Council of the European Union
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LIMITE

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WORKING PAPER

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WORKING DOCUMENT

From:	General Secretariat of the Council
To:	Asia-Oceania Working Party
Subject:	Draft Council Conclusions - A Globally Connected Europe

Delegations will find attached draft Council Conclusions - A Globally Connected Europe to be discussed in COASI working party meeting on 3 June 2021.

Draft Council Conclusions – A Globally Connected Europe

I. Context

1. The Council recalls the 2018 Joint Communication “Connecting Europe and Asia – Building blocks for an EU Strategy” and its following Conclusions, which lay down the **fundamental principles of the EU’s approach to connectivity**, with climate and environmental, social, economic and fiscal sustainability, the level playing field, and a comprehensive rules-based approach at its core, and affirming the importance of both hard and soft connectivity. The Council also notes that connectivity has been identified as a key component in **numerous EU regional strategies**.[1]

2. The Council considers that connectivity has an important role to play in **contributing to the Commission’s priorities** for 2019-2024, notably the European Green Deal and the European Digital Agenda. In this context, the Council recalls its Data Gateway Declaration as well as the Joint Communications “2030 Digital Compass”, the Updated Industrial Strategy, Trade Policy Review, Sustainable and Smart Mobility Strategy and the Global Approach to Research and Innovation, which all share the general objective of promoting the Union’s values and interests externally, including through sustainable connectivity.

3. The Council considers that the **Covid-19 pandemic** has further exposed the strategic importance of connectivity for economic security and resilience, with particular implications in terms of diversification of value chains and the need for a secure, resilient and high quality digital ecosystem. The Council also notes that **other leading economies** in the world have developed their own approaches and tools for connectivity.

4. The Council considers that investments in connectivity respecting social, climate and environmental, economic and fiscal sustainability can have a **transformative effect for economies and societies**,

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[1] Enhanced EU Security Cooperation in and with **Asia**-Council conclusions (2018); the Council Conclusions on EU relations with **Latin America and the Caribbean** "Joining forces for a common future" from 2019; the Joint Communication “The EU and **Central Asia**: New Opportunities for a Stronger Partnership” from 2019; the Council Conclusions on the “EU's engagement to the **Black Sea** regional cooperation” from 2019; the Council Conclusions on Space solutions for a sustainable **Arctic** from 2019; the Joint Communication “Towards a comprehensive Strategy with **Africa**” from 2020; the Joint Communication “**Eastern Partnership** policy beyond 2020” from 2020; the **Western Balkans** Economic and Investment Plan from 2020; the Council Conclusions on European Union – **United States** relations from 2020; the Council Conclusions on a renewed Partnership with the **Southern Neighbourhood** “A new agenda for the Mediterranean” from 2021; the Council Conclusions on the EU Strategy for cooperation in the **Indo-Pacific** from 2021.

strengthening growth, resilience and competitiveness in view of a green and digital transition and, especially in the context of the post-Covid-19 recovery, can help build back better. The Council recognises the importance of **regulatory cooperation, and technical assistance** in order to help partners to create an environment conducive to investment in connectivity, as well as the **vast needs for connectivity investment**.

5. The Council considers important that all international connectivity initiatives and actions apply **high international standards**, with the G20 Principles for Quality Infrastructure Investment as a minimum, contributing to the realisation of the 2030 Agenda for Sustainable Development and the Paris Agreement. Equally, strong and reliable norms and standards are key to creating and securing a level playing field, needed to attract private and public investment in sustainable connectivity.

6. The Council highlights the importance of bolstering the benefits of connectivity through **Connectivity Partnerships** with like-minded partners and in cooperation with countries benefitting from connectivity actions, in order to promote the sustainability and compatibility of the partners' respective activities and to benefit from complementarities in project preparation, implementation and financing, as well as policy and regulatory cooperation and technical assistance. The Council welcomes the EU's partnerships with Japan (September 2019) and India (May 2021), as well as the EU's commitment in December 2020 to strengthen practical connectivity cooperation with ASEAN.

7. For all these reasons, the Council considers that ensuring a geostrategic approach to connectivity has **long-term implications** for advancing the EU's economic, foreign and security interests and promoting the EU's values globally.

II. Implementation

8. The Council therefore invites the Commission and the High Representative, in accordance with their respective powers, to continue **work on implementing** the EU connectivity agenda globally, recognising the worldwide demand for sustainable connectivity.

9. To respond to the challenges and needs identified, the Council finds it important for the EU to **incentivise both investments in hard connectivity, particularly from the private sector, and soft connectivity policies and initiatives,** and in particular policy and regulatory approaches conducive to sustainable investment, through all appropriate means, in coordination with Member States and their

financial and development institutions, as well as with multilateral financial institutions' activities.

10. In particular, the Council invites the Commission and the High Representative, in accordance with their respective powers, to **implement the following steps**:

    i. Encourage a **Team Europe approach** (EU institutions, Member States, the EIB, and Member States' financial institutions) to implementation of the EU Connectivity agenda;

    ii. **Identify and implement an initial set of high impact and visible projects and actions globally**, by:

        - **mapping and presenting to the Council the connectivity initiatives and projects** being implemented since the adoption of the 2018 Joint Communication;

        - continuing **policy and regulatory engagement** with international partners, in particular with countries benefitting from connectivity actions;

        - **including new strategic connectivity actions in the programming process** for the 2021-2027 MFF, based on priorities identified and agreed with partner countries and regions;

        - increasing work towards delivering concrete results and giving better visibility to the EU from the existing **Connectivity Partnerships**, such as through bilateral and joint initiatives with third parties, including cooperation on possible concrete infrastructure projects;

    iii. Incentivise sustainable connectivity investments, based on **pooling public and private resources**, focusing on:

        - **mapping the financial instruments already available** for stimulating further investment in sustainable connectivity both on the EU and Member States' level, to facilitate pooling and blending of resources in a Team Europe approach;

        - **facilitating the participation of other financiers**, in particular private investors, European and international development finance institutions (such as EIB and EBRD), national promotional banks and export credit agencies in joint financing structures;

- where appropriate and feasible, complement private investment and funding from international financial institutions, with **support from the Multiannual Financial Framework** (MFF) 2021-2027 and Next Generation EU and a possible Digital Connectivity Fund;

iv. Mobilise the **private sector** to finance and implement projects, by:

- launching the **Business Advisory Group** as an effective coordination platform, as envisaged in the 2018 Joint Communication;
- advancing work on **sustainable finance and export credits** as tools for crowding in private investment;
- ensuring an adequate **level playing field** for the private sector in market access and foreign direct investments;
- using innovative public financing tools, such as loans and guarantees, to **crowd-in** private capital;

v. Ensure visibility of the EU's global connectivity actions through **coherent strategic communication**, by:

- developing a **unifying narrative** for actions taken by all relevant actors in a Team Europe approach and supported by a communication campaign for greater visibility;
- hosting regular further editions of the **Europa Connectivity Forum**;

vi. Keep **the Council closely informed** through its structures dealing with connectivity in all its geographic and sectorial dimensions.

11. The Council will revert on **the implementation** of the EU Connectivity Strategy.