



Council of the European Union
General Secretariat

Brussels, 09 June 2021

WK 7260/2021 REV 1

LIMITE

ASIE
COASI
CCG
TRANS
COEST
ASEM
ENER
CYBER
ENV

DIGIT
CLIMA
DEVGEN
SUSTDEV
ECOFIN
COMPET
EDUC
RECH
CULT

WTO
RELEX
OCDE
AVIATION
FIN
FISC
POLGEN
TOUR
MIGR

WORKING PAPER

This is a paper intended for a specific community of recipients. Handling and further distribution are under the sole responsibility of community members.

WORKING DOCUMENT

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

Delegations will find attached a revised version of the draft Council Conclusions - A Globally Connected Europe, clean and with track changes, to be discussed in COASI working party meeting on 10 June 2021.

Draft Council Conclusions – A Globally Connected Europe [Connecting EU]

I. Vision, principles and goals

1. 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 EU values. It therefore highlights the importance of continuing the implementation the EU connectivity agenda globally, recognising the worldwide demand for sustainable connectivity.
2. The Council recalls the **fundamental principles of the EU's approach to connectivity**, which ensures climate, environmental, social, economic and fiscal sustainability and a level playing field. The Council emphasises the EU's comprehensive, rules-based and human-centric approach to connectivity, which covers transport, energy, digital and human dimensions, and affirms the importance of both regulatory and physical infrastructure. The Council strongly welcomes that connectivity has been identified as a key component in **numerous EU regional strategies**¹.
3. The Council highlights that the EU Connectivity Strategy has an important role to play in **implementing the corresponding Commission priorities** for 2019-2024, notably the European Green Deal and a Europe fit for the Digital Age. In this context, the Council further 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, the new EU Space Programme for the years 2021 to 2027 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.

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.

4. The Council considers that the **Covid-19 pandemic** has further exposed the strategic importance of connectivity for economic growth, security and resilience. Increased connectivity is beneficial to the EU's competitiveness and can contribute to the diversification of value chains for the most sensitive industries, the reduction of strategic dependencies on critical raw materials and meeting the need for a secure, resilient and high quality digital ecosystem. The Council also notes that **other key international partners** have developed their own approaches and tools for connectivity, which calls for a globally coordinated approach ensuring coherence and high-quality international standards for connectivity.
5. The Council considers that connectivity investments, which respect social, climate and environmental, economic and fiscal sustainability, can have a **transformative effect on economies and societies**. Such investments can also enhance growth, resilience and competitiveness in view of the twin green and digital transitions, in particular in the context of the post-Covid-19 recovery. The Council highlights the need for support to meet the challenges posed by the **large-scale investment**. The Council also recognises the importance of cooperation on **policy, regulatory frameworks and standards and robust technical assistance** in order to help partners create an environment conducive to investment in connectivity.
6. The Council values the EU's important role as a norm setter and underlines the need for all international connectivity initiatives and actions to apply **high international standards, norms and principles**, contributing to the realisation of the 2030 Agenda for Sustainable Development and the Paris Agreement. **The Council considers** the G20 Principles for Quality Infrastructure Investment (G20 QII Principles) and G20 sustainable financing guidelines to be the basic standard, to be observed in all circumstances. Strong and reliable norms and standards are also key to securing a level playing field, needed to attract large-scale private and public investment in sustainable connectivity.
7. The Council highlights the importance of bolstering the benefits of connectivity through **Connectivity Partnerships** with like-minded countries and regions, and in cooperation with all benefitting from connectivity actions. Such partnerships and actions should promote synergies and compatibility of policy approaches, including on preparation, implementation and financing of projects, relying on established international standards, norms and principles.

8. The Council welcomes the EU's partnerships with Japan (September 2019), and India (May 2021), as well as the EU-ASEAN joint Ministerial Statement on connectivity (December 2020), which paves the way towards strengthening practical connectivity cooperation with ASEAN. The Council encourages the Commission and the High Representative to further such international cooperation on connectivity, possibly also within the G7 and G20 and to consider, where appropriate, partnerships with like-minded partners.

II. Implementation

9. The Council therefore requests the Commission and the High Representative to continue to implement the EU connectivity agenda globally as part of its overall priorities in terms of external action, in an ambitious, pragmatic and timely manner.
10. To respond to the challenges and needs identified, the Council finds it important for the EU to **incentivise both investments in concrete infrastructure projects**, as well as **policy and regulatory cooperation** to foster sustainable investment and enhance private financing. The Council calls on the Commission and the HRVP to pursue this aim through all appropriate means, in coordination with Member States and their financial and development institutions, as well as with the activities of multilateral financial institutions. The European Financial Architecture for Development should also promote financing for sustainable connectivity.
11. In particular, the Council invites the Commission and the High Representative to **implement the following steps**:
- i. Continue to implement the EU connectivity strategy globally, building on the values and principles set out in the Joint Communication "Connecting Europe and Asia – Building blocks for an EU Strategy", and including also Africa, the Arctic, the Middle East and Latin Americas;
 - ii. Encourage a **Team Europe approach** (EU institutions, Member States, the EIB, the EBRD and Member States' financial institutions) for the implementation of the global EU Connectivity agenda, to:
 - continue **policy and regulatory engagement** with international partners, in particular with countries benefitting from connectivity actions, including with the promotion of multilateral tools, in particular IMF PIMA and IMF/World Bank PFRAM, and the dissemination of the multilateral platforms

such as SOURCE for project preparation for systemic capacity building toward quality infrastructure;

- **identify and implement an initial set of high impact and visible projects and actions globally;**
 - **map and present connectivity initiatives and projects being implemented since the adoption of the 2018 Joint Communication, as well as a specific plan for prospective initiatives and projects in recipient countries and regions;**
 - **include new strategic connectivity priorities in the programming process** for the 2021-2027 MFF, including the IPA III programming, and the future NDICI/Global Europe instrument, based on priorities identified and agreed with partner countries and regions
- iii. Present a coherent approach to incentivising sustainable connectivity investments, building on sustainable policy objectives and based on **pooling public and private resources** in a Team Europe approach, to:
- **map and streamline the financial instruments already available**, including the respective financial institutions of the EU and Member States;
 - **facilitate the participation of other financiers**, in particular private investors, European and international financial institutions (such as EIB and EBRD), national private and development banks and export credit agencies in joint financing structures;
 - complement private investment and funding from international financial institutions, with **support from the Multiannual Financial Framework** (MFF) 2021-2027, exploiting the full potential of the NDICI/EFSD+ and the role of guarantees in supporting resilient and climate-friendly infrastructure, the Next Generation EU and a possible Digital Connectivity Fund;
- iv. Mobilise the **private sector** to finance and implement projects, and:
- launch the **Business Advisory Group** as an effective coordination platform of all the relevant actors at the EU level, as envisaged in the 2018 Joint Communication, without prejudice to the existing business support organisations such as the Chambers of commerce;

- provide detailed information for EU businesses on EU connectivity projects, in close coordination with national Trade Promotion Organisations, and creating project implementation conditions conducive to the participation of EU businesses and pan-European business consortia;
 - advance work on **sustainable finance and export credits** as tools for crowding in private investment, in line with Art. 2 c of the Paris Agreement;
 - promote a **level playing field** fair access to markets, government procurement in third countries and foreign direct investment opportunities for the EU private sector;
 - use public financing tools, such as loans and guarantees, to **crowd-in** private capital to help projects become bankable;
- v. Ensure visibility of the EU's global connectivity actions through **coherent strategic communication** in a Team Europe approach, and:
- develop a **unifying narrative** for actions taken by all relevant actors, supported by campaign for greater public visibility, including, where relevant, in international institutions and fora;
 - enhance visibility of EU Connectivity related initiatives and actions;
 - host regular further editions of the **Europa Connectivity Forum**;
- vi. Ensure efficient and coordinated cooperation between all relevant services and institutions, supported at the highest institutional level. Keep **the Council closely involved** on a regular basis through relevant structures.
12. The Council invites the Commission and the High Representative to quickly proceed with the implementation of aforementioned steps. The Council will revert to the implementation of the EU Connectivity Strategy on a regular basis.

Draft Council Conclusions – A Globally Connected Europe / [Connecting EU]

I. Vision, principles and goalsContext

1. ~~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. It therefore highlights the importance of continuing the implementation the EU connectivity agenda globally, recognising the worldwide demand for sustainable connectivity.

Formatted: List Paragraph, Numbered + Level: 1 +
Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left +
Aligned at: 0 cm + Indent at: 0,63 cm

1.2. 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**, ~~which ensures with climate, and environmental, social, economic and fiscal sustainability, and a the level playing field.~~ The Council emphasises ~~and a the EU's comprehensive, rules-based and human-centric approach to connectivity at its core, which covers transport, energy, digital and human dimensions, and affirms the importance of both regulatory and physical infrastructure and affirming the importance of both hard and soft connectivity.~~ The Council ~~also notes~~strongly welcomes that connectivity has been identified as a key component in **numerous EU regional strategies**.¹

Formatted: Font: (Default) Arial, 14 pt, Complex Script Font: Arial, 14 pt

1.3. The Council considers that connectivity has an important role to play in ~~contributing implementing the corresponding to the Commission's priorities for 2019-2024, notably the European Green Deal and a Europe fit for the Digital Age the European Digital Agenda.~~ In this context, the Council further 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, the new EU Space Programme for the years

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.

2021 to 2027 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.

3.4. The Council considers that the **Covid-19 pandemic** has further exposed the strategic importance of connectivity for economic growth, security and resilience. Increased connectivity is beneficial to the EU's competitiveness and can contribute to the with particular implications in terms of diversification of value chains for the most sensitive industries, the reduction of strategic dependencies on critical raw materials and to meeting the need for a secure, resilient and high quality digital ecosystem. The Council also notes that **other leading economies** key international partners in the world have developed their own approaches and tools for connectivity, which calls for a globally coordinated approach ensuring coherence and high-quality international standards for connectivity.

4.5. The Council considers that connectivity investments, which in connectivity respecting social, climate and environmental, economic and fiscal sustainability can have a **transformative effect for economies and societies**. Such investments can also strengthening enhance growth, resilience and competitiveness in view of a the twin green and digital transitions and, especially in particular in the context of the post-Covid-19 recovery. The Council highlights the need for support to meet the challenges posed by the large-scale investment can help build back better. The Council also recognises the importance of cooperation on policy, regulatory frameworks and standards cooperation, and robust 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.

5.6. The Council values the EU's important role as a norm setter and underlines the need for considers important that all international connectivity initiatives and actions apply **high international standards, norms and principles, contributing to the realisation of the 2030 Agenda for Sustainable Development and the Paris Agreement**. with The Council considers the G20 Principles for Quality Infrastructure Investment (G20 QII Principles) and G20 sustainable financing guidelines to be the basic standard, to be observed in all circumstances as a minimum, contributing to the realisation of the 2030 Agenda for Sustainable Development and the Paris Agreement. Equally, strong Strong and reliable norms and standards are key to creating and securing a level playing field, needed to attract large-scale private and public investment in sustainable connectivity.

7. The Council highlights the importance of bolstering the benefits of connectivity through **Connectivity Partnerships** with like-minded partners and regions, and in cooperation with countries all benefitting from connectivity actions. Such partnerships and actions in order to should promote synergies the sustainability and compatibility of the policy approaches, partners' respective activities and to benefit from complementarities including on in project preparation, implementation and financing of projects, relying on established international standards, norms and principles as well as policy and regulatory cooperation and technical assistance.

6-8. The Council welcomes the EU's partnerships with Japan (September 2019) and India (May 2021), as well as the EU-ASEAN joint Ministerial Statement on connectivity (December 2020), which paves the way towards strengthening practical connectivity cooperation with ASEAN. EU's commitment in December 2020 to strengthen practical connectivity cooperation with ASEAN. The Council encourages the Commission and the High Representative to further such international cooperation on connectivity, possibly also within the G7 and G20 and to consider, where appropriate, partnerships with like-minded partners.

~~7.1. 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

8-9. The Council therefore invites requests the Commission and the High Representative, in accordance with their respective powers, to continue work onto implementing the EU connectivity agenda globally, as part of its overall priorities in terms of external action, in an ambitious, pragmatic and timely manner, recognising the worldwide demand for sustainable connectivity.

9-10. To respond to the challenges and needs identified, the Council finds it important for the EU to **incentivise both investments in hard connectivity concrete infrastructure projects,** as well as policy and regulatory cooperation to foster sustainable investment and enhance private financing particularly from the private sector, and soft connectivity policies and initiatives, and in particular policy and regulatory approaches conducive to sustainable investment. The Council calls on the Commission and the HRVP to pursue this aim through all appropriate means, in coordination with Member States and their financial and development institutions, as well as with the activities

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 0,63 cm

of multilateral financial institutions' activities. The European Financial Architecture for Development should also promote financing for sustainable connectivity.

Formatted: Font: (Default) Arial, 14 pt, Complex Script Font: Arial, 14 pt

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

i. Continue to implement the EU connectivity strategy globally, building on the values and principles set out in the Joint Communication "Connecting Europe and Asia – Building blocks for an EU Strategy", and including also Africa, the Arctic, the Middle East and Latin Americas;

Formatted: Numbered + Level: 1 + Numbering Style: i, ii, iii, ... + Start at: 1 + Alignment: Left + Aligned at: 1,27 cm + Indent at: 1,9 cm

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

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

Formatted: Indent: Before: 2 cm, No bullets or numbering

o continuing policy and regulatory engagement with international partners, in particular with countries benefitting from connectivity actions, including with the promotion of multilateral tools, in particular IMF PIMA and IMF/World Bank PFRAM, and the dissemination of the multilateral platforms such as SOURCE for project preparation for systemic capacity building toward quality infrastructure;

o Identify and implement an initial set of high impact and visible projects and actions globally;

Formatted: List Paragraph

o mapping and presenting to the Council the connectivity initiatives and projects being implemented since the adoption of the 2018 Joint Communication, as well as a specific plan for prospective initiatives and projects in recipient countries and regions;

Formatted: List Paragraph, Indent: Before: 2,54 cm, No bullets or numbering

Formatted: Font: (Default) Arial, 14 pt, Bold, Complex Script Font: Arial, 14 pt

Formatted: List Paragraph

Formatted: Font: (Default) Arial, 14 pt, Complex Script Font: Arial, 14 pt

Formatted: Font: Not Bold

Formatted: Font: (Default) Arial, 14 pt, Complex Script Font: Arial, 14 pt

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

o including include new strategic connectivity actions priorities in the programming process for the 2021-2027 MFF, including the IPA III programming, and the future

NDICI/Global Europe instrument, based on priorities identified and agreed with partner countries and regions;

- ~~o 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. Present a coherent approach to ~~Incentivise~~ **incentivising** sustainable connectivity investments, building on sustainable policy objectives and based on **pooling public and private resources** in a Team Europe approach, to, ~~focusing on:~~

- ~~o **mapping and streamline** the financial instruments already available, including the respective financial institutions of 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;~~
- ~~o **facilitating** the participation of other financiers~~, in particular private investors, European and international ~~development~~ finance institutions (such as EIB and EBRD), national ~~promotional private and development~~ banks and export credit agencies in joint financing structures;
- ~~o **where appropriate and feasible,**~~ complement private investment and funding from international financial institutions, with **support from the Multiannual Financial Framework (MFF) 2021-2027, exploiting the full potential of the NDICI/EFSD+ and the role of guarantees in supporting resilient and climate-friendly infrastructure, and the** Next Generation EU and a possible Digital Connectivity Fund;

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

- ~~o **launching** the **Business Advisory Group** as an effective coordination platform of all the relevant actors at the EU level, as envisaged in the 2018 Joint Communication, without prejudice to the existing business support organisations such as the Chambers of commerce;~~
- ~~o provide detailed information for EU businesses on EU connectivity projects, in close coordination with national Trade Promotion Organisations, and creating project implementation~~

Formatted: Bulleted + Level: 1 + Aligned at: 1,9 cm +
Indent at: 2,54 cm

conditions conducive to the participation of EU businesses and pan-European business consortia;

- advancing advance work on **sustainable finance and export credits** as tools for crowding in private investment, in line with Art. 2 c of the Paris Agreement;
 - ensuring an adequate **promote a level playing field** for the private sector in fair access to markets, government procurement in third countries access and foreign direct investments opportunities for the EU private sector;
 - using use innovative public financing tools, such as loans and guarantees, to **crowd-in** private capital to help projects become bankable;
- v. Ensure visibility of the EU's global connectivity actions through **coherent strategic communication** in a Team Europe approach, by and:
- developing a **unifying narrative** for actions taken by all relevant actors, in a Team Europe approach and supported by a communication campaign for greater public visibility, including, where relevant, in international institutions and fora;
 - enhance visibility of EU Connectivity related initiatives and actions;
 - hosting regular further editions of the **Europa Connectivity Forum**;
- vi. Ensure efficient and coordinated cooperation between all relevant services and institutions, supported at the highest institutional level. Keep the Council closely informed involved on a regular basis through its relevant structures dealing with connectivity in all its geographic and sectorial dimensions.

11.12. The Council invites the Commission and the High Representative to quickly proceed with the implementation of aforementioned steps. The Council will revert on **the implementation** of the EU Connectivity Strategy on a regular basis.

Formatted: Numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0 cm + Indent at: 0,63 cm