



Policy Brief

**Cities along Global Gateway-supported
corridors: from concept to impact**

Urban Development Technical Facility

May 2025





Photo: Cameroon road, taken by consultant.

Introduction

The European Union's Global Gateway (GG), launched in 2021, is a strategy to support global investment in sustainable infrastructure and services. A key component is the €150 billion Africa-Europe Investment Package, which focuses on supporting the development of 12 corridors in Africa through sustainable infrastructure and aligned regulatory frameworks. Urban areas along these corridors are crucial for maximising development potential but face challenges like housing, services, and climate resilience.

The Cities and Corridors project, under the EU's Urban Development Technical Facility, studies how cities interact with these corridors to optimise infrastructure investment returns. Uganda, Cameroon and the Democratic Republic of Congo were chosen as a case study, focusing on primary and secondary cities along some of the Global Gateway supported corridors, namely Corridor 6 (Douala / Kribi-Kampala), Corridor 8 (Mombasa-Kisangani) and Corridor 11 (Cairo-Khartoum-Juba-Kampala), Corridor 12 (Lobito-Kolwezi-Lubumbashi / Solwezi Ndola-Lusaka).

The study aims to:

- Evaluate local/ regional governance and corridor planning capacity.
- Highlight key assets linking cities to corridors for economic integration.
- Identify ways to overcome barriers to city transformation.
- Engage stakeholders on strategic investment needs.

This Policy Brief has been prepared further to three exploratory missions providing a corridor assessment and urban profiling in **Cameroon** (corridor 6), **Uganda** (corridors 8 and 11) and **Democratic Republic of Congo** (corridor 12). It is also informed by lessons learned from other corridor initiatives, such as the Greater Mekong Subregion Corridor and the Delhi Mumbai Industrial Corridor, corridor development in SSA and by most recent literature on development corridors.

The Policy Brief is intended to guide policymakers, planners and designers, investors and IFIs in planning for trade corridors so that they can fully realise their economic development potential in the cities they connect and the areas they pass through and is also written to guide initiatives to revamp existing corridors.

Cities and Corridors

Key Success Factors

There is a growing recognition that realising the full potential of corridor spatial development initiatives or Economic Development Corridors (EDCs) or Green Economic Development Corridors (GEDCs) initiatives for cities and corridors themselves depends on effective governance. This includes comprehensive strategic planning and financing frameworks that combine hard infrastructure (e.g., core transport networks, hinterland feeder connections, lower order roads connectivity) with enabling and complementary soft measures (e.g. updated land use plans, specific zoning regulations aligned with corridor development, sector reforms, trade facilitation, and taxation).

Corridor initiatives are long-term projects requiring multi-stakeholder partnerships with a sustained vision and significant capital investment over many budget cycles across multiple jurisdictions and levels of government (state, region, city) and sectors (national, regional and urban planning, transportation, infrastructure, business and commerce, agriculture, mineral resources).

Cities linked via transport networks, are essential players in corridor initiatives as is evident in the cases Greater Mekong Subregion (GMS) and Delhi – Mumbai Industrial Corridor (DMIC). These examples show that integrating urban development into corridor planning can significantly boost local economic growth and increase returns on large infrastructure investments. Their success relied on long-term spatial planning, multi-level government coordination, and engagement with the private sector. In India, the DMIC exemplifies the integration of urban and infrastructure policy through Economic Corridor Development (ECD). Launched in 2007 with a \$4.5 billion loan and partnership with Japan, the DMIC aims to create a decentralised, high-tech industrial corridor that eases pressure on Delhi and Mumbai by establishing smart industrial cities across six states.

Local governments and key stakeholders were actively involved in both initiatives. A thorough assessment of each corridor's area of influence helped identify the services they could provide. Cities saw significant benefits from the economic transformation driven by hard infrastructure and reinforced by complementary soft measures.



Photo: Main road in Cameroon, taken by consultant.

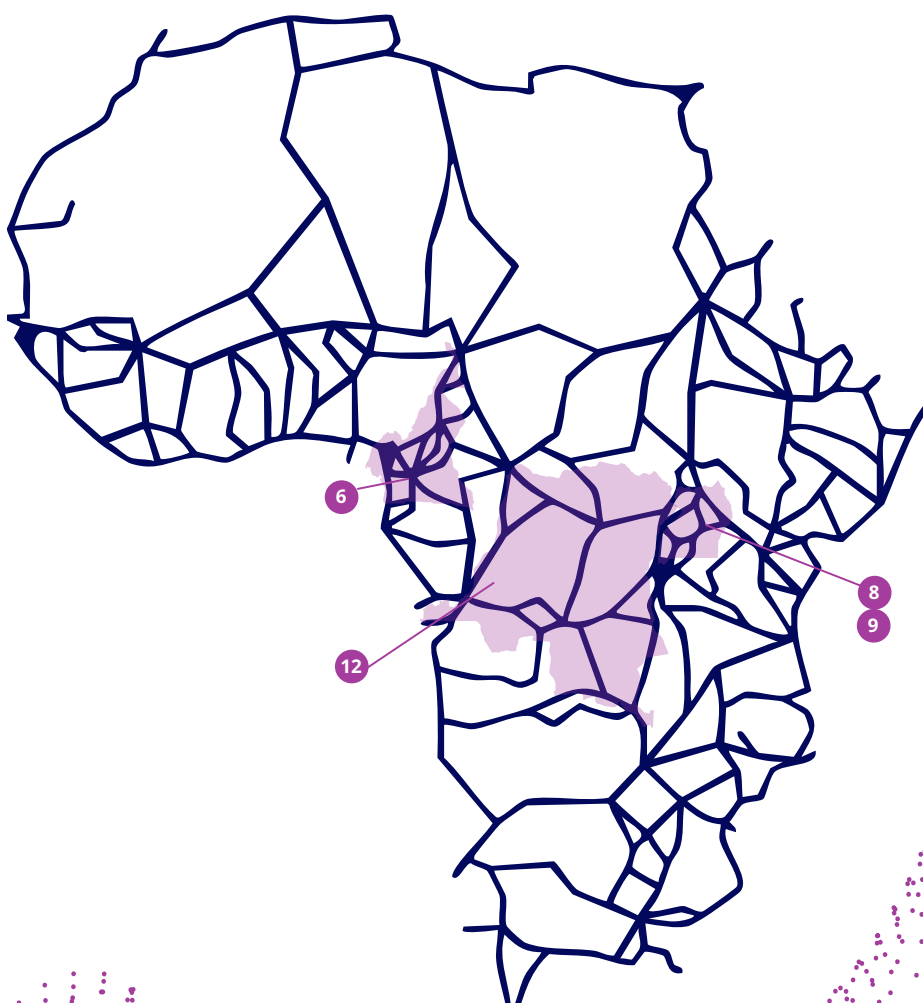
Corridors development in the context of SSA – a Growing Emphasis on Economic Transformation

Urbanisation is a driver of economic transformation in Africa, by 2030, half of the annual increase in the world's working-age population is expected to come from SSA making it the largest labour force in the world. A workforce that increasingly finds work only in the low-paid informal economy, often in urban and peri-urban areas

It is estimated that up to one billion more people could be living and working in African cities by 2050. Linking these centres of production and consumption will be critical to the transition to 'endogenous' growth that is envisaged through the African Continental Free Trade Area and related trade liberalisation and infrastructure investment.

- Many corridors in Africa are built to serve extractive industries, focusing on the export of raw or semi-processed goods with minimal local benefit. This model often overlooks inclusive development. For instance, in Mozambique, a railway line cuts through the city of Nampula, disrupting daily economic activities.
- Corridors in Africa are often planned and managed in a top-down approach with little integration with the urban areas they are intended to serve. For example, in Ethiopia, poor last-mile connectivity continues to hinder the integration of cities and industrial zones located near transport corridors.

Figure 1. Diagrammatic representation of Corridor 6 (Cameroon), Corridor 8 and 9 (Uganda), and Corridor 12 (DRC).



Transport corridors contribute to better connectivity, lower transport costs and stimulate additional economic activity as evidenced by the field missions to Cameroon, DRC and Uganda as part of this exploratory study. However, cities along the Global-Gateway supported corridors studied in Africa often do not feature prominently in corridor strategic planning documents. Major trunk transport systems, road and rail, ‘collide’ into cities causing significant disruption and environmental damage.

Logistics efficiency gains within the defined 140km¹ zone of influence can be quickly diminished if local transport and non-adapted land use impair movements and restrict opportunities for wider economic benefits. Evidence from Cameroon and the DRC clearly illustrates the breakdown of strategic infrastructure investment being integrated with local transport and land-uses. The result is informal ribbon developments, congestion, pollution, and increased exposure to road hazards. Potential for Transit Oriented Development and Land Value Capture is not realized.

There is increasing awareness across African Corridor initiatives of the need to transition from basic transport corridor investments – hard infrastructure focused on movement - towards more **integrated packages of hard and soft measures** designed to catalyze economic transformation. Cities, and the value-chains they host, are at the center of this policy shift - The Greater Kampala Metropolitan Area and secondary cities along the transport corridors have witnessed more economic activity and critically, diversification of their production structures. The clusters of job intensive ancillary services located around inner-city ports in many African countries (Doula, Tema, Dar es Salaam, Mombasa, Djibouti) is clear evidence how corridor generated employment requires effective planning and employment land provision to optimise benefits. The recent PPP marine terminal in Berbera also includes developing an Special Economic Zone proximate the port as TOD type of initiative designed to support Somaliland’s urban economic diversification strategy.. Further, the growing interest in **“green corridor” planning initiatives** that support local economic development and use innovative financing tools (land value capture, public-private partnerships, access to green concessional finance) signals the growing appreciation of the need to bring cities in **into corridor spatial development initiative**.

Policy Guides to Securing City - Corridor Development Outcomes

City-corridor integration is not automatic. It requires a deliberate mix of policy, planning, investment, and institutional reforms. National spatial strategies must prioritise these three clusters of innovation—governance, planning, and local intervention—supported by coordinated soft and hard measures. Done right, cities can become the engines driving the success of economic corridors and national development.

The evidence shows that the GG-supported Lobito Corridor 12 has attracted significant international attention and is consistent with the traditional view that major transport infrastructure investments are often driven by the extractive and mining sectors. These corridors can unlock economic opportunities for resource-rich regions by connecting them to global value chains and markets. This dynamic is particularly evident in the DRC case study, where cities connected to the Lobito Corridor primarily serve the rapidly expanding mining industry. The city analysis, however, highlights the need for improved planning, urban services and management to ensure that critical corridor cities² are effectively integrated into transport networks and value chains, thereby maximising investment returns and improving local development outcomes. Uganda, on the other hand, presents a more positive example. The cities along Corridors 8 and 11 show greater integration, with well-planned interchanges and better alignment between transport infrastructure, local government, and the private sector. The cities along Corridors 8 and 11 also show greater integration, with well-planned interchanges and better alignment between transport infrastructure, local government, and the private sector.

Therefore, the corridor approach as a programmatic tool for development cooperation and national spatial planning to unlock city level productivity, job creation and inclusive and resilient economic growth must be built around **three core pillars**.

1 - Source: JRC CUSA study. Access: <https://publications.jrc.ec.europa.eu/repository/handle/JRC128942>

2 - Roberts (2014), Managing Systems of Secondary Cities, Cities Alliance/UNOPS, Brussels.



1. Governance through Partnerships:

The effectiveness of strategic corridor planning is significantly enhanced if partnerships that bring together all jurisdictions involved with the corridor and those affected by its development are put in place up front. The transformational potential of corridors can be enhanced when cities are core partners in the corridor planning and investment frameworks. Strategic plans and budgets linking national – regional and local levels should fully integrate major transport corridors (all modes), hinterland rural – urban feeder networks and, lower order road network for each of the urban growth pole they are connecting. Implementing stakeholders need to prioritise objectives and understand trade-offs among objectives. Core objectives typically revolve around the following:

- **Transport:** Reduced total logistics costs and enhanced reliability of networks.
- **Urban Improvement and Revenue:** Transport Oriented Development driven land value capture revenue generation by creating access to serviced employment land and planning gain to secure wider urban improvement.
- **City Region Integration:** Improved rural – urban linkages access to markets and stimulate job creation in both rural and urban areas.



2. Peri-urban areas and networks of secondary and smaller cities

In Africa hold significant untapped potential for driving agro-industry growth and expanding employment opportunities. Often located near fertile agricultural areas and along strategic transport corridors, these urban regions are ideally positioned to support agro-processing value chains, yet their contribution to national productivity is still very limited for want of adapted connectivity, leading to missed opportunities for local job creation and economic diversification. As a result, primary cities are forced to compensate by absorbing excess labour, often beyond their capacity, which strains infrastructure, services, and quality of urban life. A more balanced spatial economic structure - achieved by integrating these areas into corridor development through bottom-up, regionally informed planning - can unlock inclusive growth, decentralise job creation and reap the full benefits of urbanisation.



3. City-Level Interventions to maximise impact:

Corridor implementation evidence points to the need to get three local level packages of investments right if positive development outcomes are to be shared and negative externalities managed fairly and sustainably:

1. **City – Corridor interface** to ensure an orderly and efficient trunk network slotting into the localised city transport and land-use systems – avoiding a “collision” between trunk and local networks.
2. **Hinterland connectivity networks to enable rural – urban linkages** of product and labour markets to function; and
3. **Intra-urban “capillary” road networks** optimising mobility and unlocking transport-oriented development opportunities and employment land within urban growth poles and near logistics terminals.

The Transition to Economic Development Corridors Requires Soft and Hard Measures to Wider Economic Benefits

Soft Measures focused on Planning Initiatives and Financing Frameworks

Transit-Oriented Development (TOD): TOD enabling interventions that strengthen local transport – land-use planning to unlock economic development opportunities should be a policy priority for cities along corridors. The opportunities to allocate land for major logistics assets (stations, multi-modal interchanges) and proximate commercial and industrial space to enable private investment in businesses that can leverage better connectivity should be fully exploited in city plans

Leverage Public Assets to Bring in the Private Sector: Linked to TOD physical plans should be innovative financing frameworks that encourage private investment and PPPs, with risk allocation balanced between public and private sectors. Fiscally constrained cities should be able to structure investment packages attractive to the private sector (logistics, commercial and industrial interests) anchored around sites with secure land tenure and highly connected to transport networks and terminals. New formal sector activities should open land – value capture opportunities, through site auctions and / or land taxes, to assist with funding public services.

The example of the port of Maputo, Mozambique

The Maputo Corridor is a key trade route linking Mozambique's port of Maputo with South Africa, illustrates effective corridor development through public-private partnerships (PPPs). These partnerships have improved railway infrastructure and operations (e.g. Ressano Garcia line) and supported the growth of complementary services like logistics hubs and warehousing, enhancing the corridor's efficiency and trade competitiveness. More importantly, PPPs have been instrumental in complementary measures beyond core infrastructure, which has enhanced the overall functionality and attractiveness of the corridor as a trade route.

Better Day-to-Day Operations of the City-Corridor Interface: Much greater attention is needed to implement appropriate local transportation and traffic management systems and measures to improve safety, reduce congestion, and manage access to/from corridor-dependent economic activities. These initiatives are focused on institutional strengthening of the agencies responsible for those matters at the city level and providing them with the resources and tools to manage the externalities and risks that arise from corridor proximity. Better traffic management and network O&M combine to improve productivity and create job opportunities.



Traffic jam in DRC. Photo taken by local consultant.

Hard Infrastructure Investment Opportunities: Strategic Economic Development and Network Functionality

Urban Growth Pole Productivity Drivers: A targeted investment package should prioritise large-scale infrastructure projects that enhance integration and connectivity between cities and transport corridors. This includes the development of ring roads, integrated transport interchanges, and multimodal logistics hubs to support modal shift and strengthen intermodal connectivity. While anchored at the city level, these initiatives often require coordination with national and supranational stakeholders and are designed to improve the efficiency, reliability, and inclusiveness of urban mobility and connectivity systems.

First-, and Last-Mile Connectivity: Despite significant investment in transport corridors aimed at lowering trade and logistics costs, the expected benefits often fall short due to inadequate first and last mile connectivity, namely, the local infrastructure linking urban centers, industrial parks, and businesses to core corridor assets such as highways, railways, and ports. In Ethiopia, the lack of integrated planning between urban development (including housing and social infrastructure), industrial zones, and transport networks has resulted in inefficient labour markets, elevated logistics costs, and missed opportunities for export-led growth and economic diversification. For multilateral stakeholders there is a strong case for high-impact, cost-effective investments that close these connectivity gaps and better integrate local economies with national and regional infrastructure systems.

The cost of inaction: an example in Ethiopia

Since the 1998–2000 war with Eritrea, Ethiopia has relied on the Djibouti Corridor for over 90% of its import/export trade, following the loss of access to Eritrean ports. Despite bilateral agreements like the 2006 multimodal transport deal, cross-border trade still faces major inefficiencies and delays, particularly at Djibouti ports. Ethiopia has responded by investing heavily in infrastructure, such as the Standard Gauge Railway (SGR), operational since 2018 at a cost of \$4.5 billion. Despite the major investment of around USD 4.5bn in the Ethio-Djibouti SGR, the route was not initially integrated with existing economic infrastructure, such as the container terminal in Djibouti port or Ethiopia's primary dry port in Modjo. This lack of connectivity resulted in containers having to be unloaded at the port and transported the first few kilometres by truck to be reloaded at the railway station in Djibouti, and transported the final few kilometres by truck to Modjo once unloaded at the final destination in Ethiopia, significantly adding to the cost of transport. These issues have been rectified, but required additional investment in the "last mile" connections.

"A corridor is not a link between two loading/unloading points, it is a development spine with tributaries diffusing through each city and through its whole hinterland, in urban areas, sits banks are prime land for urban improvement, greening, business development and revenue generation."

EU Global Gateway and EU Delegations: Bringing Cities into EDCs

Secondary cities offer significant opportunities for high-impact outcomes. There is a strong case for focusing resources, including external support and concessional finance, to mutualise the benefits of cities and corridors, and to address corridor bottlenecks at the city level.

The transition to EDCs/GEDCs across Africa provides a strategic entry point for EUDs to support innovative urban growth pole interventions through policy dialogue with corridor stakeholders. The city level engagement strategy should prioritise:

- 1 Map Economic Activities and Value Chains**

Identify all productive activities, value chains, and facilities that could benefit from improved corridor access. Work closely with business stakeholders to understand where connectivity improvements can boost efficiency and unlock economic potential.
- 2 Model Urban Benefits and Land Needs**

Assess how a corridor can improve urban mobility, connectivity, resilience, and agglomeration. Promote the adoption of Urban mobility plans that account for first-, and last-mile connectivity, mirroring the rationale of the Trans-European Transport Network (TEN-T) and its revised regulation with an enhance focus on urban nodes. Estimate demand for employment land—especially near logistics hubs and terminals—to support the orderly growth of services and industries around the corridor.
- 3 Review Urban Planning and Governance Frameworks**

Understand the legal, regulatory, and institutional context for urban development and infrastructure provision. Map all public and private stakeholders involved, ensuring that corridor planning is integrated with city-level actions yet remains focused on corridor outcomes rather than general urban programming.
- 4 Identify Investment aligned with Land Use Priorities**

Define specific infrastructure investments needed to improve corridor performance. Align these with land use and zoning updates near key corridor locations. Supplement this with ‘soft’ measures such as planning support, national and municipal capacity building, and investment facilitation.
- 5 Identify Underserved Cities and Urban Areas**

Identify secondary cities and economic areas within the corridor’s wider influence that remain poorly connected or excluded from value chains and agglomeration benefits and channel investments. These should be targeted for improving link between urban and corridor infrastructure and services to unlock the agglomeration dividend.
- 6 Select Strategic Cities for Corridor-Led Growth**

Choose key secondary cities and productive zones with high potential for corridor-related investment. Focus interventions to improve their connectivity, support regional value chains, foster industrial specialisation and help them emerge as new regional growth hubs.

For international development actors such as the EU, IFIs and national partners, aligning transport corridor investments with spatial planning, economic clustering, and institutional reforms can significantly increase the developmental returns. This integrated approach is informed by a thorough analysis of primary and secondary services as well as by the business, employment and urban development opportunities to ensure corridors serve as catalysts for inclusive, resilient, and sustainable economic transformation.

Stand-alone interventions in urban programming are likely to be insufficient if the aim is to maximise job creation and productivity gains in cities. The approach combines working through a “top-down” and a “bottom-up” approach simultaneously through triangular cooperation (local-national-international) on locally implemented interventions:

Enabling Environment - Soft Measures: The emphasis is on reforms and strengthening institutions to achieve sustained effectiveness to facilitate inclusive economic growth. A strategic focus should be on innovative transport-oriented development (TOD) planning and finance frameworks that can leverage transport infrastructure, land value capture, de-risking investments and unlocking opportunities for job creation related to network access and logistics and ancillary services. There are immense opportunities to open “space” to create employment land to attract firms into well connected locations and labour markets.

Targeted Hard Measures: Physical investment projects are needed, especially smaller scale economic growth enabling infrastructure, that catalyses a step change in development pathways towards greener growth and/or unlocks local bottlenecks that impede productivity. Project selection should strongly emphasise two criteria: complementarity and synergies with corridor networks (hinterland connectivity, feeder links and intra-urban capillary road systems) to maximise wider economic benefits, and potential for private sector investment.





A main road in Cameroon. Photo taken by local consultant.

Cities along Global Gateway-supported corridors: from concept to impact



Implementing Consortium

Urban Development Technical Facility Project
NDICI CHALLENGE/2022/436-490



Funded by
the European Union



About UDTF

Urban Development Technical Facility as part of INTPA F4

The UDTF focuses on supporting partner countries in their urban development challenges. It delivers technical assistance and policy advice to improve the quality and impact of the EU's interventions in urban development at all levels— local, regional and global—with a focus on Africa, Asia, the Caribbean, and Latin America. Integrated urban planning coupled with greener infrastructure and coordinated urban expansion can increase a city's urban resilience while minimizing the negative environmental impacts of human settlement.