JOINT LETTER

JULY 14TH, 2025

Dear Commissioner Síkela,

We would like to thank you for engaging with us, and we welcome this dialogue as an important step toward greater transparency and accountability in the Global Gateway. We hope this exchange continues as the initiative progresses. Following your response to our previous joint letter on the Global Gateway, we would like to follow up, as several critical issues raised remain unaddressed. We continue to have serious concerns regarding the current direction of the Global Gateway.

Civil society organisations remain concerned about the lack of development additionality and due diligence in the use of guarantees and blending under the Commission's approach. This issue was explicitly raised in our previous joint letter, yet it was not addressed in your reply.

This is particularly relevant in the context of the Global Gateway, where a growing share of EU development financing relies on guarantees and blended finance mechanisms. As the European Court of Auditors has pointed out, the projects financed using the EFSD+ guarantees under Global Gateway fail to demonstrate a meaningful contribution to the EU's development objectives.

Moreover, the heavy reliance on private-sector mobilisation has led to the neglect of essential sectors that are central to sustainable and inclusive development, such as universal public services, care systems, and social infrastructure. These areas typically do not generate short-term financial returns and are therefore less attractive to private investors, despite their transformative impact on people's lives and rights. A recent report by Oil Change International analysed a decade of blended finance, a key energy and development finance tool that plays a key role in the Global Gateway, is very unsuccessful (4-7 times less private investment mobilised than anticipated). The Commission should draw the logical conclusion from these outcomes: development finance for public services, social infrastructure or climate action should go via public entities as the private sector interests conflict too much with development objectives.

We urge the Commission to establish clear and measurable criteria for development additionality in the use of guarantees and blended finance under the Global Gateway. Public funds must be used to support projects that would not otherwise take place and that deliver concrete development outcomes. Without strong additionality requirements, there is a serious risk that EU support will fail to mobilise the needed investments and subsidise the private sector with little or no contribution to partner countries' sustainable development priorities.

We would appreciate a clear response on how the Commission intends to ensure that financial instruments used under Global Gateway and other EU development initiatives truly deliver additional and equitable development outcomes.

We would also like to reiterate our call for greater transparency regarding Global Gateway projects, another point not addressed in your previous reply. Information on project selection, financing volumes, implementing banks, companies awarded contracts, and the decision-making process remains largely unavailable. Without full transparency, it is difficult for the European Parliament, the legally mandated scrutiny authority, the civil society and the local actors to assess whether these projects contribute to development objectives or to hold actors accountable. We therefore urge the Commission to make this information systematically available to ensure public scrutiny and build trust in the Global Gateway.

We note your assertion that EU delegations "are engaging with civil society, including Indigenous people representatives and local authorities on all levels, and notably in countries, to ensure meaningful participation". We would be obliged if you could provide details of these engagements, as this assertion is at odds with the feedback we have received from civil society in project countries

The lack of structured involvement of civil society and local governments risks deepening the democratic deficit of the Global Gateway, particularly in the absence of binding roles for parliaments in both partner countries and Europe. Civil society is effectively assigned only a <u>limited monitoring role</u>, often post hoc, with little or no opportunity to contribute to the identification or design of projects — especially those with clear development multiplier effects.

It is equally concerning that the Commission has so far been reluctant to provide transparency on how projects are selected and whether they have been genuinely co-designed with partner states. This undermines confidence in the process and limits civil society's ability to advocate for a Global Gateway that truly aligns with the development priorities and demands of partner countries.

We urge the Commission to rethink this approach and establish clear mechanisms for meaningful participation of civil society and local actors throughout the project cycle, from identification to design and implementation, in order to ensure the Global Gateway delivers inclusive and demand-driven outcomes that reflect the needs and priorities of partner countries. We also call on the Commission to review and strengthen the mandate of the Civil Society and Local Authorities Advisory Platform, transforming it into a space that allows the inclusive participation of all interested CSOs, including women's rights organisations, with a real role in scrutinising the Global Gateway's implementation, including the priorities and projects.

We call on the Commission to ensure implementation of that development additionality and meaningful civil society engagement through binding commitments in contracts with EIB and other implementing banks and institutions under the EFSD+ guarantees.

Currently Global Gateway projects create a high risk of lack of negative development impact, and of exposing the EU to reputational risks, due to the limited in-country presence of implementing banks. To mitigate these risks, the design and implementation of projects must be based on bottom up planning, real participation by local communities and meet the needs of those most in need locally. This is a key component to make projects that avoid harm to people and the environment. Moreover, contracts should include enforceable obligations for implementing institutions to carry out their own development impact assessments, including in presence site visits, conducting <u>full human rights due diligence</u>, and exercising heightened caution in contexts where civic space is limited or under pressure. There should also be a binding engagement to include local civil society in the decision making process of projects by ensuring the EIB and other implementing institutions have physical presence and engage with local civil society in each step of the project, including by sharing and publishing all the relevant information and documents.

There are deep concerns over the growing dissonance between the European Union's stated commitment to a human rights-based approach (HRBA) in external action and the practical implementation of the Global Gateway strategy. The Global Gateway's emphasis on large-scale infrastructure and investment must not come at the cost of human rights, social equity, or democratic accountability. Your response ignored the CRM partnership in Rwanda, linked to well established violations of human rights and conflict. Civil society groups in North African countries; Tunisia, Egypt, and Morocco also <u>sound the alarm on green hydrogen projects</u> under the Global Gateway that are <u>export oriented and driven by EU interests</u>, threatening human rights, sovereignty, local communities and environmental justice. In Honduras, the EU has chosen to promote three multifunctional dams amongst its flagship Global Gateway projects. One of these dams (El Tablón) is already generating opposition from people who will be affected by the flooding. One of the municipalities most affected (Quimistán) held a town hall meeting to take a decision on approving the project, and the decision was to reject it. However the government has said the project will go ahead anyway. The project has been strongly promoted by the EU Ambassador.

A HRBA requires that all development initiatives prioritize participation, transparency, and accountability. Yet many Global Gateway projects are planned and financed with limited consultation of affected communities or local civil society. A lack of publicly available data on project financing, human rights safeguards, and impact assessments further undermines the EU's own standards of democratic oversight and public accountability.

We are equally concerned that key structural issues in the Global Gateway approach were not addressed in your previous reply, despite being raised in our last joint letter. In particular, the current focus on facilitating EU exports and securing access to critical raw materials and the above mentioned raw materials and green hydrogen projects. Additionally, the persistent lack of attention to technology transfer and capacity building undermines opportunities for local value creation. Without a genuine shift towards projects that respond to partner countries' development priorities and deliver tangible local benefits, supported by meaningful technology transfer and knowledge sharing, the Global Gateway risks entrenching existing asymmetries rather than fostering equitable and sustainable partnerships. A recent <u>study</u> on the EIB's climate finance points out that its investments outside of the EU indeed fail to meet these objectives. While the Bank is supposed to prioritise development objectives as the main implementer of the Global Gateway, it has also dramatically decreased its concessional climate finance, paying little attention to the least developed countries.

We reiterate that, without meaningful reforms to ensure transparency, accountability, and alignment with partner countries' priorities, the Global Gateway risks reinforcing a neocolonial model of development, one that prioritises EU geopolitical and economic interests over human rights, democratic ownership, and the real needs of communities on the ground.

We want to thank you again for engaging in the dialogue with us and would invite you to engage with us and other civil society actors to discuss how the issues mentioned above can be better addressed.

11.11.11 - Belgium
Accountability Counsel - International
ActionAid Europe
Asociación de Mujeres Defensoras de la Vida (AMDV) - Honduras
Association Al Bawsala - Tunisie
Association Développement Sans Frontières Tataouine - Tunisia
Both ENDS - The Netherlands

SIGNATORIES

Broederlijk Delen - Belgium CAN Africa Caritas Europa CEE Bankwatch Network - Central and Eastern Europe CIDSE - International CNCD-11.11.11 - Belgium

Concerned Youth Organization (CYO) - Malawi Confédération nationale des Producteurs Agricoles du Congo (CONAPAC) - Democratic Republic of Congo **Counter Balance - Europe** Debt Observatory in Globalisation (ODG) - Catalonia, Spain Diakonia - Europe Egyptian Foundation for Environmental Rights - Egypt Entrepueblos-Entrepobles-Entrepobos-Herriarte - Spain **EU-LAT Network - Latin America FIAN Belgium FIAN Colombia** FIAN Deutschland e.V FIDH (International Federation for Human rights) - International FOS - Belgium Fair Trade Advocacy Office (FTAO) - Europe **FTDES** -Tunisia Girls On The Lead Young Feminist Movement - Malawi **Global Witness - International** Human Environmental Association for Development (HEAD) - West Asia Individuell Människohjälp - Sweden International Planned Parenthood Federation European Network (IPPFEN) - Europe Jamaa Resource Initiatives - Kenya MENAFem Movement for Economic, Development and Ecological Justice - North Africa & Middle East ONG Sustentarse - Chile Pax Christi International Plataforma Colombiana de Derechos Humanos Ciudadanía y Democracia- Colombia Point of Progress, Malawi **Power Shift Africa** PowerShift e.V. Germany Publish What You Pay, International ReCommon Réseau Europe-Afrique Centrale (EurAc), Europe & Central Africa Society for Women and Youths Affairs (SWAYA)- Nigeria Solsoc - Belgium Transnational Institute - International Youth Action for Success and Development - Malawi Youth Initiative for Community Development (YICOD) - Malawi

SIGNATORIES

