International trade

- 1st trader = € 4 trillion
- EU annual trade
  - Asia € 2.2 trillion
  - Africa € 360 billion
- EU dominant trade partner
  - Western Balkans (90%)
  - Neighbourhood (60%)
  - Africa (55%)

Source: UNCTAD
Foreign Direct Investment

- EU global leader FDI stocks
  - € 10 trillion assets (2018)
- Asia gaining importance
  - € 1.2 trillion of EU FDI
- Eastern Neighbourhood and Western Balkans
  - € 30bn (2013-18)

The EU dominates global FDI

Source: UNCTAD
Why do we need Connectivity?
Why do we need Connectivity?

**Why do we need better connectivity for Europe & Asia?**

- **€1.6 Trillion in annual trade between Europe and Asia**
- **Europe and Asia account for over 60% of the world's GDP**
- **Since 2014, over 32,000 students and academic staff have travelled between our two regions**
- We have a joint responsibility to protect our environment
- Cross-border rules and regulations mean fair competition for businesses
- Fiscal and financial stability requires long-term planning

**How will the EU enhance connectivity?**
CONNECTING EUROPE & ASIA
THE EU STRATEGY

4-3-2-1 Model

Prosperity at home and abroad

Sustainability

Level playing field

Partnerships

Flagship projects

Financial capacities

TRANSPORT
ENERGY
DIGITAL
HUMAN DIMENSION
CONNECTING EUROPE & ASIA
THE EU STRATEGY

**TRANSPORT**
Diversified trade and travel routes linking existing and future transport networks, shorter transit times and simplified customs procedures.

**ENERGY**
More interconnected regional energy platforms, modern energy systems and environmentally friendly solutions.

**DIGITAL**
Increased access to digital services while maintaining a high level of protection of consumer and personal data.

**HUMAN DIMENSION**
Advanced cooperation in education, research, innovation, culture and tourism.
International students

- EU most popular destination for international students
- 1.6 m international students
- 1.2 m from outside the EU

The EU is an attractive destination for international students

Source: OECD and Eurostat
Note: Enrolments per year. EU does not include Bulgaria, Cyprus, Croatia, Malta and Romania as a destination.
# HOW WILL THE EU ENHANCE CONNECTIVITY?

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<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
<td><strong>CONTRIBUTING TO EFFICIENT CROSS-BORDER CONNECTIONS AND TRANSPORT, ENERGY, DIGITAL AND HUMAN NETWORKS</strong></td>
</tr>
<tr>
<td><strong>2</strong></td>
<td><strong>STRENGTHENING BILATERAL, REGIONAL AND INTERNATIONAL PARTNERSHIPS BASED ON COMMONLY AGREED RULES AND STANDARDS</strong></td>
</tr>
<tr>
<td><strong>3</strong></td>
<td><strong>LEVERAGING SUSTAINABLE FINANCING FOR INVESTMENTS</strong></td>
</tr>
</tbody>
</table>
Official Development Assistance

- EU and Member States provided nearly € 75bn ODA

Source: OECD and AidData
Notes: No comparable data available for China for the year 2017.
CONNECTING EUROPE & ASIA
THE EU STRATEGY

WHAT IS THE EU DOING TO CONNECT EUROPE & ASIA?

Indicative TEN-T Investment Action Plan for stronger connectivity with Eastern Partnership countries foresees the construction of 4800 kilometres of road and rail, 6 ports, and 11 logistics centres across Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine by 2030.

EXAMPLES OF CONNECTIVITY PROJECTS

- AIR TRANSPORT AGREEMENTS
  - When agreed, the EU-ASEAN Comprehensive Air Transport Agreement (CATA) will be the world’s first block-up-front aviation agreement, encompassing a combined population of more than 1.1 billion and over 11 million passengers on direct EU-ASEAN flights. In the first 7 years (2017-2023), the Agreement is expected to bring up to €7.9 billion worth of economic benefits.

- ELECTRICITY TRANSMISSION SYSTEM
  - Within the framework of the “CASA 1000” project the EIB is contributing €70 million to enable Central Asian countries to sell their electricity surplus during summer months to deficit countries in South Asia, improving the electricity access and expand markets in a sustainable way.

- DIGITALLY SUPPORTING RESEARCH COLLABORATION
  - Eu-funded regional Research & Education Networks are connected by GEANT, the operator of the pan-European research network, digitally connecting over 50 million researchers and students across Europe and Asia. Total current funding for the projects between Europe and Asia (AvilaConnect, CARIBE, EuRoConnect and EU-MEDCONNECT) in 2015-2017 is €60.5 million (www.eacent.org).

- TRANSPORT INFRASTRUCTURE
  - Connectivity Partnerships
    - The Partnership on Sustainable Connectivity and Quality Infrastructure between the EU and Japan sets out the principles, thematic areas and methods for strengthening cooperation with Japan within the four pillars of connectivity (digital, transport, energy, people-to-people) bilaterally and with third countries.

- STUDENT EXCHANGES & STAFF MOBILITY
  - For the period 2014-2020 Erasmus+ has earmarked over £300 million for Asia. For this period the EU has supported over 31,000 short-term students and staff exchanges, 3,000 degree mobility as well as 300 capacity building projects in higher education.