

DOCUMENTS



EU greenhouse gas emissions fell by over 8% in 2023, driven by impressive growth in renewable energy

On 31 October 2024, Brussels

The European Commission has published the 2024 Climate Action Progress Report, showing that **net EU greenhouse gas (GHG) emissions fell by 8.3% in 2023** compared to the previous year. This is the largest annual drop in decades, with the exception of 2020 when COVID-19 led to emission cuts of 9.8%. **Net GHG emissions are now 37% below 1990 levels**, while GDP grew by 68% over the same period, showing the continued decoupling of emissions and economic growth. The EU remains on track to reach its commitment to reduce emissions by at least 55% by 2030.

- **Emissions from power and industrial installations covered by the EU Emissions Trading System saw a record 16.5% decrease in 2023.** ETS sector emissions are now around 47.6% below 2005 levels and well on track to reach the 2030 target of -62%.
- Under the EU ETS, **emissions from electricity production and heating decreased by 24%** compared to 2022, driven by the growth of renewable energy sources, in particular wind and solar energy, and the transition away from coal. Aviation emissions grew by 9.5%, continuing their post-COVID trend.
- The **EU ETS generated revenues of €43.6 billion** in 2023 for climate action investments. €7.4 billion is assigned to the Innovation Fund and the Modernisation Fund, with the rest of the money going to Member States directly.
- **Buildings, agriculture, domestic transport, small industry and waste emissions** (covered by the Effort Sharing Regulation) **fell by around 2% in 2023.** Reductions were driven by the buildings sector, decreasing by around 5.5%. Agricultural emissions fell by 2% while transport emissions fell by less than 1%.

- **The EU's natural carbon sink increased by 8.5% in 2023**, reversing the declining trend of the past decade in the Land Use, Land Use Change and Forestry (LULUCF) sector. However, further efforts are needed to meet the 2030 targets.

While report gives **encouraging news on EU emission reductions**, the last year has also seen more catastrophic events and lost lives and livelihoods, driven by our already changing climate, and global emissions have not yet peaked. **Continued action is necessary to ensure that the EU meets its 2030 targets** and sets itself on the right path to achieve its future 2040 target, and the 2050 goal of net zero emissions. **The EU must also continue its international engagement, starting with COP29** next month, to ensure that our international partners are also taking the necessary action.

While Member States are slowly improving on **climate adaptation and building resilience**, further action is crucial. **In 2023, Europe experienced its largest wildfires ever recorded, one of the wettest years on record, major marine heatwaves, widespread devastating flooding, and a continuing increase in temperatures.** The Commission Communication on Managing Climate Risks and the European Climate Risk Assessment both stressed that climate exposure needs to be considered at all levels of governance when setting policy priorities, and across all sectoral policies.

The past year has seen productive engagement by the EU with its international partners to enhance climate action, most notably at COP28 in Dubai. At COP28, the Parties concluded the first Global Stock take under the Paris Agreement, with **decisions on accelerating action by 2030 and beyond, including the transition away from fossil fuels, tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030.** The EU, its Member States and financial institutions, collectively known as Team Europe, remain the leading contributor of development assistance and the world's biggest climate finance contributor, accounting for about a third of global public climate finance.

Background

The Climate Action Progress Report complements the annual State of the Energy Union Report. It outlines the progress made towards the EU's emission reduction targets, as required by the Governance Regulation. The

report also sets out key achievements and recent developments in the fight against climate change. It covers actual (historic) emissions and projected future emissions for every Member State, and information on EU policies and measures, climate finance and adaptation.

Source: https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_24_5605/IP_24_5605_EN.pdf



Commission adopts 2024 Enlargement Package

On 30 October 2024, Brussels

The European Commission adopted its annual Enlargement Package, providing a detailed assessment of the state of play and the progress made by Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia, Georgia, the Republic of Moldova, Ukraine and Türkiye, on their respective paths towards EU accession. The assessments are accompanied by recommendations and guidance on the reform priorities.

Enlargement is a historic opportunity both for the acceding countries and for the current Member States and the EU as a whole. There are significant socio-economic, political and security advantages of a bigger and stronger Union.

European Commission President, Ursula **von der Leyen**, said: *“The tense geopolitical context makes it more compelling than ever that we complete the reunification of our continent, under the same values of democracy and the rule of law. We have already taken great strides over the last years towards integrating new Member States. And enlargement will remain a top priority of the new Commission”.*

The enlargement process continues to be merit-based and depends on the objective progress made by each of the partners. This requires determination to implement irreversible reforms in all areas of EU law, with special emphasis on the fundamentals of the enlargement process. Democracy, the rule of law and fundamental values will continue to be the cornerstones of the EU's enlargement policy. EU membership remains a strategic choice.

The enlargement process gained new momentum throughout 2023 and 2024. The fundamentals cluster was opened with Albania on 15 October 2024. Accession negotiations were opened with Ukraine and Moldova at the

first intergovernmental conferences in June 2024. Having met the interim benchmarks for the rule of law chapters, Montenegro is on the way to provisionally closing further negotiating chapters. In March 2024, the European Council decided to open accession negotiations with Bosnia and Herzegovina. The screening process was completed with both Albania and North Macedonia at the end of 2023.

In June 2024 the intergovernmental conference confirmed that **Montenegro** overall met the interim benchmarks for the rule of law chapters 23 and 24, providing the opportunity to proceed with provisionally closing further chapters if conditions are met.

The Commission reiterates its assessment that **Serbia** has fulfilled the benchmarks to open cluster 3 (Competitiveness and inclusive growth). In the coming year, Serbia is expected to speed up the work on the implementation of EU-accession related reforms across the board, with a particular focus on the rule of law interim benchmarks as well as ensuring a truly enabling environment for civil society and media, making credible efforts to shut down disinformation and foreign information manipulation.

When it comes to **Albania**, the Commission welcomes the opening of negotiations on the fundamentals cluster at the second intergovernmental conference held on 15 October 2024. It is crucial for the authorities to further intensify the pace of EU oriented reforms, notably on the rule of law, consolidating the track record on law enforcement, on effectively fighting corruption and organised crime, and the promotion of fundamental rights, including media freedom, property rights, and minorities.

In the case of **North Macedonia**, the country needs to continue to deliver on the implementation of EU-related reforms, in particular under the fundamentals cluster, notably the judiciary, the fight against corruption and organised crime. Trust in the justice system needs to be strengthened. The screening sessions for all the six clusters of the EU *acquis* were completed in December 2023.

Bosnia and Herzegovina demonstrated tangible results including on migration management, full alignment with the EU's common and foreign security policy, as well as by passing legislation on integrity of the judiciary, anti-money laundering and conflict of interest. In March 2024 the European

Council decided to open accession negotiations with Bosnia and Herzegovina. The Commission is preparing the negotiating framework with a view to its adoption by the Council the moment all relevant steps set out in the Commission's recommendation of October 2022 are taken.

Kosovo submitted an application for EU membership in December 2022. The Commission remains available to prepare an Opinion on Kosovo's membership application as soon as the Council requests it. Progress was recorded in the fight against organised crime, and the business environment improved. Visa liberalisation for Kosovo entered into force on 1 January 2024. Kosovo needs to intensify its efforts to strengthen the rule of law and public administration and to protect freedom of expression.

The opening of accession negotiations with **Ukraine** has been an important recognition of Ukraine's determination to pursue reforms on the path of EU accession. Following the first intergovernmental conference in June 2024, the analytical examination of the *acquis* (the screening) is progressing smoothly. Subject to Ukraine meeting all the conditions, the Commission is looking forward to the opening of negotiations on clusters, starting with the fundamentals, as soon as possible in 2025.

The opening of accession negotiations has been an important recognition of **Moldova's** determination to pursue reforms on the path of EU accession despite facing continuous Russian interference and the impact of Russia's war of aggression against Ukraine. Following the first intergovernmental conference in June 2024, the analytical examination of the *acquis* (the screening) is progressing smoothly. Subject to Moldova meeting all the conditions, the Commission is looking forward to the opening of negotiations on clusters, starting with the fundamentals, as soon as possible in 2025.

While in December 2023 the European Council granted candidate status to **Georgia**, its EU accession process has been meanwhile *de facto* halted due to the course of action taken by the Georgian government since Spring 2024. On 26 October 2024, the Georgian citizens voted in parliamentary elections. The preliminary findings of the joint International Election Observation Mission led by the OSCE Office for Democratic Institutions and Human Rights (OSCE/ODIHR) identified several shortcomings that occurred in a tense and highly polarised environment. The reported weaknesses include *i.a.* the recent legislative amendments to the election process,

frequent compromises on vote secrecy, procedural inconsistencies, intimidation and pressure on voters that negatively impacted public trust in the process. These preliminary findings confirm the need for a comprehensive electoral reform that was already highlighted in past key recommendations.

Türkiye is a candidate country and a key partner for the European Union. Nonetheless, accession negotiations with the country remain at a standstill since 2018, in line with the decision of the Council. Serious concerns remain in the areas of fundamental rights and rule of law, including the independence of the judiciary. Dialogue on rule of law and fundamental rights remains an integral part of the EU-Türkiye relationship. Following the April 2024 strategic guidance of the European Council, relations with Türkiye were marked by a gradual re-engagement, and concrete steps were taken towards constructive exchanges on issues of joint interest.

Next steps

It is now for the Council to consider the recommendations of the Commission and take decisions on the steps ahead in the enlargement process.

Background

EU enlargement will bring far reaching socio-economic benefits to its current and future members. The increase in the number of consumers in the single market will provide major opportunities for business to expand and trade more freely. To enable sustainable growth in the medium term and make progress in meeting the **economic criteria for EU membership**, it is increasingly important that enlargement countries accelerate structural reforms. This involves ensuring functioning market economies and demonstrating capacity to cope with competitive pressure and market forces in the EU. Economic policies should also support ambitious goals under the green and digital transition.

New tools and instruments are boosting the socio-economic growth in our partner countries. As the accession process accelerates, the EU is bringing forward some of the benefits of single market and providing increased financial assistance to enable our partners' **gradual integration** and anchoring in the EU. In addition to the successful Economic and Investment Plans, the Growth Plan for the Western Balkans with its €6 billion Reform &

Growth Facility and the €50 billion Ukraine Facility are incentivising reforms, with justice and the rule of law at the core. In the same vein, on 10 October 2024, the Commission presented the Growth Plan for Moldova with its €1.8 billion Reform & Facility to support its socio-economic reforms and boost investment.

Source: https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_24_5583/IP_24_5583_EN.pdf



EU invests €4.8 billion of emissions trading revenues in innovative net-zero projects

On 23 October 2024, Brussels

The Commission has selected **85 innovative net-zero projects to receive €4.8 billion in grants from the Innovation Fund**, helping to put cutting-edge clean technologies into action across Europe. For the first time, projects of different scales (large, medium and small, alongside pilots) and with a cleantech manufacturing focus are awarded under the 2023 call for proposals. This is the largest since the start of the Innovation Fund in 2020, boosting the **total amount of support to €12 billion and increasing the number of projects by 70%**.

The selected projects are located in 18 countries: Belgium, Denmark, Germany, Estonia, Greece, Spain, France, Croatia, Italy, Hungary, Netherlands, Austria, Poland, Portugal, Slovakia, Finland, Sweden and Norway. They cover a wide range of sectors from the following categories: energy-intensive industries, renewable energy, energy storage, Industrial Carbon Management, net-zero mobility (including maritime and aviation) and buildings.

The selected projects are set to enter into operation before 2030 and over their first ten years of operation are expected to **reduce emissions by about 476 million tonnes of CO₂ equivalent**. This will contribute to European decarbonisation objectives, reducing emissions from those sectors that are particularly difficult to decarbonise, strengthen European industrial manufacturing capacity and reinforce Europe's technology leadership and supply chain resilience.

Supporting industrial innovation for key policy objectives

The selected projects particularly contribute to reaching the following **EU policy objectives**:

Cleantech manufacturing: In line with the Net-Zero Industry Act (NZIA), clean-tech projects selected will develop, build and operate manufacturing plants for key components in wind and solar energy and for heat pumps, as well as components for electrolyzers, fuel cells, energy storage technologies and the batteries value chain. Selected projects will contribute to 3 GW of solar photovoltaic manufacturing capacity in the EU and 9.3 GW of electrolyser manufacturing capacity in the EU, further strengthening EU's clean energy infrastructure.

Energy-intensive industries: Selected projects will support various technologies to cut net greenhouse gas emissions in energy-intensive industries, target renewable energy integration, heat and energy storage solutions, recycling and reuse, as well as electrification.

Industrial carbon management: Projects selected in this call will capture CO₂ and contribute 13% of the NZIA target of storing at least 50 million tonnes of CO₂ per year from various hard-to-abate sources in energy-intensive industries, such as cement and lime, (bio)-refineries, chemicals and waste-to-energy.

Renewable hydrogen: Selected projects will deliver 61 kilotonnes of RFNBO (renewable fuel of non-biological origin) annually, contributing to increase the use and production of renewable energy in hydrogen in hard-to-abate applications in industry and transport.

Net-zero mobility: Projects will help cut emissions in the mobility sector, with the maritime sector benefiting the most. These projects involve building and retrofitting vessels for RFNBO fuels and electricity use, as well as reducing emissions in road transport component manufacturing. Awarded projects will also support sustainable transport fuels, producing 525 kilotonnes of renewable fuels per year.

The selected projects were evaluated by independent experts against five award criteria: potential to reduce greenhouse gas emissions; degree of innovation; operational, financial, and technical maturity; replicability; and cost efficiency.

Next steps

Successful applicants are due to **sign their grant agreements with the European Climate, Infrastructure and Environment Executive Agency (CINEA) in the first quarter of 2025.**

In addition to the 85 projects selected for funding today, other promising but insufficiently mature projects will receive project development assistance from the European Investment Bank.

For the first time, all the 149 projects that scored above all Innovation Fund evaluation thresholds (including 64 non-funded projects) are awarded the STEP Seal - the EU's new quality label to be awarded to high-quality projects contributing to the objectives of the Strategic Technologies for Europe Platform (STEP). The STEP Seal is to facilitate access to further opportunities of public and private support for these projects. Information related to those projects will be available at the end of November 2024 on the STEP Portal.

The Commission launched the next call for proposals under the Innovation Fund in early December 2024.

Background

The EU ETS Innovation Fund is one of the world's largest funding programmes for the deployment of net-zero and innovative technologies. It is one of the key tools of the European Green Deal Industrial Plan. With an estimated revenue of €40 billion from the EU Emissions Trading System between 2020 and 2030, the Innovation Fund is designed to create financial incentives for companies and public authorities to invest in advanced net-zero and low-carbon technologies, supporting Europe's transition to climate neutrality. So far, the Innovation Fund has awarded about €7.2 billion to more than 120 innovative projects across the European Economic Area (EEA) through previous calls for proposals.

The Innovation Fund is implemented by the CINEA, while the European Investment Bank (EIB) provides the project development assistance to promising projects that are not sufficiently mature for Innovation Fund grants.

The 2023 call for proposals of the Innovation Fund attracted 337 project applications of which 283 were eligible and admissible for evaluation. Among the 85 selected projects, the Innovation Fund is now also supporting projects in Estonia and Slovakia, enlarging the list of countries receiving funding.

Source: https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_24_5423/IP_24_5423_EN.pdf.



Commission adopts €1.8 billion support package to underpin Moldova's economic growth plan on its path to the EU

On 10 October 2024, Chişinău

The European Commission adopted a Growth Plan for the Republic of Moldova worth €1.8 billion and underpinned by a Reform and Growth Facility for the period 2025-2027. The Plan, which is the largest EU financial support package since Moldova's independence, will boost Moldova's economy, bring the country closer to EU membership by accelerating reforms, and provide significant financial assistance.

The Moldova Growth Plan is based on three **pillars**,

1. Increasing financial assistance over the next three years through a dedicated **Reform and Growth Facility for Moldova**, based on the upcoming Reform Agenda and of discussed priority investments needs with Moldova, the Facility could support,

- New roads, bridges and rail infrastructure, such as the Chisinau ring road, advancing the connection Odesa-Chisinau-Iasi and bridges over the Prut river.
- Energy Security by completing a new electricity powerline & starting to build two more, linking Moldova to the EU electricity grid.
- Energy subsidies
- Healthcare by starting to build two new well-equipped hospitals in Cahul and Balti.
- The integration of Moldova in the EU's 'roam like at home' area and bringing broadband internet to remote areas of Moldova.
- Improved access to financing and support for 25 000 businesses, including small family businesses.

2. Enhancing access to the European Union's single market. The Moldova Growth Plan proposes immediate steps that Moldova can take to reap the benefits of the single market in five key areas, once the required standards are met:

- i. free movement of goods and integration in supply chains;
- ii. facilitation of trade and transport connections;
- iii. integration into the EU energy market and decarbonisation;
- iv. integration into the Digital Market;
- v. access to the Single Euro Payments Area (SEPA).

3. Supporting Moldova's socio-economic and fundamental reforms. Moldova is undertaking reforms for socio-economic development, building on key economic growth drivers: economic competitiveness; economic resilience, including infrastructure and energy; economic governance; social capital; and the green transition. The reforms will attract foreign investment, improve the business environment, support small and medium sized enterprises, improve skills and qualifications, strengthen trade and exports thus boosting economic growth and increasing the economic convergence with the EU. Payments will follow upon the delivery of the pre-agreed reforms.

Economic convergence is an essential element in preparing candidate countries for EU accession and for joining the Single Market. Integration with the EU's single market has been the main driver of economic growth for all countries that previously joined the EU.

According to Ursula **von der Leyen**, the European Commission President, *“Europe stands firmly by Moldova's side – today and every step of the way on the path to our Union. We can start bringing the Moldovan economy closer to ours already now. Today I'm in Chişinău to present a support package with the potential of doubling the size of the country's economy in a decade. To do so we invest in jobs, growth, services and infrastructure – from new hospitals in Balti and Cahul to the road from the capital to Odesa. We open the doors to our Single Market to Moldovan companies. And we support Moldova's reform efforts.”*

Next steps

It is now for the European Parliament and the Council to examine the European Commission proposal for the Growth Facility for Moldova. Once adopted, Moldova will be invited to submit its Reform Agenda outlining the key socio-economic and fundamental reforms it intends to undertake to accelerate growth and convergence with the EU.

Source: https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_24_5124/IP_24_5124_EN.pdf



EU boosts humanitarian aid to Lebanon by €30 million, bringing total to over €100 million for 2024

On 3 October 2024, Brussels

As the escalation of hostilities between Hezbollah and Israel continues, the European Commission has announced a further €30 million in humanitarian aid to help those most in need in Lebanon. This comes in addition to the €10 million already announced on 29 September and brings total EU humanitarian assistance to the country to over €104 million this year.

According to President of the European Commission, Ursula **von der Leyen**, *"I am extremely concerned by the constant escalation of tensions in the Middle East. All parties must do their utmost to protect the lives of innocent civilians. Today, we are stepping up our humanitarian aid to the people of Lebanon. Our new funding will ensure civilians receive much needed assistance during this very difficult time. We continue to call for a ceasefire across the border with Lebanon and in Gaza, as well as for the release of all hostages."*

This new emergency aid package will provide urgent food assistance, shelter and health care amongst other essential support. The Commission is also facilitating the delivery of material assistance via the EU Civil Protection Mechanism to Beirut.

The conflict has triggered unprecedented population displacement in Lebanon, with already thousands of casualties and injuries among civilians.

In retrospect, People in Lebanon, including refugees, were already experiencing high levels of poverty and food insecurity while having limited access to services.

Nearly 2 million Lebanese and Syrian refugees are estimated to be food insecure. This number is expected to rise further.

Since 2011, the EU allocated over €971 million in humanitarian aid to respond to the urgent needs of the population, both Lebanese and refugees.

As the situation worsened for the broader Lebanese population, especially since 2019, EU humanitarian aid is being delivered both to Syrians and Lebanese who are most in need.

The EU also organised the series of Brussels Syria Conferences to address the needs of Syrian refugees and host communities in Lebanon. Through our humanitarian funding, we support vulnerable populations to meet their basic needs through health care, education, protection and legal services.

Source: https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_24_5010/IP_24_5010_EN.pdf



EU and Western Balkans deepen cooperation on Innovation, Research, Education, Culture, Youth and Sport

On 1 October 2024, Brussels

Iliana **Ivanova**, Commissioner for Innovation, Research, Culture, Education and Youth met with Ministers from the Western Balkans in Skopje in a series of meetings that highlighted the joint efforts on implementing the Western Balkans Agenda on Innovation, Research, Education, Culture, Youth and Sport.

The representatives reaffirmed their commitment to intensifying cooperation for stronger integration of the Western Balkans in the European Education Area, in the European Research Area and in the European Innovation Agenda. The EU is aiming to bring the Western Balkans closer to the EU and it created a set of tools and instruments to speed up the region's convergence. The EU's latest initiative, the new Growth Plan for the Western Balkans includes support for strengthening innovation, the green and digital transitions and offering further education opportunities to young people.

Research and innovation

The Ministers discussed the role of **the European Research Area and the European Innovation Agenda**, which all the Western Balkan partners can fully access, to foster, attract and retain talents through scaling up of the skills required for innovation.

The Western Balkan partners have increased resources for research and innovation, particularly for research infrastructures, science and technology parks, academia-business cooperation facilitating technology transfer, and in providing broad sets of innovation support measures. 400 projects in the region are receiving in total €140 million of funding under the EU's research and innovation programme.

Priorities stemming from Smart Specialisation Strategies, developed by most Western Balkan partners, will generate synergies within the economies and within the region, while creating the environment for talent development and retention.

The Western Balkan countries participating in the **EU DIGITAL programme** will create their own **Digital Innovation Hubs** and take part in the network of European Digital Innovation Hubs (EDIHs), which are one-stop shops supporting companies and public sector organisations in responding to digital challenges and becoming more competitive. 18 EDIHs from Albania, Kosovo, Montenegro, North Macedonia, Serbia, Turkey and Ukraine succeeded in the first call for proposals and they are invited to join the EDIH network. By 2025 each country will have operational EDIHs ready to support companies and the public sector in the green and digital transitions.

Underpinning the green transition priorities and advancing the implementation of the Green Agenda for Western Balkans would accelerate the region's convergence with the EU. Three cities in the region - Elbasan, Podgorica, and Sarajevo – are examples of a new city governance model able to push a systemic transformation towards climate neutrality. They aim to be climate-neutral and smart cities by 2030 while acting as experimentation and innovation hubs enabling other cities in the region to follow suit.

The recent study on air quality in Western Balkans cities, produced by the Commission's Joint Research Centre, provides important insights into the sources and impacts of air pollution, which is a major challenge in the region. The findings will help national and local authorities develop effective strategies to lower for pollution abatement.

Education

Ministerial discussions focused on building a strong link between education and innovation. Several key policy initiatives already contribute to this aim, including the European Education Area, in particular, the European Strategy for Universities, the New European Innovation Agenda and the Digital Education Action Plan 2021-2027.

The Enhanced Partnership with the Western Balkans under the Erasmus+ programme extends to education organisations and institutions in all the

Western Balkans (i.e. including those not associated to the programme). This gives them the possibility to take part in strategic actions such as the European Universities initiative, which brings together 64 alliances of higher education institutions. Expanding initiatives such as the Regional Youth Cooperation Office, Girls Go Circular, and encouraging Digital Education Hackathons, will play a pivotal role in advancing youth participation to the green and digital transition through education and skills development. Particular attention was given to youth, skills development, and upskilling the workforce, especially in the deep-tech areas.

Culture

The Western Balkans Ministerial Platform on Culture, launched in 2022, focuses on the cultural and creative sectors in the region. These sectors can fully benefit from the opportunities offered by the Creative Europe programme, including the Culture Moves Europe mobility scheme, which supports mobility of artists and cultural professionals, and the European Capital of Culture.

Since 2022, the cultural and creative sectors of Western Balkans have also benefited from the Culture and Creativity for the Western Balkans action, a large programme led by UNESCO with the EU's support. The extension of the European Heritage Hub to Western Balkans is another concrete example of our commitment to strengthening regional cooperation.

Background

With the Western Balkans Agenda on Innovation, Research, Education, Culture, Youth and Sport, the region continues to move along the path towards closer cooperation with the EU in these policy areas, thus contributing to the enlargement agenda.

The Growth Plan for Western Balkans aims to bring the Western Balkans partners closer to the EU through offering some of the benefits of EU membership to the region in advance of accession, boosting economic growth and accelerating socio-economic convergence. The Plan is supported by a new performance-based financing instrument, the Reform and Growth Facility for the Western Balkans. It works with up to €6 billion for the period 2024-2027.

Source: https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_24_4983/IP_24_4983_EN.pdf



EU's first Sustainable Investment Facilitation Agreement enters into force with Angola

On 1 September 2024, Brussels

Today, the **EU-Angola Sustainable Investment Facilitation Agreement (SIFA)** has entered into force. This is the **first-ever EU agreement on investment facilitation**. It aims to stimulate foreign investments needed to achieve sustainable development goals. The SIFA will create a more transparent, efficient, and predictable business environment for investors in Angola and to promote sustainable investment by EU businesses in Angola.

The SIFA focuses on improving the business environment through **investment facilitation measures**, such as **increasing the transparency** of investment regulations, promoting the use of e-government for authorisations, and enhancing stakeholder involvement. Investment facilitation **benefits both foreign and local investors, especially small and medium-sized enterprises**.

The agreement also upholds **environmental and climate commitments**, as well as respect for **labour rights**, ensuring that the facilitation of investments is aligned with sustainability objectives.

Improvements in the business climate will help unlock investment in sectors with untapped potential, such as **green energy, agri-food value chains, digital innovation, fisheries, logistics, and critical raw materials**. The agreement will thus contribute to Angola's efforts to diversify its economy beyond fossil fuels.

The SIFA is part of the EU's ambition to deepen its engagement with Africa. It complements the objectives of the Africa-EU Global Gateway Investment Package, through which the EU will support African countries with €150 billion worth of investments. Building on this successful outcome, the

Commission is exploring the possibility of negotiating SIFAs with other interested partner countries in Africa.

Next steps

The two sides will now work together to implement the agreement. The EU will support Angola through targeted technical support aimed at promoting trade and investment.

A Committee on Investment Facilitation composed of EU and Angolan representatives will also supervise the implementation of the agreement and seek ways of further enhancing investment relations between the EU and Angola.

Background

Angola is the EU's 5th investment destination on the African continent. It covers 8% of EU foreign direct investments in Africa, amounting to €21.7 billion in 2022. Angola's investments in the EU amounted to €2.9 billion in 2022. The EU is Angola's main trade and investment partner.

On 18 November 2022, the EU and Angola concluded negotiations on the SIFA. The agreement was signed on 17 November 2023 in Luanda, Angola.

The SIFA reflects the Commission's commitment outlined in its 2021 Trade Policy Review to “propose a new sustainable investment initiative to partners or regions in Africa and the Southern Neighbourhood” who share the same ambition.

Source: https://ec.europa.eu/commission/presscorner/api/files/document/print/en/ip_24_4462/IP_24_4462_EN.pdf