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THE GLOBAL GATEWAY PROGRAM AS A COMPONENT OF THE EU’S GLOBAL LEADERSHIP⁸

During 2021–2027, the European Union will implement the “Global Gateway” infrastructure development program in transport, energy, and digital technologies worth about 300 billion euros. As noted by Ursula von der Leyen, this is the EU’s first alternative to China’s investment policy (“One Belt, One Road” initiative, launched by the PRC in 2013) [11]. The head of the European Commission noted: “We know that there is a great need for investments in the world. But when it comes to investment options, they are quite

⁸ Funded by the European Union. Views and opinions expressed are however those of the authors only and do not necessarily reflect those of the European Union or European Education and Culture Executive Agency. Neither the European Union nor the granting authority can be held responsible for them. Project number: 101047462 — EUSTS — ERASMUS-JMO-2021-HEI-TCH-RSCH.

limited. The few existing options often contain conditions written in fine print that lead to serious consequences – financial, political or social” [5]. Therefore, the EU’s efforts are aimed at remedying the situation and strengthening its influence in the global dimension, ensuring European resilience and sovereignty.

Global Gateway Program is a major investment in the development of the infrastructure not only of the member states of the European Union, but also of the partner countries, especially those that are in critical need of financial income for their recovery after the Covid-19 pandemic. The Joint Communication of the European Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions, and the European Investment Bank of December 1, 2021, states that modern democracies must demonstrate their ability to meet global challenges, to help improve the lives of people around the world by increasing investment and developing the infrastructure needed to deliver sustainable prosperity, jobs, and services to their local communities. It’s also important, the document says, for fighting climate change and protecting the environment, improving global health security, and increasing the competitiveness of the world economy. The correctness of the EU’s position is confirmed by the fact that the Global deficit estimates in infrastructure investments will reach 13 trillion euros according to G20 by 2040.

This figure will increase by another 1.3 trillion euros every year if we take the investments to infrastructure needed to limit climate change and environmental degradation. Accordingly, through the Global Gateway Program, the EU offers funding on fair and favorable terms to protect partners and empower local communities to address today’s most pressing global challenges – from climate change and sustainable development to health security, gender equality, and education systems. Thanks to the Global Gateway, the EU will play its full role in reducing the global investment gap, actively cooperating with the UN, the G7, the US, and other partners, and promoting European values and principles [7].

Global Gateway Program implemented through projects in Latin America and the Caribbean, the Middle East, Asia Pacific, and sub-Saharan Africa. The initiative directs

EU spending on the progress of global infrastructure according to the key principles: 1. Democratic values and high standards; 2. Good governance and transparency; 3. Equal partnership; 4. Green and clean development; 5. Security focus; 6. Attracting private sector investments [7]. Considering that assistance within the framework of the Global Gateway Program is aimed at several countries and regions of the world, the compliance of the projects with the principles mentioned above, as well as the general situation with investment attractiveness, are considerable in the distribution of this assistance. As part of the initiative, the EU offers support for projects that meet the EU's vision for internal development and international cooperation.

For example, for EU countries, the most powerful is the Rail Baltica project – the construction of a cross-border railway network with a length of 870 km, which will connect the Baltic countries with Białystok and Warsaw. Financing of such works (85%) provided from the funds of the Connecting Europe Facility program, and its completion planned in 2026. CPK (Centralny Port Komunikacyjny) projects will also invest, among them the construction of the largest airport in the EU southwest of Warsaw, the area of which will be 30 sq. km which will be served by twelve new railway lines with a total length of about 2 thousand km of new tracks; the new airport in Radom, southeast of Warsaw; expansion of the John Paul II Airport in Kraków-Balice; Romania signed in August 2022 a major financial contract through Pnrr Skopje in North Macedonia to modernize its railway infrastructure by 2030; EUR 110 million has been allocated for the modernization of the railway corridor in western Bulgaria between Sofia and the Serbian border, etc. [8].

Several projects are being implemented in African countries [1]. Example:

1. Morocco: Extension of 37 km of the tramway network in the RabatSalé-Témara agglomeration, Construction of hydrogen power plant, Production of methanol for green shipping

2. Niger: Construction of hybrid and solar power plants and extension of the energy network (photovoltaic power plant Gorou Banda (30 MW), hybrid photovoltaic plant in

Agadez (19 MW), North backbone of the Nigeria – Niger – Benin – Burkina Faso Interconnection (330 kV).

3. Kenya: Construction of Bus Rapid Transit system in Nairobi; Construction of optic fibre infrastructure and last mile connections.

4. Namibia: Construction of 85 MW solar PV plant combined with electrolyzes; Implementation of partnership on raw materials value chains and renewable hydrogen.

5. Mozambique: Construction of National Control Centre for Energy Infrastructure, improvement of the reliability and sustainability of the power supply; Invest on digital literacy and skills for youth to foster digital transformation (VaMoz Digital); Creation of employment opportunities in the energy industry for youth in Cabo Delgado (pilot vocational training initiative + EMPREGO).

6. Nigeria: Generation and evacuation infrastructure for on-grid renewable energy projects e.g 200 MW of power from a solar photovoltaic park; Construction of six small hydropower plants of a total of approximately 2 MW; Construction of about 150 small photovoltaic-hybrid mini-grids; Provision of combi-tracks solar energy and horticulture etc. [2].

A separate direction of the Global Gateway Program refers to the region of Latin America and the Caribbean. The EU-Latin America and the Caribbean flagship projects for 2023 concern partnerships in the fields of digital technologies, climate, and energy, transport, health, education, and research, namely:

1. Costa Rica: Conversion of urban bus fleet to electric: 40 public e-vehicles contributing to a reduction of 5000 CO₂ ktons/yr; Development of taxonomy for economic activities considered environmentally sustainable; Development of vaccine production and health systems resilience; Production of Green Hydrogen.

2. Colombia: Development of taxonomy for economic activities considered environmentally sustainable; Production of Green Hydrogen.

3. Ecuador: Construction of drinking water plant and sanitary sewage systems, as well as the construction of pluvial drainage and collection systems in the Portoviejo municipality of Manabí; Development of green urban infrastructure projects.

4. Panama: Development of vaccine production and health systems resilience; Sustainable access to electricity through the extension of grids, construction of mini-grids; Implementation of isolated systems powered by renewable sources of energy; Metro lines extension.

5. Argentina: Development of Gran Chaco and expansion of the electricity transmission network covering 23 provinces nationwide; Development of critical raw materials value chains for lithium and copper; Production of Green Hydrogen etc. [3].

The Global Gateway investment plan also focuses on the countries of the Eastern Partnership, including digital infrastructure projects, such as the laying of a fiber optic cable under the Black Sea, a power line that will connect Georgia and the Caucasus with the EU, or the development of access to high-speed Internet in the region. In the Eastern Partnership Region, the Global Gateway Program implemented through the Economic and Investment Plan, which aims to support recovery, resilience, and reforms in the Eastern Partnership countries, implementation of the document “Recovery, Resilience and Reform: Priorities of the Eastern Partnership after 2020” with a budget of 2,3 billion euros from the European Union in the form of grants, mixed financing, and guarantees. At the same time, the plan envisages attracting up to 17 billion euros of public and private investments. Main areas for investment: improvement of transport connections; facilitating access to finance for small and medium-sized enterprises; increasing competitiveness and entering the European market; transition to digital technologies; became energy; care for the environment and climate; health care support; educational reform and opportunities for youth [10].

As for Ukraine, five flagship initiatives are highlighted here: 1) Sustainable, innovative, “green” and competitive economy – direct support of 100,000 small and medium-sized enterprises (the total amount of investments is up to 1,5 billion euros); 2) Economic transformation of rural areas – assistance to more than 10,000 small farms (the total amount of investments is up to 100 million euros); 3) Modernization of border crossing points with the countries of the European Union (total investment amount is up to 30 million euros); 4) Acceleration of digitalization – modernization of the state

IT infrastructure (total investment amount is up to 200 million euros); 5) Increasing energy efficiency and supporting the transition to renewable energy sources based on hydrogen (total investment amount is up to 100 million euros) [10].

According to DiXi Group analyst Andrii Ursta, attracting additional support from the Global Gateway Program will potentially encourage further funding from international donors and investors. Currently, the Global Gateway Program supports some projects in Ukraine (for example, the replacement of railway tracks and the integration of Ukraine into the EU roaming zone). Energy and climate projects, the expert continues, will be of key importance for the further transformation of Ukraine's economy and green reconstruction within the framework of EU integration, and the introduction of projects within the Global Gateway Program will be a positive signal for their financing in Ukraine [9]. Such support is also important for Ukraine's European course, the fulfillment of its obligations, including the norms of the European Green Deal, as well as the post-war reconstruction of our country. At the same time, it is worth noting that the prerequisite for receiving investments within the Global Gateway Program is compliance with the principles of transparency, non-discrimination and effective governance in Ukraine.

In October 2023, the First Global Gateway Forum was held in Brussels. Its participants were more than 40 high-ranking representatives of governments, financial institutions, and businesses, who focused on green energy, critical raw materials, communications, health care, and education [4]. That is, in those areas that the EU considers important for strengthening sustainability and its global leadership in the modern world.

Therefore, the Global Gateway Program marks a geopolitical turn in EU policy – strengthening its stability and geopolitical influence, including through strengthening the powers of EU institutions, introducing a new approach to financing infrastructure projects, cooperation with the private sector, national ministries, state enterprises and banks in achieving European priorities. However, the implementation of the Global Gateway also presents several challenges, such as problems in the coordination of different programs (for example, the Global Gateway Program and the G7 Program “Building a Better

World”); non-acceptance by African countries of the value approach of the EU in the implementation of the initiative; strengthening of strategic competition with China [6]. No less important challenges are the results of the upcoming presidential elections in the USA, and the full-scale aggression of Russia against Ukraine, which has led to new problems (destruction of infrastructure, increased humanitarian needs, exacerbated energy crisis, etc.). This is about the need for clear political decisions, attracting additional funds, and strengthening international coalitions in the restoration of international law. Therefore, the level of effectiveness of the Global Gateway Program will demonstrate the ability of the EU as a truly geopolitical force that determines the trends and development of global infrastructure or, otherwise, the EU will remain exclusively in the role of an observer in the political and economic rivalry between the PRC and the USA.

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