

SHAPING STRONG EU PARTNERSHIPS

Guiding Principles and Key Considerations



SHAPING STRONG EU PARTNERSHIPS

Guiding Principles and Key Considerations

Authors

Sarah Jackson
Imogen Outlaw
Lukas Kalen
Ines Paiva

Design

Polina Korneeva
Yogee Chandrasekaran

Editing

Hyunju (Laeticia) Ock

Communications

Victoria Fischdick

Acknowledgements

This report was funded by the European Climate Foundation (ECF). The compilation of this report was supported with discussion and inputs from a number of practitioners, civil servants, and experts who participated in bilateral interviews.

Disclaimer

The views and assumptions expressed in this report represent the views of the authors and not necessarily those of the European Climate Foundation.

Citation

NewClimate Institute (2024) 'Shaping Strong EU Partnerships: Guiding Principles and Key Considerations.' Berlin and Cologne. Available at: <https://newclimate.org/resources/publications/shaping-strong-eu-partnerships-guiding-principles-and-key-considerations>

This work is licensed under a [Creative Commons Attribution-NonCommercial 4.0 International License](https://creativecommons.org/licenses/by-nc/4.0/) for non-commercial use.

Download the report



<https://newclimate.org/resources/publications/shaping-strong-eu-partnerships-guiding-principles-and-key-considerations>

**NEW
CLIMATE**
INSTITUTE

SUMMARY

Facing geopolitical tensions and economic uncertainties, the EU is recommitting to using green industrial policy to enhance its competitive position in the global clean economy. At the same time, the EU stands at a pivotal moment in its external action and international partnerships approach. The EU Council's Strategic Agenda for 2024-2029 highlights partnerships as a cornerstone of the EU's strategy to reduce dependencies on certain countries, support sustainable development in partner countries, and maintain economic security in the face of increasing competition. President von der Leyen's political guidelines direct the Commission to develop a new economic foreign policy. **Partnerships play the dual role in delivering on the EU's commitments to help enable other countries' transitions, as well as building geoeconomic security.** This report provides guidelines for designing and implementing strong EU partnerships, starting with robust principles for the EU to follow such as mutual benefit, inclusivity, and transparency. The guidelines then provide key considerations the EU should weigh when developing partnerships. These principles and considerations can be effectively applied to the recently announced Clean Trade and Investment Partnerships.

The following **principles** are introduced to guide the development and implementation of strong partnerships, aligning with the EU's Strategic Agenda for 2024-2029:

- **Mutual Benefit and Just Transition:** Partnerships provide mutual benefits, balancing the interests of the EU and partner countries and facilitating knowledge exchange, economic development and industrial transformation. They avoid extractive practices, prioritise local value creation, and adopt tailored, flexible approaches that incorporate partners' development priorities. Partnerships also foster long-term cooperation aligned with climate goals.
- **Inclusivity:** Partnerships are co-designed with partner countries, aligned with their priorities and ensure joint decision-making and local ownership. The EU engages with diverse stakeholders, including marginalised groups, and emphasises social inclusion by respecting human rights and ensuring fair labour practices.
- **Robust Support and Financial Commitment:** The EU provides partner countries with clear access to funding, capacity building, technical support, combining public and private finance while avoiding debt distress.

- **Transparency and Alignment:** Partnerships transparently communicate the EU's strategic objectives, aligned with both EU and partner country goals, and set clear, measurable time-bound targets.

As the EU seeks to strengthen its offer to partner countries, five **key considerations** can serve as a framework to guide the design and implementation process.

- **Scope:** Partnerships require a clearly defined scope determining the shared objectives, sectors included, duration, and methods of implementation.
- **Partner Selection:** A structured selection framework covering general, partnership-specific and geopolitical criteria can guide the EU in targeting high-impact partnerships that align with strategic goals.
- **Governance:** A clear governance structure, defined roles and responsibilities, enhanced coordination between EU and Member States, and internally, plus targeted public communication campaigns are crucial for improving the perception of the EU as a partner.
- **Support Mechanisms:** Adequate financial and non-financial resources, both private and public finance, capacity building and knowledge sharing are necessary to maximise impact, build trust and ensure mutual benefits in the partnership.
- **Monitoring and Evaluation:** Effective monitoring and evaluation is crucial to ensure transparency and accountability to the public and to track finance flows and partnership's impact.

Under President von der Leyen's second term, the European Commission will launch the Clean Industrial Deal, the EU's green industrial strategy to support strategic clean tech sectors and the transition of European industry. **While the EU strives to catch up with green industrial policies from China and the US, it also has the responsibility to support the transition of partner countries in the Global South.**

The announcement of the Clean Trade and Investment Partnerships (CTIPs) under the 2024-2029 EU policy cycle signals the EU's intention to strengthen alliances with like-minded countries and support inclusive clean transitions in partner countries, while also reducing its dependencies and diversifying supply chains. To be fit for purpose, the CTIPs can follow the principles outlined in this brief to ensure partnerships are mutually beneficial, transparent, inclusive and include an adequate financial and technical support offer. Additionally, in designing CTIPs, the EU must consider several key aspects including establishing a clear scope to set expectations, ensuring alignment with partner countries' priorities, ensuring coordination within the EU, setting clear criteria for partner selection, and harmonising the partnership offer with the broader EU's partnership landscape and external agenda. Lastly, robust monitoring is needed to ensure the effectiveness of partnerships.

TABLE OF CONTENTS

| | |
|--|----|
| INTRODUCTION | 7 |
| PRINCIPLES FOR BUILDING STRONG PARTNERSHIPS | 10 |
| 5 KEY CONSIDERATIONS FOR EFFECTIVE PARTNERSHIPS | 14 |
| 01 Scope | 15 |
| 02 Partner Selection | 19 |
| 03 Governance | 22 |
| 04 Support Mechanisms | 25 |
| 05 Monitoring and Evaluation | 28 |
| BLUEPRINT FOR CLEAN TRADE AND INVESTMENT PARTNERSHIPS | 33 |
| WAY FORWARD | 37 |
| References | 39 |

ABBREVIATIONS

| | |
|----------------------------|---|
| AEEP | African-EU Energy Partnership |
| ASEAN | Association of Southeast Asian Nations |
| BIOPAMA | Biodiversity and Protected Areas Management Programme |
| CBAM | Carbon Border Adjustment Mechanism |
| CRM | Critical Raw Materials |
| CTIPs | Clean Trade and Investment Partnerships |
| DG CLIMA | Directorate General for Climate Action |
| DG GROW | Directorate General for Internal Market, Industry, Entrepreneurship and SMEs |
| DG INTPA | Directorate General for International Partnerships |
| DG TAXUD | Directorate General for Taxation and Customs Union |
| DG TRADE | Directorate General for Trade |
| EEAS | European External Action Service |
| EFIs | External Financing Instruments |
| EFSD+ | European Fund for Sustainable Development Plus |
| ESG | Environmental, Social, and Governance |
| EU | European Union |
| FTA | Free Trade Agreement |
| GEPMs | Global Europe Performance Monitoring System |
| GERF | Global Europe Results Framework |
| GNI | Gross National Income |
| JETPs | Just Energy Transition Partnerships |
| M&E | Monitoring and Evaluation |
| MFF | Multiannual Financial Framework |
| MIP | Multi-annual Indicative Programme |
| NDC | Nationally Determined Contributions |
| NDICI-Global Europe | Neighbourhood, Development and International Cooperation Instrument – Global Europe |
| ODA | Official Development Assistance |
| SDG | Sustainable Development Goal |
| UNFCCC | United Nations Framework Convention on Climate Change |



INTRODUCTION

The EU faces increasingly uncertain times marked by a worsening climate crisis, geopolitical tensions, and geoeconomic instability. Priorities at the EU level have shifted towards European competitiveness and security. The EU Council's Strategic Agenda for 2024-2029 reflects this shift, linking a strong and secure Europe to coherent external action and developing “mutually beneficial strategic partnerships to address shared challenges” (European Council, 2024). Commission President von der Leyen's Political Guidelines outline a new vision for European economic foreign policy that is fit for today's realities. Investment in partnerships is one of the three central planks of this new economic foreign policy (von der Leyen, 2024a).

Partnerships are essential for strengthening the EU's resilience to future shocks, ensuring the successful implementation of its green growth strategy, and maintaining its global competitiveness. **While the EU has developed a broad range of partnership frameworks, each with different objectives, all should aim to support the green transition and advance sustainable development goals, both globally and within partner countries, in line with its global commitments.** Partnerships are crucial for meeting the goals of the Paris Agreement and support partner countries to pursue low-carbon climate resilient development, aligning with the EU's commitments as a historical contributor to global climate efforts.

The EU has a long history as a key partner to developing countries and emerging economies. The EU and its Member States are the largest collective contributor to climate finance and Official Development Assistance (ODA), totalling EUR 28.6 billion and 95.9 billion in 2023, respectively (Council of the European Union, 2024a, 2024b). However, the EU increasingly faces competition from China in the race for influence in strategic regions. The Belt and Road Initiative triggered a geopolitical shift in European external action, leading Commission President von der Leyen to head a “geopolitical Commission” and launch the EU's response, Global Gateway, an interest-based partnership initiative, in 2021 (European Commission, 2021b). Since its launch, the Commission has announced a rapid succession of partnerships including Green Partnerships and Alliances, Strategic Partnerships on Critical Raw Materials (CRM), and plurilateral Just Energy Transition Partnerships (NewClimate Institute, 2024a). Under the 2024-2029 policy cycle, a new partnership model – Clean Trade and Investment Partnerships – was announced (von der Leyen, 2024a). Additionally, EU Member States have numerous individual partnerships with third countries.

With its wide range of partnerships, the EU faces the challenge of balancing broad engagement with focused impact. Internally, actors within the EU have acknowledged that its “efforts are spread too thinly across too many fronts” and there is a tendency to attempt “everything, everywhere, all at once” (Verhelst, Koen; Wax, 2024). The recognition of the European brand and EU international efforts have been affected by the lack of a cohesive long-term strategy for climate foreign policy, undermining at times the Team Europe approach and its collective added

We use the term partnership to refer to all partnerships, not only those with an explicit climate focus. Because climate needs to be mainstreamed across all foreign policy, all partnership offers, regardless of the objectives of the partnership, should consider a climate dimension.

value (Gawel, 2024). Limited resources and a broad range of partnership priorities and geographic focuses have further strained EU efforts (Verhelst, Koen; Wax, 2024). Partners have noted that the EU's partnership offer can be convoluted and burdened with bureaucratic hurdles, which slow down implementation compared to Chinese counterparts. The EU has also faced backlash against its extraterritorial Green Deal policies, like the Carbon Border Adjustment Mechanism (CBAM) and the Deforestation Regulation, which some partners see as burdensome (Dev and Goswami, 2024).

The EU has awakened to the geopolitical risks of the green transition and is adopting an increasingly “assertive approach in aligning its interests with its partnerships” (von der Leyen, 2024b). This shift is closely linked to the EU's efforts to strengthen its green industrial policy, with a particular emphasis on boosting European competitiveness. The proposed Clean Industrial Deal is expected to intensify decarbonisation efforts while ensuring the EU remains competitive in the clean tech race. However, the EU must carefully consider the impact of rising geopolitical tensions and the growing use of industrial policy and subsidies on its partners. The newly announced Clean Trade and Investment Partnerships may prove vital in ensuring partners are not left behind in the transition.

Partnerships with key allies will be essential, both to strengthen European economic security in the face of external shocks and to support partners in capitalising on the opportunities of the transition. This demands **a strategic approach to partnership development focused on mutually beneficial engagements**. As the EU redefines its approach to partnerships, key principles and considerations must guide both new initiatives and the reform of existing strategies.

This brief aims to support the establishment and implementation of EU partnerships with third countries. It begins by outlining key principles that all partnerships should uphold. While many of these principles are already highlighted in EU communications, our objective is to provide a more detailed examination of these concepts; for instance, clarifying the concrete implications of terms such as “mutually beneficial partnerships”. The second section focuses on various considerations that should guide the EU's approach to structuring partnerships. This section provides an overview and decision-making framework for areas that require specific strategic planning to maximise the success of a partnership. Given the significance of the recently announced Clean Trade and Investment Partnerships, the final chapter explores the implications of these principles and considerations for this new partnership model.



PRINCIPLES FOR BUILDING STRONG PARTNERSHIPS

The principles below aim to support the development of strong partnerships that promote sustainable development and climate action, aligning with the EU's Strategic Agenda for 2024-2029 in which the EU agrees to “closely engage with partners and develop mutually beneficial strategic partnerships to address shared challenges” (European Council, 2024). These principles build on the globally agreed principles established by the Global Partnership for Effective Development Cooperation and are updated for the current context (United Nations Development Programme, no date).

Overall, **strong partnerships should foster long-term sustainable economic development in partner countries, enhancing the livelihoods of local communities and contributing to shared prosperity**. They should promote long-term economic development that respects planetary boundaries, ensuring that growth does not compromise the well-being of future generations. Partnerships should ensure investments are aligned with climate resilience and biodiversity goals, promoting green technology, renewable energy and sustainable infrastructure and job creation.

The following page outlines principles for a strong partnership.

Mutual Benefit and Just Transition



Equity-based | Partnerships provide clear and measurable benefits to both parties, balancing interests without disproportionately favouring one side. They ensure mutual benefits for the EU and partner countries, creating a win-win scenario that includes knowledge and technology exchanges as well as capacity building. Additionally, partnerships support the EU and partner countries in reducing dependency on carbon, driving green job creation and industrial transformation for a fair and resilient transition to climate neutrality.



Tailored and flexible | Partnerships recognise varying socio-economic realities and starting points of partner countries, with solutions customised to their specific contexts while remaining adaptable to changing circumstances. Duplication between EU partnerships and Member States' bilateral partnerships is avoided by prioritising coordination and collaboration with Member States that have shared interests.



Long-term | Partnerships go beyond transactional engagements and focus on deep, long-term cooperation that benefits partner countries beyond immediate climate action, as specified in the Paris Agreement. Partnerships are integrated into a long-term EU Climate Foreign Policy strategy, supporting partners in lowering emissions and achieving climate-resilient development.



Avoid extractivism | Partnerships do not contribute to exploitative practices that prioritise EU interests over local needs. Instead, they support local value creation and build up local industries, contributing to job creation.

Inclusivity



Co-design and local ownership | Partnerships prioritise social inclusion by respecting human rights and the needs of marginalised groups. Partnerships actively support equitable access to sustainable development, ensuring that vulnerable groups are not left behind in the transformation process. Social and environmental safeguards are implemented to ensure fair labour practices and the protection of natural resources. Partnerships include concrete initiatives that promote decarbonisation, while addressing the socio-economic impacts on affected workers and communities, with a focus on re-skilling and job creation.



Social inclusion | Partnerships are co-created and embedded within the national development pathways of partner countries, aligning with their priorities and needs on their low-emission and climate-resilient transition strategies. The EU listens to partners' needs, avoids making assumptions on their agendas, and does not frame the partnership offer as a competition with China's Belt and Road initiative. A battle of offers removes the agency of countries to determine their own partners and positions the EU as reactive.



Stakeholder engagement | Partnerships ensure stakeholders in civil society, local governments, businesses, and academia are engaged in creating holistic and diverse partnerships. Local communities, including marginalised groups, are involved in the planning, decision-making, and implementation stages.



Joint decision-making | Both the EU and partner countries have an equal say in setting goals and in decision-making processes, promoting shared ownership of results.

Robust Support and Financial Commitment



Access to support and sustainable financing | Partner countries have access to funding, capacity-building, and technical support to successfully implement green policies and overcome challenges. Partnerships mobilise sufficient concessional public resources alongside private investment to ensure the successful implementation of activities, while preventing the exacerbation of debt distress for partner countries.

Transparency and Alignment



Strategic approach | Partnerships clearly and transparently define the EU's strategy on international partnerships, outlining the interests and goals of the EU and clarifying the offer for partner countries. Partnerships reflect a long-term vision that aligns with the strategic objectives of both the EU and partner countries.



Proactive mitigation of concerns | The EU and partners engage in candid discussions about challenges, such as the potential negative impacts of the CBAM or the EU Deforestation Regulation and take steps to alleviate concerns through remediation measures such as financial and technical support.



Open and consistent communication | The EU and partners build trust through transparent, frequent communication regarding EU policies, such as the external impact of the Green Deal on partner countries.



Connection to EU Policy | Partnerships align with EU multi-annual indicative planning and Member State-partner agreements, facilitating coherent and strategic engagement.



Clear, measurable goals | Partnerships are guided by concrete, time-bound targets that reflect both climate and development objectives.



5 KEY CONSIDERATIONS FOR EFFECTIVE PARTNERSHIPS

In recent years, the EU has recognised the need for a strategic overhaul of its partnerships with third countries to ensure alliances are both mutually beneficial and responsive to the increasingly complex global landscape. This shift is evident in President von der Leyen's 2024-2029 Political Guidelines, where the Commission outlines its aim to be more assertive in pursuing its strategic interests and leveraging partnerships (von der Leyen, 2024a). The Directorate-General for International Partnerships (DG INTPA) has called for a coherent framework for foreign investment, trade, and macro-economic policy, as well as competitive partnership offers that can effectively meet the diverse needs of emerging and developing economies (Politico, 2024).

As the EU seeks to distinguish itself from major actors like China, it faces several challenges in pursuing long-term, value-based partnerships. These include the absence of a unified strategic vision, difficulties in coordinating efforts between the EU and Member States, and the risk of spreading resources too thin – all of which undermine the effectiveness of EU partnerships and threaten its credibility on the global stage. To address these challenges, Jozef Síkela, the EU's Commissioner for International Partnerships, is tasked with addressing the third pillar of the EU's new economic foreign policy – investment in partnerships. His mission letter calls on him to create stable, mutually beneficial partnerships that align with the EU's strategic goals and make long-term investments in a common future with partners (von der Leyen, 2024b).

As the EU overhauls its partnership approach and establishes new partnerships, **five key considerations are instrumental in guiding its strategic decisions to build and sustain effective partnerships: Scope, Partner Selection, Governance, Support Mechanisms, and Monitoring and Evaluation.** This chapter explores each of these considerations, outlining the options for the EU and identifying critical decision points for building partnerships that not only meet immediate needs but also pave the way for sustainable, long-term collaboration.



01 SCOPE

Rationale

The EU's partnership offer is not always clear or aligned with a unified vision of external action. **When establishing new partnership agreements or renewing existing ones, the scope of engagement should be consciously defined.** The scope lays the foundation for partnerships, guiding role assignments, resource allocation, and establishing clear expectations for both parties. A strategically defined scope is essential for enhancing impact, improving efficiency, and aligning partnerships with the specific needs and priorities of partner countries and the EU.

Approach

Strategically defining the scope of a partnership involves several key elements. This includes identifying shared objectives that align with both the partner's and EU's strategic priorities, as well as outlining practical aspects such as the breadth of the partnership, the methods of implementation, and the expected duration of the collaboration. Climate should be mainstreamed across all partnership offers, regardless of the objectives of the partnership.

Joint objectives

As the EU shifts its rhetoric from a traditional donor-recipient approach towards an interest-based partnership strategy, it needs to present a cohesive offer to partners. This offer should be grounded in **establishing mutually beneficial shared objectives that align with both the EU's and the partner's strategic priorities**, as outlined in the principles section. Such an approach helps ensure partnerships move beyond transactional exchanges of goods and services toward transformational engagement. By fostering shared and transparent objectives, the EU can generate political buy-in both domestically and internationally, enhancing the credibility and viability of its partnerships.

Define EU objectives | The EU needs to be clear about its focus for the external dimension of the Green Deal and its partnership offer. This means thinking strategically and communicating its overarching vision for climate foreign policy, for instance, by establishing a consensus on climate foreign policy which outlines how partnerships interlink with relevant domestic legislation like the Critical Raw Materials Act and the proposed Clean Industrial Deal (NewClimate Institute, 2024b). The adoption of an interest-based partnership strategy should not undermine the primary objective of the EU's development cooperation, which is poverty eradication (The Council of the European Union, 2017). This is particularly important for the least developed countries.

Understand partners' objectives | Partnership offers should be tailored to the specific priorities and needs of regions and countries. Clear links should be drawn between partnership objectives and partners' national development priorities and climate targets, as outlined in national policy documents and joint multi-annual indicative programmes (MIPs). A holistic offer which integrates trade, investment, and policy support can address countries' interests in enhancing their position in the global economy and spurring sustainable economic growth and development. Country buy-in and ownership are crucial. Time and resources can be dedicated to conducting meaningful consultations with state and non-state actors on priorities.

If a partnership is already in place with a given country or region, its objectives should be evaluated to determine how a new partnership might overlap with or complement it. Similarly, the objectives of bilateral partnerships should also be considered. Consultation with stakeholders can help identify lessons learned from existing or previous partnerships. For instance, since 2007, the European Union has cooperated in partnership with the [African Union on the Africa-EU Energy Partnership \(AEEP\)](#) which aims to support universal access to sustainable, clean, affordable, and modern energy sources (AEEP, 2023). Since the partnership's inception, the EU and Member States have entered plurilateral and bilateral energy partnerships with African countries, including: the Just Energy Transition Partnerships (JETPs) with South Africa and Senegal; Clean Hydrogen Partnerships with Namibia, Egypt, and Morocco; and Critical Raw Materials (CRM) Partnerships with Rwanda, Namibia, and Zambia, and the Democratic Republic of Congo (European Commission, 2021a, 2022c, 2022a, 2023b, 2023c, no date e). A strategic vision is needed to ensure such partnerships complement each other, support regional priorities, and build up local economies, while contributing to broader European geopolitical and energy security priorities. The EU can outline its overarching vision for partnerships through a consensus on climate foreign policy and further define regional implications and the interconnection of partnerships in joint MIPs.

Breadth

Alongside establishing joint objectives, it is important to agree on the breadth of a given partnership. **Partnerships can focus on specific sectors and their unique challenges or address multi-sector goals and problems.**

Sector-specific partnerships | Sector-specific partnerships are suited to address industry-specific challenges and leverage specialised knowledge and resources. Examples include the JETPs and Strategic Partnerships on CRMs. Such partnerships can drive innovation, facilitate technology transfer, and strengthen stakeholder networks. However, their narrow focus can also lead to silos, missing valuable synergies. Effective sector-specific partnerships should proactively address potential silos and identify cross-sectoral overlaps.

Economy-wide partnerships | Economy-wide partnerships, on the other hand, span multiple sectors and aim to enhance overall ties between nations and regions. They can be effective at addressing interrelated challenges. An example is the EU-Africa Global Gateway Investment Package, which sets out five areas of support – green transition, digital transition, sustainable growth and job creation, health systems, and education and training. Long-term agreements spanning trade, energy, security, and economic development can enhance cooperation with partner countries and contribute to the strategic expansion of European influence and geoeconomic security. However, the broad scope of economy-wide partnerships may result in competing priorities and coordination challenges, while long timeframes can strain political momentum that was present at the start of partnerships.

Duration

Another key element in strategically defining the scope of partnership is the duration of the partnership. This depends on several factors including the urgency and complexity of the objectives, as well as geopolitical importance. **Agreeing to a joint timeline to achieve partnership goals sets clear expectations, helps determine the necessary resource allocation across the span of the partnership, and facilitates effective reporting and evaluation of progress and goals.**

Methods of implementation

The breadth and duration of the partnership also shapes the methods of implementation.

Project-based approach | A project-based approach is ideal for short-term collaboration on specific and time-sensitive goals, such as the implementation of specific infrastructure developments like renewable energy installations or energy efficiency modifications. Project-based approaches are often time-bound with set funds and defined objectives.

Programmatic approach | In contrast, a programmatic approach spans longer time horizons and encompasses multiple interconnected projects, offering greater flexibility. The objectives tend to be broader, such as supporting the decarbonisation of a national grid, which requires the build-out of renewable energy and storage and the phase out of fossil fuels.

Multi-faceted challenges require a combination of approaches. **The scope of any partnership should be tailored to its specific objectives, resources, stakeholders, and timeline, as there is no one-size-fits-all solution.** Before implementing a new partnership, actors must identify the most effective partnership structure. The EU can draw on its vast experience and lessons learned from past partnership arrangements.



02 PARTNER SELECTION

Rationale

Financial resources, institutional capacity, and personnel are limited, necessitating efficient prioritisation. The EU's partnerships are fragmented and complex, spanning frameworks like Global Gateway, Green Alliances, and JETPs, alongside numerous bilateral Member State initiatives. For example, Global Gateway includes climate projects in over 60 countries, making it difficult to balance broad engagement with meaningful outcomes. This lack of strategic focus overstretches resources and undermines impact. As such, prioritising fewer, high-impact partnerships over quantity is crucial. **To maximise resource efficiency, amplify impact, and better align partnerships with the unique needs of partner countries, a targeted approach to country selection is needed.** This approach can prevent the EU from spreading its resources too thin, enhancing its ability to deliver and making its partnership offer more competitive and credible on the global stage.

Approach

For a targeted approach to country selection, a structured selection framework is essential to enhance the effectiveness and focus of EU partnerships. **This framework should encompass three categories of criteria: general selection criteria, partnership-specific criteria, and geopolitical criteria, with the aim of ensuring that partnerships align with the key principles.** Not all criteria are of equal weight; their importance depends on political priorities and external factors and can vary depending on the partnership and partner country. The section below outlines a non-exhaustive list of potential criteria for each selection category.

General selection criteria

General selection criteria apply to all partnerships and provide a baseline standard for potential partner countries. These criteria can build on values outlined in Article 21 of the Treaty of the European Union, which guide EU action on the international stage (Consolidated version of the Treaty on European Union, 2016). These principles include democracy, the rule of law, equality and solidarity, and respect for human rights, fundamental freedoms, human dignity, and adherence to the principles of the United Nations Charter and international law. Additional relevant criteria include partner country's institutional capacity and governance. Some general selection criteria should be communicated as non-negotiable (i.e., hard criteria), while others as not mandatory (i.e., soft criteria) but requiring countries to demonstrate good faith efforts to indicate their suitability for partnership.

Partnership-specific criteria

Partnership-specific criteria evaluate the relevance and alignment of each country with the objectives of the respective partnership model. This approach ensures that partnerships focus on countries and stakeholders with characteristics best suited to meet the objectives, narrowing the pool of potential partners. For example, partnerships focused on energy transition and emissions reduction should consider current and projected emissions, as well as commitment to a climate-resilient, low-emission development path. Additional factors may include environmental risk, grid emission intensity, fossil fuel reserves, and economic dependence on fossil fuels for employment or export revenues.

Clearly defining criteria for entering partnerships can also improve communication on the EU's partnership offer and make the partnership model more transparent and effective. This approach allows the EU to align resources with partnerships that have the highest impact potential. While partnerships like those for CRMs have clear criteria based on resource endowment and strategic importance, which are outlined in the Critical Raw Materials Act, other models, such as Green Partnerships with advanced economies, have less defined criteria (European Union, 2024).

Partnership-specific criteria should be assessed to ensure the model aligns with each country's unique needs and circumstances and is mutually beneficial. General factors influencing the relevance of a partnership model to a given country could include the country's Gross National Income (GNI) per capita, level of industrialisation, and other socio-economic characteristics.

Geopolitical selection criteria

Geopolitical criteria help identify priority countries or regions for the EU, adding a strategic dimension to the selection process. These criteria are less tangible and should be constantly adapted to the dynamic geopolitical situation, considering EU interests. Important factors to consider include the following:

Regional influence and leadership | Key factors in partnership selection include the partner country's geopolitical and geostrategic position and its significance to the EU's foreign policy objectives in the region. Some countries are regional powerbrokers, with significant influence over neighbouring states and regional institutions. Partnerships with regional powerbrokers can facilitate cooperation with neighbouring countries and regional frameworks, such as the African Union or the Association of Southeast Asian Nations (ASEAN). Such partnerships can build regional favour and influence with countries playing a central role in shaping regional policies, trade agreements, and security strategies. Tailored and competitive partnership offers are essential to win influence and build trust with strategically important partners. EU partnerships can support regional priorities and enhance

access to funding, technical assistance, and economic cooperation opportunities.

Economic cooperation and trade potential | Another key factor is the potential to foster economic cooperation, investment, and trade with partner countries. Countries that serve as economic hubs or trading powerhouses in their regions offer opportunities for European businesses to strengthen economic ties and market access. Similarly, partnerships with the EU can provide partners with preferential access to the single market. Partnerships with high-potential markets, when strategically developed, can drive economic cooperation and local value creation for partner countries while supporting European businesses.

Impact on global challenges | The potential role of the partner country in addressing global challenges, such as energy transition, biodiversity loss, environmental degradation, climate change or water and food security, is another key criterion. Countries relevant to these challenges include those with high rates of energy poverty, those with significant biodiversity sinks, and those contributing significantly to global greenhouse gas emissions. Additionally, the partner's commitment and ambition to tackle these challenges, both domestically and by encouraging ambitious action internationally, are important to consider. Supporting strategic partner countries with significant influence on key global goals benefits not only the partners themselves but supports the achievement of global objectives to which the EU is committed.

Supply chain security | A key factor in partnership selection is the partner country's potential to diversify and strengthen European supply chains. Supply chain security has become a top priority for the European Commission, especially in light of recent disruptions and shifting geopolitical dynamics. Strong partners include those which respect human rights and other core principles outlined in the Treaty on the European Union. Additionally, partner countries should be implementing strong environmental, social, and governance (ESG) safeguards in supply chains. Partnerships should offer opportunities for local value creation and industrialisation while enhancing mutual security.

By systematically applying these criteria, the EU can focus on high-impact partnerships, strengthen alignment with its strategic objectives, and reinforce its competitive position in global partnerships. Once the EU identifies best-placed partners, it needs to provide a competitive offer and enhance its relationship with them by addressing their priorities and setting up partnerships that comply with the key principles outlined above.



03 GOVERNANCE

A clear governance structure is fundamental for establishing the framework in which partnerships operate, especially given the EU's unique institutional structure. Governance provides a structured approach to defining roles and responsibilities, ensuring seamless coordination and effective communication. Critical questions such as which Directorate-General (DG) leads the management and decision-making processes of partnerships must be addressed early in the planning stages, well before implementation. **While high-level political announcements can spark the launch of partnerships, their long-term success depends on a robust governance framework, supported by demonstrated leadership to mobilise resources and strengthen coordination.** Such structures ensure that partnerships are adequately staffed, well-coordinated with Member States and across EU bodies, and clearly communicated with both the public in the EU and partner countries. This section delves deeper in to the governance of partnerships, focusing on three key dimensions: roles and responsibilities, coordination and communication.

Roles and Responsibilities

Rationale

The EU's complex institutional structure can sometimes result in slower decision-making compared to individual countries, and it has faced challenges in defining clear roles and responsibilities for partnerships. Establishing clear decision-making processes and defining roles and responsibilities enhances transparency and fosters long-term commitment by clarifying oversight of funding and management. Well-defined roles help reduce the duplication of efforts, provide clarity on responsibilities, and ensure that resources and expertise are directed where they are most needed. A structured approach that specifies the responsibilities of each EU actor builds trust and confidence with partner countries, ensuring governments have a clear understanding of who to communicate with. Moreover, clear decision-making must be well established to ensure the EU can respond quickly to the needs of partners. As the objectives of partners may shift quickly, it is essential that internal structures enable rapid and flexible decision-making – while remaining grounded in strategic priorities. This allows the EU to adapt its policies and support mechanisms to meet partners' evolving demands.

Approach

Effective partnerships require EU institutions central to these efforts, such as DG INTPA, DG CLIMA, DG GROW, the EEAS, and EU delegations, to be equipped with sufficient resources and clearly defined roles and responsibilities. Since the 2021

NDICI-Global Europe reform, staff in EU delegations and headquarters have faced increased workloads and stretched capacities (European Commission et al., 2024). While the EU has responded with guidance and training for staff, the institutional set-up has not shifted as swiftly as needed to expand staff in delegations and improve communication with experts in headquarters. This staffing gap includes not only staff with technical skills and relationships to mobilise both public and private financing but also staff with experience on stakeholder engagement. One way to address this gap is by clarifying roles and responsibilities for partnerships. **Designating a dedicated climate focal point in each EU delegation involved in partnerships could help achieve this by having one staffer focused solely on climate partnerships and representing the EU on the ground.**

Coordination

Rationale

Close coordination between Member States and the EU is necessary to unleash the full potential of EU partnerships and prevent duplication in partner countries, given that many Member States have their own bilateral partnerships. While these bilateral partnerships reflect individual national interests, aligning them with EU-wide efforts can enhance the overall impact of partnerships. Equally important is internal coordination within EU institutions, such as between Directorate-Generals and the EEAS, to break down silos. As different DGs lead various partnerships, it is crucial that staff collaborate closely with their counterparts, ensuring consistency and a unified approach across the board.

Approach

The Team Europe approach was designed to foster closer collaboration between Member States and the EU on external action. According to the political guidelines for the 2024-2029 Commission, the EU will use “a Team Europe approach, mobilising Member States, public development banks and development finance institutions, the European Investment Bank, the European Bank for Reconstruction and Development, export credit agencies, and the private sector” (von der Leyen, 2024a). By pooling resources through Team Europe Initiatives, the approach aims to maximise the impact of shared efforts in partner countries.

Better utilising the Team Europe approach is crucial for enhancing coordination between the EU and Member States on partnerships and avoiding duplication. The EU and Member States should link their priorities more strategically and coordinate their objectives to leverage the full potential of the Team Europe approach. Additionally, enhanced coordination is needed between EU delegations and Brussels. Establishing a climate focal point in all EU delegations for all

partnerships the EU is involved in would improve coordination between the EU delegation and Brussels. The EU could set up Green Diplomacy Hubs (as proposed in the 2024 Foreign Affairs Council Conclusions) at the regional or national level where the EU seeks to build partnerships (NewClimate Institute, 2024a). These hubs could bring together staff from the EEAS, DG CLIMA, DG TRADE, DG TAXUD, DG INTPA, EU delegations and Member State embassies. The hubs could serve as platforms to enhance internal coordination, facilitate intelligence sharing, and provide updates on ongoing activities.

Communication

Rationale

External communication on the benefits of EU partnerships is vital for building support domestically and internationally. Despite being the world's largest collective contributor to climate finance, and accounting for half of global Official Development Assistance (ODA), the EU struggles to be perceived as strong and reliable partner. As an internal DG INTPA document states, the EU lags behind other countries in public opinion surveys regarding its brand reputation (Politico, 2024). This underscores the importance of highlighting the tangible benefits of partnerships for partner countries, while also strengthening the EU's global brand and reputation.

Approach

The EU can take several steps to improve its external communication strategy on partnerships. Notable progress has already been made, such as the launch of the Global Gateway Civil Society and Local Authorities Advisory Platform, which facilitates communication with civil society in partner countries. (European Commission, no date c). **To build on this, EU delegations can launch country-specific communication campaigns targeted at policymakers, decisionmakers, civil society and the general public.** These campaigns should help further explain the EU's goals, offerings, and overall vision for its partnerships. Most importantly, these communication campaigns must clarify the tangible benefits of partnering with the EU.

The EU often frames Global Gateway and other partnerships as an alternative offer to China's Belt and Road Initiative. However, this "us versus them" narrative risks alienating partners by suggesting they must choose sides. Instead, **the EU should focus on showcasing the unique benefits and positive outcomes of partnering with the EU.** EU delegations in partner countries play a key role in communicating these benefits to local communities, but they often face the challenge of managing large portfolios, which can limit their capacity for outreach.

EU delegations must also take on the delicate task of explaining the external impacts of EU policies to partner countries. This can be done through continuing workshops for local authorities and stakeholders with relevant DG personnel (e.g., DG TAXUD, DG TRADE, DG CLIMA). These could be organised by the EU delegations to clarify potential impacts and compliance rules on policies such as the CBAM or the Deforestation Regulation. Addressing this challenge is crucial to improving the EU's visibility and engagement with stakeholders in partner countries.



04 SUPPORT MECHANISMS

Support mechanisms, including both financial and non-financial resources, are a fundamental element of partnerships. **The EU is uniquely positioned to leverage the combined financial and non-financial resources of Team Europe partners and provide a competitive and robust partnership offer.** This requires strategic and coordinated use of the EU and Member States' resources to maximise efficiency and ensure optimal use of limited resources. To build trust between partners and maintain the appeal of partnering with the EU, it is essential that the EU's commitments are deemed credible and that they deliver. The right mix of support depends on a number of factors explored below.

Financial support

Rationale

International public finance plays a crucial role in derisking and leveraging private finance to address the finance gap. According to the UNFCCC Standing Committee on Finance, developing countries have identified nearly USD 6 trillion in financing needs by 2030 to implement their national climate action plans. Alarming, of the USD 6 trillion of finance needs, 89 percent lack an identified source of financing (UNFCCC Standing Committee on Finance, 2021). Despite efforts to streamline external financing under the 2021-2027 Multiannual Financial Framework (MFF), EU funding structures remain complex. As a result, partners express confusion around accessing finance and understanding which EU institution to approach for access.

The EU faces competing political priorities under von der Leyen's second Commission presidency and the election of parties favouring austerity measures. **With limited public resources, the EU must ensure finance flows to high-impact partnerships and ambitious partners.**

Approach

A key consideration in partnership development is the amount of financing allocated or mobilised for each initiative. Often, the finance figure for a partnership is reached through political negotiations rather than a bottom-up assessment of financing needs. **To the extent possible, international public finance flows should be needs-based, supporting those with the least capacity and complementing domestic spending priorities to address gaps and spur action beyond what could be achieved unilaterally.** In determining finance allocation, it is important to consider partner countries' debt vulnerability, fiscal capacity, and the potential for domestic and international private sector engagement. The geostrategic importance of the partnership and its potential impact on domestic or global goals (e.g., SDGs or the Paris Agreement mitigation goals) can also be considered.

Financial support for partnerships involves a blend of finance sources, domestic and international, public and private, concessional and market rate. The type of financing offered is influenced by a number of factors, including the partnership's objectives, the level of private sector interest, and the partner's capacities. Public finance is limited and therefore should be strategically deployed. For investments where there are insufficient profit margins, such as adaptation or biodiversity investments, public finance can play an important role in ensuring necessary action is taken. When private sector interest is high but hindered by high-risk environments, public finance can play an important role in de-risking investments.

However, for blended finance engagements it is important for the EU to ensure it defines mutually beneficial shared objectives with private actors. Where private sector interest is high, public finance plays less of a role in incentivising investment.

The EU has increasingly set out to leverage private investment with public funds through the use of innovative blended financing structures under NDICI–Global Europe. However, evaluation of EU external financing instruments has found that capacity to deploy blended instruments is insufficient, significant upskilling and capacity building at the EU headquarters and delegation level is required to ensure efficient use of EU resources (European Commission et al., 2024).

Technical Support

Rationale

Non-financial support, like capacity building, technology transfer, and knowledge sharing, is equally important in supporting the creation of an enabling environment for investment and fostering local value chain development. As a first mover in climate action, the EU is well-positioned to lead by example and share first-hand knowledge gained from its domestic transition

efforts and leading EU innovators. It has worked to operationalise support through a number of initiatives, including overarching initiatives like the EU Global Support Facility for Nationally Determined Contributions (NDCs) and the Biodiversity and Protected Areas Management Programme (BIOPAMA) which provide targeted capacity building activities and policy support (European Commission, no date a; NDC Partnerships, no date). By providing technical assistance to develop strategic industries in partner regions, the EU can deepen ties and support partners in capturing value locally, while also diversifying its supply chain and shoring up supply chain security (von der Leyen, 2024a).

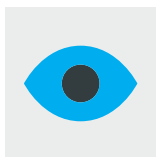
DG INTPA aims to strengthen its technical support partnership offer to advance global climate action (European Commission, no date b). It seeks to provide a comprehensive package of technical assistance and knowledge sharing as part of the external dimension of the Green Deal. Additional efforts to enhance the EU's technical support offer are outlined below.

Approach

An added value of EU partnerships is the provision of technical support, which includes sharing national or sub-national policy expertise, building capacity at both the institutional and project levels, and facilitating the transfer of knowledge and technology. While these support contributions are intangible, they are essential elements of support and should be clearly articulated in partnership offers. By defining them, the EU can better communicate the scope and diversity of its support.

Further work can be undertaken to shore up the EU's technical support offer, ensuring it is cohesive with the EU's long-term vision for partnerships. This could be done more generally as part of a long-term vision for external action (e.g., a consensus on climate foreign policy) or at the partnership level. One avenue where the EU could express its technical support offer and partnership vision is in the forthcoming Clean Industrial Deal. By outlining an external dimension of the Deal, which defines partnership objectives and its technical (and financial) support offer for strategic industries, the EU can enhance communication, promote transparency, and advance shared goals with its global partners.

Technical support and knowledge sharing should not be viewed as a one-way process. Any approach to technical support must recognise that learning is reciprocal and promote a two-way exchange. While the EU can share expertise with partner countries, it also stands to learn from partners about regional challenges and from countries that are innovators in emerging technologies. This reciprocal learning approach will not only enhance the EU's technical knowledge but also strengthen its partnerships, fostering collaboration and mutual benefit.



05 MONITORING AND EVALUATION

Rationale

Monitoring and evaluation (M&E) are essential parts of EU policymaking to assess the design, implementation and outcomes of public policies. These systematic processes allow policymakers to measure progress towards set goals, identify potential gaps and areas for improvement, and improve decision-making through an evidence-based approach. **M&E help identify the most effective programmes and partnerships, thus improving efficiency in resource allocation, as well as the best channels to build trust-based relationships with partners.** For a governmental organisation like the EU, monitoring and reporting are also elements of transparency and accountability to citizens. Increased public scrutiny on the EU's impact internationally calls for rigorous evaluation processes to enhance the democratic accountability of EU institutions (European Parliament, 2023). To ensure accountability and transparency about partnerships meeting European and partners goals, there needs to be an overhaul of the current monitoring and evaluation system.

Approach

Assessing the effectiveness and the impact of partnerships, and integrating lessons learned from this process, is key to improving and adapting the EU's international partnership offer to everchanging external challenges.

EU international partnerships are generally funded through the EU's main external financing tool for the 2021-2027 legislative period, the NDICI-Global Europe, with a budget of EUR 79.5 billion. NDICI-Global Europe is the result of the merger of several instruments, aiming to improve coherence between internal and external policies and simplify the EU's external financing instruments (EFIs).

Monitoring for NDICI-Global Europe is operationally enabled by the Global Europe Performance Monitoring System (GEPMS), which provides continuous tracking of progress for EU-funded initiatives. Evaluation is carried out against the EU's priorities for international partnerships and is implemented by the Global Europe Results Framework (GERF), which assesses long-term policy impacts of NDICI-Global Europe programmes. These tools allow for national-level monitoring to feed into global monitoring and reporting. The results of the M&E process are compiled and published annually by the Commission in annual reports on EU External Action Instruments. Those are supplemented by evaluations of specific regions and themes by the Commission evaluation services (European Commission, no date d).

The EU's assistance for candidate and potential candidate countries preparing for EU membership is financed through its Instrument for Pre-Accession III (IPA III). Its monitoring and evaluation system is separate from that of NDICI-Global Europe (European Commission, 2022d).

NDICI-Global Europe's monitoring and evaluation system covers the European Fund for Sustainable Development Plus (EFSD+), which participates to funding of Global Gateway programmes.

Reform of the current M&E framework | A robust M&E system allows the EU to provide realistic information on the outcomes of the EU's external action, which is key for efficient programming and strong partnerships. This entails providing thorough quantitative but also qualitative analyses on the EU's advancement towards its goals. However, a recent mid-term assessment by the Commission reveals that the NDICI-Global Europe's M&E system struggles to turn quantitative data into qualitative outcome analyses, limiting insights on the EU's international impact (European Commission et al., 2024). This situation risks generating a mismatch between policy objectives and their implementation. The system especially faces challenges in tracking the implementation of EFSD+ funds, including those for Global Gateway, toward expected targets.

It is thus recommended to reform the M&E framework to support more qualitative analysis, by focusing internal monitoring tools more on outcomes and linking the resulting analyses to the EU's geopolitical goals. Enhancing the usability of the M&E system is also of key importance, for instance by harmonising performance indicators across all EFIs and EU services.

Related to improving its usability, reforming the M&E framework also calls for investing in training and capacity-building in EU Delegations and headquarters, to ensure the framework is applied uniformly and staff can use monitoring data strategically (Council of the EU, 2024). Staff in Delegations face particular challenges, as their programming and reporting duties have grown since the 2021 reform of external financing instruments. Despite spending significant time on reporting and accountability requirements, local Delegation staff often lack the thematic expertise of headquarters, limiting their ability to connect field insights with EU policy objectives.

Strong inter-institutional scrutiny | There is a need for a new inter-institutional agreement between the Parliament and Commission to enhance cooperation and oversight. The EU treaties grant the European Parliament a scrutiny role over the European Commission, including on external action and development policy, to ensure democratic oversight across all EU policy areas. The Parliament monitors spending to verify alignment with EU policy objectives, reinforcing transparency and accountability between institutions.

However, despite repeated calls for greater transparency and repeated commitments from Commissioners to increase their accountability to the Parliament, Members of Parliament often find it challenging to monitor and influence the EU's external partnerships due to perceived opacity (European Parliament, 2018). The treaties offer limited guidance on inter-institutional scrutiny, highlighting the need to refine guidance on inter-institutional scrutiny for the Parliament to play a more significant role in ensuring partnerships are strategic and aligned with domestic and external policy objectives.

Consistent stakeholder dialogue | M&E systems can substantially enhance accountability towards external stakeholders, by providing recurrent insights on the EU's progress on objectives and integrating external perspectives into the evaluation of projects. To ensure partnerships and international programmes are mutually beneficial and inclusive, the Commission must integrate more stakeholder feedback into its reporting processes to improve the relevance and effectiveness of partnerships. A consistent dialogue should be facilitated between EU institutions, civil society, financial institutions, and implementing partners through an appropriate forum for feedback on EU projects (Kalcher and Benedetti Michelangeli, 2024). This would also help address partner countries' concerns proactively. The Commission's commitment to report on the operational results of NDICI-Global Europe from 2024, and to introduce an "effective and visible tracking and reporting of Global Gateway," represent positive steps toward enhanced transparency as it holds the Commission more accountable towards external stakeholders (Council of the EU, 2024; Síkela, 2024).

Sustainability assessment | The EU is committed to prioritising climate action and sustainability in its external policies. To ensure these goals prevail, the EU needs to measure the sustainability and climate impacts of financed projects and partnerships. Currently, the EU tracks the progress of its external funding towards achieving SDGs and climate goals through its ODA reporting taxonomy and other spending markers, which categorise activities by their contribution to specific sustainable development and climate objectives (see → Fig. 1). These spending markers act as ex-ante assessments of the contribution of projects to the goals set beforehand. The results are published in the Commission's annual report on external action instruments (European Commission, 2022b, 2023a). While this ex-ante tracking generates essential quantitative data, it only tracks the expected results of the projects and partnerships financed by the EU, falling short of measuring their actual impacts. Some EU institutions have already pointed to a lack of visibility and transparency regarding the impacts on the ground of some projects financed through the NDICI-Global Europe.

On the other hand, the EU should react swiftly to potential gaps between ambition and implementation. As of 2024, NDICI-Global Europe is not on track to meet its climate spending target of allocating at least 30% of its funding to climate action for 2021-2027 (Council of the EU, 2024). When monitoring processes reveal such a gap between ambition and action, the Commission should promptly present clear steps to ensure spending goals are met. For example, it could outline actions to better integrate climate considerations into external funding where applicable. While mainstreaming can help boost the volume of commitments, it is important to ensure that funding genuinely contributes to SDG 13 and does not inflate the figures (see → Fig. 1).

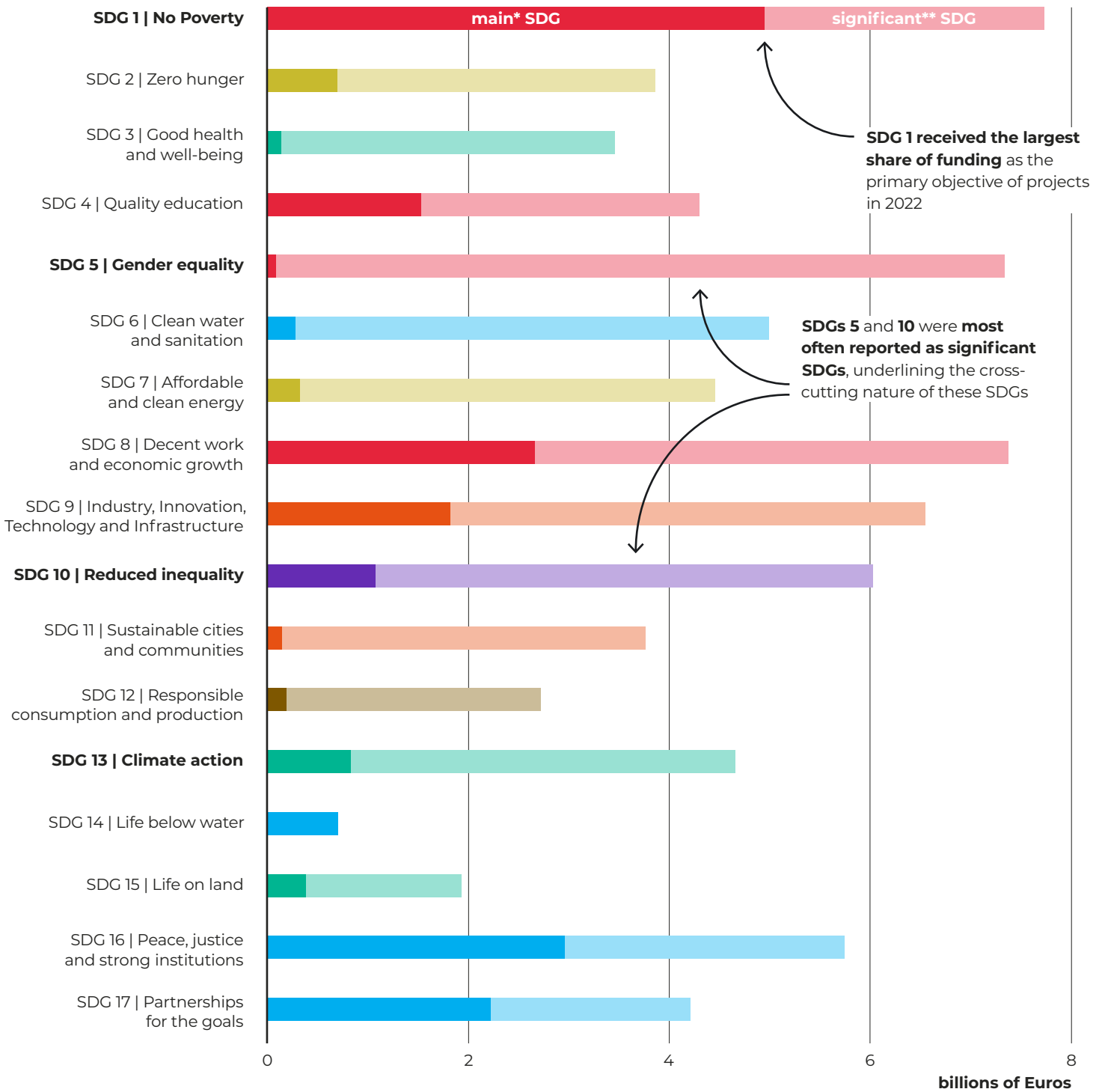


Fig. 1
Volume of commitments for each SDG under NDICI-Global Europe in 2022

Source: European Commission (2023); Re-produced by NewClimate Institute.

Note: The EU Commission defines the contribution of funded projects to SDGs at commitment and payment level based on the ODA reporting taxonomy developed by the OECD's Development Assistance Committee. According to the latter, it is mandatory to report one single **main*** SDG per project, and up to nine other SDGs to which it contributes **significantly****. Summing the financial flows related to the main SDG equals the total amount of financial flows (European Commission, 2023a).

Tracking finance flows | The EU should be more transparent on the allocation of its external funding to improve accountability and alignment with EU policy objectives. It is recommended the EU creates a tool to transparently track the allocation of EU external funding, as advocated by Members of the European Parliament (European Parliament, 2024).

Given the EU's push to increase private sector participation to bridge the finance gap, enhanced scrutiny, monitoring, and reporting of the environmental and social impacts of these investments are also essential. The Commission is already taking a step in the right direction as it is working with Member States to develop a new methodology for tracking mobilised private sector investments, aiming to improve monitoring and transparency towards the European Parliament (Síkela, 2024).



BLUEPRINT FOR CLEAN TRADE AND INVESTMENT PARTNERSHIPS

The 2024-2029 Commission will focus heavily on strengthening the EU's competitiveness in the global clean economy while reducing dependencies on other countries. In the political guidelines, President von der Leyen introduced the concept of Clean Trade and Investment Partnerships (CTIPs) as part of the newly announced EU Clean Industrial Deal (von der Leyen, 2024a). Although details remain limited, the mission letters and political guidelines offer a glimpse into their objectives.

President von der Leyen tasked Commissioner for Trade and Economic Security, Maroš Šefčovič with leading the Clean Trade and Investment Partnerships to “bolster our competitiveness, diversify our supply chains and boost the economies of our partners” (von der Leyen, 2024c). Achieving these goals will require the EU to reduce reliance on certain countries and strengthen alliances with like-minded partners through CTIPs. In addition to building resilience, these partnerships present an opportunity to mitigate tensions with trading partners and address the potential adverse impacts of EU Green Deal policies such as the CBAM and the Deforestation Regulation. Drawing on the principles and key considerations, we provide a blueprint for the Clean Trade and Investment Partnerships to guide their development and implementation based on the latest yet limited available information.

When designing the CTIPs, the EU can consider these key aspects: the **Scope, Partner Selection, Governance, Support Mechanisms, and Monitoring and Evaluation**.

01 Scope | It is crucial for the Clean Trade and Investment Partnerships to have a well-defined scope that sets expectations for both the EU and its partners. Establishing a clear scope will help minimise duplication with existing initiatives, reduce redundancies and clarify the CTIPs' unique offering within the EU's partnership approach. The EU can start by aligning the CTIPs framework with its broader climate and industrial policy goals in the Clean Industrial Deal and the forthcoming economic foreign policy. To go a step further, the Clean Industrial Deal could include a section on international priorities that incorporates CTIPs, reinforcing that the scope is aligned within the broader climate, trade and industrial strategy.

A clear understanding of partner countries' priorities is equally important for the success of the CTIPs. To foster local ownership, the EU must align the CTIPs' scope and objectives with the national development goals of partner countries. This will require dedicating time and resources to consult with state and non-state actors in partner countries, establishing shared priorities and building a foundation for genuine collaboration. When setting priorities, the EU and partner countries should specify the sectors and activities involved to effectively leverage specialised expertise, resources and networks. When setting the scope, the EU can also draw from recent partnership experiences, such as the JETPs or CRM partnerships, which focus on certain sectors like energy or themes like industries.

02 Partner Selection | The EU can start piloting CTIPs with like-minded countries, particularly those already interested in trade agreements but where negotiations for a Free Trade Agreement (FTA) have stalled. Selection criteria for these partnerships should be transparent and in cohesion with EU domestic priorities outlined in the Clean Industrial Deal. Important factors to consider in CTIPs partner selection include the potential for economic cooperation, the ability of trade to support the diversification and strengthening of European supply chains and the development of local industries in partner countries. Lesson learned from initial partnerships will allow the EU to refine the CTIPs framework, address potential challenges, and demonstrate the benefits of the partnership model. Once these early partnerships are established, the EU can then expand the CTIPs model to other countries.

03 Governance | The proposal for CTIPs, as outlined in the mission letter, will sit under the purview of the Trade and Economic Security Commissioner. Unlike the Clean Industrial Deal, the mission letters did not provide specific instructions on how CTIPs would be coordinated across the Directorate-Generals, especially DG INTPA, and the various Commissioner portfolios. Without robust governance and coordination mechanisms, there is a risk that CTIPs could become ineffectual and siloed. Establishing clear political leadership and a well-coordinated structure from the outset will be crucial, following the example of the Clean Industrial Deal. Defining early on who oversees management, decision-making, roles and responsibilities and coordination (including with Member States) will be key. In addition, transparent communication about the EU's goals, combined with openness to partner feedback, will help secure long-term buy-in. Finally, a targeted communication strategy is indispensable for building support domestically and internationally, focusing on the benefits of the EU's CTIPs, rather than positioning them as an alternative to other countries' offers.

04 Support Mechanisms | The CTIPs offer must be more than a transactional exchange, aiming instead for transformational engagement. This means presenting a comprehensive package that combines market access, trade, investment and policy support to help partner countries enhance their position in the global economy and spur sustainable growth and development. The EU can leverage its own expertise in critical industries, along with the knowledge and resources of the European private sector. However, when aiming to attract private sector investment in third countries, the EU must ensure the alignment of shared objectives among EU actors, financial intermediaries, and private actors to fulfil partner country objectives. It is also crucial that EU partnerships avoid bureaucratic delays in providing support in order to remain competitive with the appeal of Chinese investment.

05 Monitoring and Evaluation | Monitoring and evaluating the CTIPs will require a robust and transparent approach, given the involvement of multiple funding actors and various EU services. Recent commitments from the Commission to improve its existing tracking frameworks could facilitate the development of a thorough M&E

These recently announced changes include measures such as a new methodology being developed for tracking EFSD+ fund allocation, new tracking measures for Global Gateway, and a commitment to report on NDICI-GE operational results starting in 2024 (Council of the EU, 2024; Sikela, 2024).

- system on CTIPs . Responsibilities for monitoring and evaluating the CTIP should be clearly defined – without clear roles, expertise may become scattered, leading to silos among on-the-ground staff and thematic experts in headquarters. This fragmentation could hinder the collection of relevant monitoring data and limit the ability of the EU to effectively evaluate partnerships. Incorporating feedback from partner countries early in the M&E process is also essential. This allows gaining an accurate understanding and realistic view on if the CTIPs are co-designed and whether there has been effective stakeholder engagement. Finally, rigorously monitoring the impacts in CTIPs is critical to avoid extractive practices and ensure sustainable development.



WAY FORWARD

Partnerships are a core pillar of the EU's new economic foreign policy and a crucial mechanism for ensuring an equitable and just transition towards low-carbon development globally. To realise the potential of partnerships, the EU needs to refine its approach, ensuring that both existing and newly announced partnerships are fit for purpose.

The EU's approach must move beyond rhetoric by offering competitive partnerships which are co-developed and responsive to the priorities of its partners. **Core principles for partnerships need to be mainstreamed across all EU institutions relevant to a given partnership to ensure they are mutually beneficial, inclusive, and transparent in their offer.** This demands a more coordinated and strategic approach that is cohesive with domestic policies, such as the EU Green Deal and the upcoming Clean Industrial Deal. Clear and transparent communication from the Commission is essential to clarify the EU's partnership offering, define ownership, and identify contact points within Team Europe. Partnerships also need to be supported by adequate and additional financial and technical resources. The European Parliament can play a strengthened role in partnership development to ensure democratic accountability and its adherence to core principles and alignment with the EU's vision for external action.

REFERENCES

A

AEEP (2023) About the AEEP, The Secretariat of the Africa-EU Energy Partnership (AEEP). Available at: <https://africa-eu-energy-partnership.org/about-the-aEEP/>

C

Consolidated version of the Treaty on European Union (2016). Official Journal of the European Union. Available at: http://data.europa.eu/eli/treaty/teu_2016/art_21/oj

Council of the EU (2024) Council conclusions on the Mid-Term Evaluation of the NDICI-Global Europe external financing instrument - Annex. Luxembourg. Available at: <https://data.consilium.europa.eu/doc/document/ST-11343-2024-INIT/en/pdf>

Council of the European Union (2017) The New European Consensus on Development 'Our World, Our Dignity, Our Future'. The Council of the European Union, the European Parliament, and the European Commission. Available at: https://international-partnerships.ec.europa.eu/system/files/2019-09/european-consensus-on-development-final-20170626_en.pdf

Council of the European Union (2024a) 2024 Annual Report to the European Council on EU Development Aid Targets - Council conclusions (24 June 2024). Luxembourg. Available at: <https://data.consilium.europa.eu/doc/document/ST-11339-2024-INIT/en/pdf>

Council of the European Union (2024b) Council conclusions on international Climate Finance in view of the 29th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP29), in Baku on 11-22 November 2024 - Replacement of new paragraph 17. Brussels. Available at: <https://data.consilium.europa.eu/doc/document/ST-14567-2024-INIT/en/pdf>

D

Dev, T. and Goswami, A. (2024) The Global South 's response to a changing trade regime in the era of climate change CARBON BORDER ADJUSTMENT MECHANISM (CBAM). Available at: <https://www.cseindia.org/carbon-border-adjustment-mechanism-cbam--12271>

E

European Commission (2021a) France, Germany, UK, US and EU launch ground-breaking International Just Energy Transition Partnership with South Africa, Press release. Available at: https://ec.europa.eu/commission/presscorner/detail/es/ip_21_5768 (Accessed: 26 November 2024)

European Commission (2021b) Global Gateway. Available at: https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/global-gateway_en

European Commission (2022a) Joint Statement on the EU-Egypt Renewable Hydrogen Partnership, Statement. Available at: https://ec.europa.eu/commission/presscorner/detail/en/statement_22_6646 (Accessed: 26 November 2024)

European Commission (2022b) Launching the Global Europe Performance Monitoring System containing a Revised Global Europe Results Framework - Staff Working Document. Available at: <https://data.consilium.europa.eu/doc/document/ST-5697-2022-INIT/en/pdf>

European Commission (2022c) The EU and Morocco launch the first Green Partnership on energy, climate and the environment ahead of COP 27, Press release. Available at: https://neighbourhood-enlargement.ec.europa.eu/news/eu-and-morocco-launch-first-green-partnership-energy-climate-and-environment-ahead-cop-27-2022-10-18_en (Accessed: 26 November 2024)

European Commission (2022d) 'The Instrument for Pre-Accession assistance (IPA III) Results Framework - Commission Staff Working Document'. Available at: https://neighbourhood-enlargement.ec.europa.eu/document/download/357b45ca-5f11-4bc7-a072-72a5e7875740_en?filename=SWD_2022_445_1_EN_document_travail_service_part1_v2.pdf

European Commission (2023a) 2023 Annual report on the implementation of the European Union's external action instruments in 2022 – The staff working document, Publications Office of the European Union. Available at: <https://op.europa.eu/en/publication-detail/-/publication/05f287d6-9d57-11ee-b164-01aa75ed71a1/language-en>

European Commission (2023b) Global Gateway: EU and Namibia agree on next steps of strategic partnership on sustainable raw materials and green hydrogen, Press release. Available at: https://ec.europa.eu/commission/presscorner/detail/en/ip_23_5263 (Accessed: 26 November 2024)

European Commission (2023c) The EU and the International Partners Group announced a Just Energy Transition Partnership with Senegal combining climate and development goals, Press release. Available at: https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3448 (Accessed: 26 November 2024)

European Commission, MacKellar, L., Massey, C., et al. (2024) European Union's external financing instruments (2014-2020 and 2021-2027). Volume I, Synthesis report. Brussels. Available at: <https://data.europa.eu/doi/10.2841/05549>

European Commission (no date a) BIOPAMA: Managing biodiversity and protected areas, DG INTPA. Available at: <https://biopama.org/>

European Commission (no date b) Climate change, DG INTPA. Available at: https://international-partnerships.ec.europa.eu/policies/climate-environment-and-energy/climate-change_en

European Commission (no date c) Global Gateway Civil Society and Local Authorities Advisory Platform. Available at: https://international-partnerships.ec.europa.eu/policies/global-gateway/governance/global-gateway-civil-society-and-local-authorities-advisory-platform_en

European Commission (no date d) Monitoring and evaluation, Policies. Available at: https://international-partnerships.ec.europa.eu/policies/monitoring-and-evaluation_en (Accessed: 15 November 2024)

European Commission (no date e) Raw materials diplomacy, Raw materials, metals, minerals and forest-based industries. Available at: https://single-market-economy.ec.europa.eu/sectors/raw-materials/areas-specific-interest/raw-materials-diplomacy_en (Accessed: 26 November 2024)

European Council (2024) 'Strategic Agenda 2024-2029', p. 8. Available at: https://www.consilium.europa.eu/media/4aldqf2/2024_557_new-strategic-agenda.pdf (Accessed: 4 July 2024)

European Parliament (2018) European Parliament resolution of 3 July 2018 on climate diplomacy (2017/2272(INI)). Strasbourg. Available at: https://www.europarl.europa.eu/doceo/document/TA-8-2018-0280_EN.pdf

European Parliament (2023) 'Parlemeter 2023 – Special Eurobarometer 100.1 – EB044EP'. Available at: <https://op.europa.eu/en/publication-detail/-/publication/91663015-9d58-11ee-b164-01aa75ed71a1/language-en>

European Parliament (2024) Confirmation hearing of Jozef SÍKELA, Commissioner-designate, International Partnerships, Multimedia Centre. Available at: <https://multimedia.europarl.europa.eu/en/>

[webstreaming/confirmation-hearing-of-jozef-sikela-commissioner-designate-international-partnerships_20241106-1430-COMMITTEE-CONFIRMATION-HEARING-B](https://www.europarl.europa.eu/webstreaming/confirmation-hearing-of-jozef-sikela-commissioner-designate-international-partnerships_20241106-1430-COMMITTEE-CONFIRMATION-HEARING-B) (Accessed: 2 December 2024)

European Union (2024) Regulation (EU) 2024/1252 of the European Parliament and of the Council of 11 April 2024 establishing a framework for ensuring a secure and sustainable supply of critical raw materials and amending Regulations (EU) No 168/2013, (EU) 2018/858, (EU) 2018/17, EUR Lex. Official Journal of the European Union. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202401252

G

Gawel, A. (2024) 'Devex Newswire: Does European aid have an image problem?', Devex, 14 October. Available at: <https://www.devex.com/news/devex-newswire-does-european-aid-have-an-image-problem-108535>

K

Kalcher, L. and Benedetti Michelangeli, S. (2024) Financing the energy transition: reforming the EU's diplomacy and partnerships. Available at: <https://strategicperspectives.eu/wp-content/uploads/2024/10/Financing-the-energy-transition-reforming-the-EUs-diplomacy-and-partnerships-2.pdf>

L

von der Leyen, U. (2024a) 'Europe's Choice, Political Guidelines for the next European Commission 2024-2029'. Strasbourg, p. 30. Available at: <https://data.europa.eu/doi/10.2775/260104>

von der Leyen, U. (2024b) 'Mission letter to Jozef SÍkela Commissioner-designate for International Partnerships'. Brussels. Available at: [https://commission.europa.eu/document/download/6ead2cb7-41e2-454e-b7c8-5ab3707d07dd_en?filename=Mission letter - SÍKELA.pdf](https://commission.europa.eu/document/download/6ead2cb7-41e2-454e-b7c8-5ab3707d07dd_en?filename=Mission%20letter%20-%20SÍKELA.pdf)

von der Leyen, U. (2024c) 'Mission letter to Maroš Šefčovič Commissioner-designate for Trade and Economic Security'. Brussels. Available at: https://commission.europa.eu/document/download/4047c277-f608-48d1-8800-dcf0405d76e8_en?filename=Mission+letter+-+ŠEFČOVIČ.pdf

N

NDC Partnerships (no date) EU Global NDC Facility. Available at: https://capacity4dev.europa.eu/library/eu-global-ndc-facility-brochure-2023_en

NewClimate Institute (2024a) EU Climate Partnerships - Fit for Purpose? Berlin and Cologne. Available at: [https://newclimate.org/sites/default/files/2024-05/EU Climate Partnerships – Fit for Purpose_may24.pdf](https://newclimate.org/sites/default/files/2024-05/EU%20Climate%20Partnerships%20-%20Fit%20for%20Purpose_may24.pdf)

NewClimate Institute (2024b) 'Transforming EU Foreign Policy: Reforms to elevate climate'. Berlin and Cologne. Available at: https://newclimate.org/sites/default/files/2024-07/transforming_eu_foreign_policy_report.pdf

P

Politico (2024) 'Briefing Book International Partnerships'. Brussels: Politico. Available at: <https://www.politico.eu/wp-content/uploads/2024/04/18/draft-IntPa-briefing-for-next-Com-April-2024-1-cleaned.pdf>

S

Síkela, J. (2024) 'Questionnaire from the European Parliament to the Commissioner-designate Jozef Síkela'. Available at: https://hearings.elections.europa.eu/documents/sikela/sikela_writtenquestionsandanswers_en.pdf

U

UNFCCC Standing Committee on Finance (2021) First report on the determination of the needs of developing country Parties related to implementing the Convention and the Paris Agreement. Bonn. Available at: [https://unfccc.int/sites/default/files/resource/54307_2 - UNFCCC First NDR technical report - web %28004%29.pdf](https://unfccc.int/sites/default/files/resource/54307_2_-_UNFCCC_First_NDR_technical_report_-_web_%28004%29.pdf)

United Nations Development Programme (no date) The Effectiveness Principles. Available at: <https://www.effectivecooperation.org/landing-page/effectiveness-principles> (Accessed: 26 November 2024)

V

Verhelst, Koen; Wax, E. (2024) 'Focus harder to rival China's vast global investment plan, Brussels is told', Politico, 23 April. Available at: <https://www.politico.eu/article/focus-hard-rival-china-investment-plan-belt-road-initiative-brussels-eu-global-gateway/>

**NewClimate – Institute for
Climate Policy and Global
Sustainability gGmbH**

Cologne Office
Waidmarkt 11a
50676 Cologne, Germany

Berlin Office
Schönhauser Allee 10-11
10119 Berlin, Germany

Phone: +49 221 999 83 300
Email: info@newclimate.org
Website: www.newclimate.org