

EIC PRESS RELEASE

EU Global Gateway Initiative

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- **EIC welcomes the new EU Global Gateway Strategy as positive political signal to EU partner countries**
- **Delivery model for transport infrastructure needs refinement**

Berlin, 01st December 2021

‘EIC welcomes the new Global Gateway initiative as a positive signal to EU partner countries across the globe that the European Union is ready to help bridging the global infrastructure investment gap’, commented EIC Director Frank Kehlenbach upon the release of the respective new EU strategy. EIC appreciates specifically that the EU will provide additional € 4.6 billion to enhance sustainable transport connections in Africa and in the Southern Neighbourhood. ‘This is good news for European international contractors, and we stand ready to deliver high-quality, sustainable and resource-efficient transport infrastructure that enables partner countries to accelerate social and economic development and facilitates their integration into global supply chains’.

EIC observes that the Global Gateway initiative reflects a renewed determination of the EU to move forward from a ‘global payer’ towards a ‘global player’ and to better define the European value proposition for infrastructure development with high standards, good governance, and transparency. Doubts remain, however, regarding the proposed investment and delivery model. ‘Let’s face it: It has been very difficult in the past to identify bankable transport infrastructure projects in Africa which appeal to private investors’, notes Mr Kehlenbach. Therefore, the EU needs to channel more funds into publicly financed infrastructure projects, a point of concern for EIC: ‘We cannot avoid a certain uneasiness about the EU’s current transport connectivity policy which is highly dependent on blended finance operations. We are concerned that, by transferring EU grants for infrastructure projects under the blending modality to non-EU financial actors, the European Commission suffers a loss of visibility and control over the project implementation’. Against this background, EIC welcomes that future EU financing will rely on systematic mechanisms to filter out abnormally low tenders and foreign subsidies that undermine the level playing field. ‘We trust that this principle shall apply to any infrastructure tender co-financed with EU funds’, add Mr Kehlenbach.

EIC further acknowledges that the Global Gateway initiative calls upon EU institutions, Member States, and European financial institutions to work together as a ‘Team Europe’ with European businesses and the private sector in partner countries. ‘Contrary to some of our competitors, we as European international contractors are well-known to deliver our projects in close collaboration with local partners, suppliers and employees to strengthen the local economy.’

About EIC

European International Contractors (EIC) is a European industry federation with the mandate to promote the interests of the European construction industry in relation to its international business activities. EIC has as its members national construction associations from fifteen European countries, to which the internationally active European contractors are affiliated, as well as several associated member companies from construction-related industries and professions. The annual turnover of internationally active European contractors associated with EIC's Member Federations outside their respective home countries amounts to around €170 billion.