



REPORT

*Global Gateway Africa:
Geopolitics, investment and prospects for Italy*

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On October 25th, 2023, the event “Global Gateway Africa” took place in Rome, organized by Africa e Affari, the European Council on Foreign Relations and Confindustria Assafrica e Mediterraneo.

Introduction

Arturo Varvelli, Director of the Rome office of the European Council on Foreign Relations, made an introduction, focusing on the importance of the Global Gateway for the European Union, as it represents a useful tool to be competitive against other powers in the so-called “Global South”.

Mr. Varvelli highlighted the significance of the Global Gateway for Italy, for it represents the opportunity to revive Italy’s relations with Africa, North Africa, and the Sahel on an equal footing.

Carlo Corazza, Director of the Italian Office of the European Parliament commented on the importance of the Global Gateway, stating how such an investment plan is vital for



European Member States to face present-day challenges: migration flows, access to raw materials and climate change cannot be managed without serious investment. The Global Gateway not only entails investment but also guarantees for private investors.

Letizia Pizzi, Director of Confindustria Assafrica and the Mediterranean added on to the previous intervention, affirming that the work to change the narrative of Africa is evolving. The African continent presents a lot of opportunities, and the Global Gateway offers useful tools.

The geopolitical context of the Global Gateway in Africa- Maddalena Procopio, Senior Policy Fellow, Programma Africa, ECFR

The Global Gateway was created by European institutions in response to needs of a geopolitical nature: the insecurity in supply chains created because of the pandemic, the US-China conflict, the war between Russia and Ukraine, and now the war in the Middle East, with consequences for energy and economic security. Hence the attempt to develop a network of connections to meet European needs for greater security and resilience. This underscores a momentous change; it's the sign of a Europe manifesting clear economic interests, prioritizing partnerships and with a greater focus on the private sector and investment.

Africa is central to this new European vision for both economic and political reasons.

From the economic point of view, the Global Gateway has proven to be strategic for its proximity, which allows for shortened supply chains, reduced costs, and reduced carbon footprint. But also, for the leasing of energy resources, both for short-term and long-term needs.

From the geopolitical perspective, the deterioration of African trust toward Europeans in recent years has given way to new players and new economic and geostrategic influences. Therefore, the Global Gateway is an opportunity to usher in a new model of cooperation that responds to African economic needs yet keeps European interests' firm. It is a model that wants to be focused on a policy that values transparency, quality standards and decarbonization, features that are considered by Europeans to be a competitive advantage.

In the implementation, various difficulties need to be resolved. At the financial level, the Global Gateway emphasizes the critical role of public-private partnerships. The presence of institutions is essential but limited. There has been progress in the development of new



financial systems mechanisms by the European Commission, but the need for venture capital for enterprises remains large. Coordination remains therefore crucial: development banks need to step in from the beginning, and international financial institutions need to be present, to allow the private sector to step in.

Furthermore, among the difficulties in the implementation phase is the magnitude of European ambitions. Beyond inter-European collaboration, the EU should place Africa at the center of cooperation with other partners as well. This is because building logistics-energy networks with surrounding regions and interconnecting Europe and Africa, could not only foster interchange and investment but also share risks and costs, decreasing dependence on individual actors.

In conclusion, two years after the launch of the initiative, progress has been made, but much remains to be defined. The geopolitical framework is what prompted the creation of the Global Gateway, and it continues to evolve. The events in Brussels and Rome signal a realization that more dialogue is needed between European institutions, Member States and the private sector to translate the ambitions that are there on paper, into clear business cases that companies want to implement, and institutions want to support.

How is the Global Gateway evolving- Antonio Parenti Director of the European Commission Representation in Italy

The Global Gateway is indeed a mental “paradigm shift”. It is the growing realization that EU Member States are becoming less Pareto efficient in the face of global challenges. The Global Gateway arises, not coincidentally, with the Next Generation EU, a key response to the pandemic crisis, but also a first real attempt to make industrial policies in the European Union. The Global Gateway is largely an external face of the Next Generation EU, and responds to the needs that the recovery plan has put on the table, in the form of five topics:

- Green energy transition and green hydrogen;
- Critical raw materials;
- Passport corridors;
- Education and research;
- Health products and manufacturing;
- Digital infrastructure.

All of this is symmetrical to the economic system that we are creating in Europe, which not only needs resources but also is an attempt to create supply chains that go two ways.



The Global Gateway is geopolitical sustenance to European ambitions, consequently, it must adapt to ongoing changes. It is becoming an instrument that has a competitive advantage over the past, namely that of bringing together European institutions and member states to achieve certain goals.

Italy, Africa, the Global Gateway and the Mattei Plan- Giuseppe Mistratta Director of the Sub-Saharan Africa department at the Ministry of Foreign Affairs and International Cooperation

The Global Gateway shows the will to change the kind of engagement the European Union wants to have with African countries and the will to give support to industrial partnerships.

The EU is one of the largest providers of investments and commitments on African soil, as well as the exporter of values.

The Global Gateway resonates with the Italian Mattei Plan. There is a natural coordination between the two, as it is necessary; you must incorporate national efforts into a European plan. Italy's grand European strategy consists of investing in Africa to create more jobs so that more young women and men can enter the workforce and thus reduce the migratory pressure. Furthermore, once finalized, there will be a very important energy component in the Mattei Plan. This is a priority aspect, and this harkens back to the energy transition that Italy is also aiming for a lot through its companies. Moreover, African countries are being asked to contribute their ideas to the Mattei Plan, making suggestions on the strands of energy transition, mobility, digital networks, and all the big global issues. However, there are still a few specifics that remain unknown about the Mattei Plan, such as its final form, and other financial details like whether there will be other commitments, whether there will be the involvement of Cassa Depositi e Prestiti or the European Investment Bank.

The Global Gateway and digital infrastructure- Enrico Maria Bagnasco, CEO Sparkle
Sparkle is involved in telecommunications, specifically building and managing digital infrastructure (submarine cables and data centers).

The Global Gateway is important from an industrial point of view. It is a very important tool, supporting the development of industries such as Sparkle, and an excellent opportunity for coordination and support at the European level.



Global Gateway opportunities for logistics in the Mediterranean- Massimo Deandreis, Director General of SRM, a study center linked to the Intesa San Paolo Group

Logistics, ports, and energy issues linked to Global Gateway:

1. Trade routes shorten as markets regionalize;
2. The shipping industry changes, and global carriers invest in Africa;
3. In the Euro-Mediterranean area a part of global competition is at stake;
4. Italy is at the center of challenges, but geographic positioning is not enough.

Looking at the global economy from routes' point of view, the 2021-2023 data shows an acceleration of regional routes, at the expense of global ones. Corresponding to this development is a strong concentration in the shipping industry with horizontal and vertical integration.

So why is the Mediterranean so important?

The Mediterranean is at the center of the world's most important GDP area and a crossroads between Asia, Africa, and Europe, giving the ability to reach the East Coast of the United States. This means it has a strategic importance.

In addition, the Cotton Road is a new maritime-rail interconnection launched by the EU, U.S., Israel, Saudi Arabia, and India in competition with the Belt and Road Initiative and could be a turning point.

What role does Italy have in the Global Gateway?

It can serve as a European platform to facilitate trade, logistics, and energy relations in both North-South and East-West directions. Italy can be a logistics bridge between East and West and an energy bridge between North and South.