



2 April 2025

Engaging the European private sector in the Global Gateway strategy for Africa

- Challenges and ways forward -

EBCAM recommendations to policy makers

The new European Commission focuses on investment and competitiveness, security concerns and strategic autonomy, combining European interests in a new foreign economic policy with sustainable development ambitions, working toward mutually beneficial partnerships.

In this context, moving from the start-up to the scale-up phase of the Global Gateway (GG) is one of the key objectives of the Commission.

As Commissioner Sikela has pointed out on several occasions, private investment is critical for the success of the GG, since the necessary levels of investment can only be achieved together with European businesses. The successful implementation of the GG depends on the active involvement of the European private sector.

Yet, more than three years after the introduction of the GG, the European private sector is still largely absent from this strategy and its implementation on the ground. European companies often encounter significant barriers that compromise their competitiveness on international markets - especially in Africa - and impede their participation in international development efforts.

Therefore, the European private sector expects the GG to be a real tool to support its capacity to expand to new markets on a level playing field with foreign actors, whereas developing countries expect a meaningful engagement from peer-to-peer, with concrete and quick results to sustain their economic development over time in a win-win investment format.

This is why the main EU business organisations including EBCAM deplore the fact that this strategy that places the private sector at the heart of efforts to mobilise financial resources has not yet translated into concrete results.

The Global Gateway initiative has so far been perceived by the private sector as overly focused on a supply-side approach, lacking meaningful engagement with business demand.



While its ambitious nature is evident, the implementation process remains opaque, with limited clarity on how projects are assembled or how businesses can participate.

This lack of transparency, coupled with insufficient information about ongoing and planned projects, has created significant barriers for companies interested in tendering or proposing their own investments. Moreover, information gaps extend beyond Europe, affecting partner countries and regions that are equally in need of clarity about the GG's goals, mechanisms, and opportunities.

The GG governance structure reflects the complex distribution of responsibilities between the EU and Member States - Private sector actors are not sufficiently involved in the co-creation and governance of the GG strategy. As a result, companies feel that the GG is a top-down initiative designed by policymakers without a deep understanding of business realities on the ground.

In this context, here are the main concrete recommendations put forward by EBCAM on what should be done to better involve the European private sector in the Global Gateway strategy with Africa. They are split between two levels: the political/policy and the more technical/operational levels.

At the political level

Communication on the Global Gateway should be improved, internally and externally, to promote a positive offer, in line with EU and partner countries' interests. Whilst this may seem far off when the issue at stake is European private sector engagement, messages around the Global Gateway may facilitate or on the contrary impede their long-term engagement in partner countries. In practice:

- **Adapt the framing of Global Gateway:** Global Gateway should not be about competing with the China Belt & Road Initiative (BRI), but rather complement, cooperate and/or provide alternative options for partner countries.
- **Provide more operational information, including at partner countries' level:** Beyond the communication at the strategic level, more information on the operationalisation of the Global Gateway should be made available in the public domain.

To date, not much information is available beyond the name of the flagship project - while data on volume of the investments, on public and private mobilisation, on the implementer, the stage of the project implementation etc. are essential in supporting the political message. **This must be addressed fast to provide factual and real-life stories about projects.**



- **Provide a better understanding of what is strategic:** to engage in the Global Gateway and play a proactive role by e.g. putting proposals that are relevant, the European private sector needs further clarity of the strategic positioning of the Global Gateway. The current list of +260 flagship projects makes it hard to understand what is strategic.

At the technical/operational level

1. **Create a focal point** at the Commission level to provide centralised guidance for private companies on the Global Gateway.
2. **Clarify what funding is available for the EU private sector and make it accessible. The funding framework needs to be simplified and accessible from the start.** Speed of delivery is essential for the success of the Global Gateway. Hence, lean mechanisms must be found to incentivise project realisation.
3. **Establish dedicated risk mitigation mechanisms for the European private sector** and use European ODA to de-risk impactful private investments in Africa - A bottom-up approach is recommended to ensure local relevance and sustainability.
 - a. Use a combination of grants, concessional loans, and private capital to reduce the financial burden and share risks with the private sector, especially on high-risk areas or conflict-affected regions,
 - b. Use EU funds to co-finance feasibility studies, capacity building, and early-stage project development, reducing upfront risks,
 - c. Offer low-interest loans for European companies that implement private-sector projects on the African continent.
3. **Favouring a Public-Private Partnership (PPP) approach whenever possible** to highlight the flexibility and innovation that the private sector can bring to African markets.

Faced with the difficulty for European companies in the infrastructure sector to be proactive and competitive and to mobilise large-scale funding, **the EU must position itself as an integrator of a European offer for the deployment of sustainable infrastructure in developing countries within the framework of PPPs.** It must do this by promoting Europe's comparative advantages, in particular local content, social and environmental standards, and a concern for sustainability, quality and the development of local skills.

4. **Enhancing European business cooperation and fostering deeper collaboration** among European companies. This approach will encourage joint initiatives, increase synergies, and bolster Europe's collective engagement in Africa.



5. **Restricting tenders to European companies.** To strengthen the European business community and maximise visibility in Africa, it would be advantageous to limit tenders to European companies. This approach would pool EU expertise more effectively and underscore the added value of European resources abroad.
6. **Adopting a more efficient European economic diplomacy to promote European companies on the ground.** EU delegations are not always consistently equipped to promote European companies. As a result, there is a lack of proactive political support in resolving blockages, regulatory disputes, or favouring European consortia especially when they are confronted by entities from several third countries (China, Russia, Turkiye, India, Brazil et al.), which are not constrained by the European rules imposed on our companies when operating abroad.

This political support on the ground would create a sense that the GG is more of a development aid instrument than a real geopolitical business tool.

Conclusion – the way forward

As far as the Global Gateway is concerned, the commitment of the European private sector is essential for its success, but this commitment can no longer be achieved solely by implementing a supply-side policy.

To be effective, the Commission now needs to act on business demand to address this key issue: how to effectively and systematically engage the European private sector in the GG before the end of 2027, in a way that contributes to mutually beneficial partnerships and responds to partner countries' priorities and needs.

Based on experiences and concerns expressed by the companies belonging to our national member organisations, the business demand from our side concerning Africa could be addressed by the creation of a dedicated mechanism anchored at the European level and complementing National Teams.

- This mechanism should help build an attractive European offer by combining large infrastructure projects, with a set of smaller soft infrastructure projects, which can provide opportunities for European SMEs to engage, when relevant in collaboration with the African private sector.
- The aim of this mechanism would be to (1) improve communication about the GG and share with the European private sector concrete project opportunities in this context, (2) enable these projects to be identified and structured into co-investments with African partners, and (3) **issue calls for proposals to European companies**, by



sector, by value chain, by region or by corridor - Alliance between two or more European companies would be encouraged.

- The proposed call for proposal could provide different types of support in line with the principle of untied aid: 1) **Financial support**, through the provision of grants and 2) **Non-financial support**, which would aim to facilitate the investments by tackling issues relating to the business environment, systemic issues in the sector or value chains (like skills) etc.

As EBCAM we have very practical ideas based on our members' recommendations and options on the content of the above mechanism and how to make it operational. We are therefore available for further explanations and discussions to share these recommendations with the relevant departments within the Commission, **as well as for working with the policy makers to adapt and rethink EU's instruments and approaches to make the Global Gateway more attractive to European businesses.**