies, DFIs, ECAs and other stakeholders, the EU can gather valuable insights to improve project selection, design and implementation. A proactive approach to monitoring private sector financing in the context of the Global Gateway could also help to demonstrate the economic value of these investments, thereby encouraging greater participation by European companies.

4. Summary and Conclusions

4.1. Key Findings

Our results show significant opportunities for Europe to strengthen its geostrategic influence, support sustainable development and promote fairer competition for European exporters. The findings underline the critical role that DFIs and ECAs play in achieving the €300 billion investment mobilisation Global Gateway's goal. While DFIs and ECAs have different mandates, they share common objectives in terms of SDG-aligned development and private-sector support, providing a strong basis for complementarity. Despite this potential, operational challenges remain, including regulatory fragmentation, misalignment of financial instruments and a lack of structured cooperation. Ad hoc collaborations have produced positive results but are often limited in scale and sustainability. There is also growing recognition of the role of the private sector, which is essential for scaling up impact and ensuring the commercial viability of projects. Comprehensive integrated approaches such as those pursued in the Costa Rica Team Europe e-mobility offer and innovative approaches such as the EIB-SACE-Enel partnership and the EIF export credit facility for EU SMEs in Ukraine show how joint financing packages can generate significant development and trade benefits. However, the lack of a unified coordination mechanism within the EU has prevented these successes from being systematically scaled up.

4.2. Recommended Actions

To bridge the coordination gap and maximise the potential of Global Gateway financing, this paper identified five critical policy actions. First, there is a need for high-level project support and MS alignment. This includes strengthening whole-of-government and "Team National" approaches at the country level as effective building blocks to Team Europe, while ensuring regulatory alignment to reduce bottlenecks to private sector engagement. Second, the creation of a dedicated EU coordinating entity is essential to provide a unified operational framework. This new unit would lead joint project development task forces, ensure continuity of efforts, establish a project pipeline facility to coordinate European DFI-ECA (and, more broadly, multi-stakeholders) actions, and possibly co-finance flagship projects. Third, more targeted EU financing mechanisms are needed to improve the effectiveness of the EU guarantee system and to promote project-based guarantees. An SPV or preferably an EIB mechanism could be established to channel EU guarantees to ECAs to support the participation of the European private sector in Global Gateway projects. Fourth, EU Delegations and MS embassies should play an active role in identifying, preparing and supporting the development of project pipelines in partner countries. Finally, improved communication and measurement systems are needed to increase transparency, engage stakeholders and track the impact of enhanced coordination. These actions, if implemented, would provide a clear and effective pathway for the Global Gateway initiative to move from start-up to scale-up.

4.3. The Way Forward

To fully realise the ambitions of the Global Gateway Strategy and effectively move from start-up to scale-up, the EU must prioritise the creation of a comprehensive, coherent and competitive financial offer. The EU's approach needs to shift from isolated, ad hoc coordination actions to a more systematic, long-term strategy that reflects the whole-of-government models used by competitors such as Japan, South Korea and China. The proposed creation of a dedicated coordination unit at the COM would act as a hub for operational alignment, strategic coherence and stakeholder engagement. Enhanced coordination between DFIs, ECAs, EIB, EBRD and private sector actors is essential to mobilising resources at scale. Going forward, the EU must also emphasise its 360° financing offer, which combines grants, loans, guarantees and equity into a single, coherent financial package. Through this approach, the EU can create a level playing field for European businesses, support the development needs of partner countries and increase the visibility of the impact of Team Europe. Looking ahead, priority should be given to building a robust pipeline of projects in partnership with local private sector actors and international financial institutions. This approach will not only strengthen Europe's geostrategic presence but also ensure that the EU maintains its competitive edge in global development finance.

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HEAD OFFICE
SIÈGE
Onze Lieve Vrouweplein 21
6211 HE Maastricht
The Netherlands *Pays Bas*
Tel +31 (0)433 502 900

BRUSSELS OFFICE
BUREAU DE BRUXELLES
Avenue des Arts 44, 1040
Brussels *Bruxelles*
Belgium *Belgique*
Tel +32 (0)2 882 50 08

info@ecdpm.org
www.ecdpm.org
KvK 41077447