



**EPP Group Hearing with External Experts WG External Policies**  
**Addressing common challenges and seizing shared opportunities for EU**  
**and Africa**  
**12/01/2022**

Tomas Tobé, MEP

- Stressed the importance of EU-Africa relations.
- The hearing is part of the ongoing procedure of composing an EPP position paper on Africa.
- This will pave the way to equal partnership / mutual responsibility etc.

**Session 1 (13:00-14:00 CET)**

Hildegard Bentele, MEP – Intro

- Stresses the increasing importance of the neighbouring African continent.
- To improve the situation on the continent, one needs to start with job creation and this must come from within Africa.

Investment: Alexandros Spachis, Secretary General EBCAM

- Introduces EBCAM as a voluntary European federation of national members that are “Africa optimists” but not “Africa naïve”
- EBCAM holds influence in private sector initiatives
- 20-30 times more money is needed in the private sector involvement in Africa. This will lead to job creation.
- Taxes need to be raised in states in order to create a public budget and create growth.
- Private sector is just as good at fighting poverty as public policy.
- African GDP is increasing by 5%p.a. and soon there will be 1bn consumers
- Asian, European and North American markets are already saturated, so Africa represents a real opportunity.
- Asks whether Africa will develop in order or in chaos?
- European private sector can step in and help with their ‘know-how’.
- 14 African countries use currencies tied to the Euro, also many languages are shared with EU countries and a history is shared.
- It is important to develop a dynamic relationship with Africa.
- What is needed for increased investment? Among other things: debt relief, attractive business environment, innovative financial instruments.
- AfCFTA has been a major step forward.
- There is a need for public-private partnerships and dialogue.
- Russia, US and China have all been trying to make inroads into Africa.
- Companies from other parts of the world are not constrained by the same regulations that Europeans are regarding Human Rights, the environment etc.
- Highlights the importance of upcoming events: EU-Africa Summit back to back to the EABF22.



- There is a need to support Africa and there are lots of opportunities for cooperation and investment.

Q&A: What to do to increase investment?

- Private sector investments in Africa need to be de-risked
- Development aid from the EU must be earmarked to be assigned to private sector projects

Job Creation: Dr. Vera Songwe, United Nations Under-Secretary-General and Executive Secretary of the Economic Commission for Africa

- Predicts that global growth will slow.
- Recent problems: COVID, supply chain disruptions and debt
  - These are macroeconomic factors that need to be looked at.
- Difficult to create jobs in an environment of conflict.
- However, Rwanda, Tanzania and Cote d'Ivoire are good examples of where job-creation projects have worked.
- Problem of migration: From northern Africa to Europe and from southern Africa to the USA.
- Many African countries experience paradox of an increase in productivity causing a decrease in jobs (less labour needed when everything becomes much more efficient).
- Europe needs to become competitive actor in ICT in Africa
  - Access to ICT in Africa: 17%
- Investment in Africa needs to be coupled with good governance.
- Population groups such as women and children often fall into poverty when shocks like COVID hit the country.
  - This can be combated with skills training and safety net programmes.
- She believes that private sector fiscal incentives to invest have not worked very well.
- AfCFTA needs the proper infrastructure to function.
- Capital markets need to be developed alongside an improved banking system.
- Lending needs to operate at cheaper rates and more transparently.

Q&A session

- Africa needs to move towards an energy transition
- Natural Gas can be used for growth in Africa, this is still a resource that the EU is yearning for.
- Vocational training needs to be accompanied by industry involvement.

Trade: Wamkele Mene, Secretary General, AfCFTA (presented by chief of staff Ojakol Silver)

- 1% increase in African share of global trade from 2 to 3% would generate a further \$70bn in revenue, far more than the development aid given.
- Multiple challenges for trade: tariffs, infrastructure, ports
- Africa trades mostly in only a few goods, such as certain raw materials



- Diversification is needed. This must be accompanied by policy.
- Africa has increased energy needs.
- EU has been an important partner historically and shares culture, history and languages with Africa.

### **Session 3**

#### **China's growing presence in Africa: Dr. Cobus van Staden, Senior China-Africa researcher at South African Institute of International Affairs**

- China is Africa's biggest infrastructure provider.
- China is shifting from bigger projects (worth billions) to a proliferation of smaller projects (worth millions).
- China has an aggressive investment plan in Africa: \$30bn by 2035.
- They are moving towards using vaccines in their approach: covid is becoming a peace and security issue.
- On a geopolitical level, there is a strong focus on China's traditional sphere of influence
  - It wants to integrate Africa into its approach in South East Asia, ports, trade channels etc.
- Africa has trade missions etc set up in China – there is a dialogue.
- Strategy of displacing China in Africa is no longer realistic
  - There is however scope to cooperate with them.

#### **Q&A Session**

- Showing superiority of European standards on the ground in Africa may help in competing with China.
- EU's Human Rights and other standards are widely respected in Africa, but not when these are used as a pretext for excluding Africa from deals, projects, discussions etc.
- In order to stand at least a chance of competing with China in Africa, the EU will need to demonstrate a similar level of engagement as the Chinese in many fields: i.e. policy, economics etc.

#### **Q&A Input from Dr. Susanne Conrad, Policy Advisor of Law and Security in Sub-Saharan Africa, Konrad Adenauer Stiftung (she held the *Peace, security and geopolitical competition in Africa* talk)**

- When engaging in Africa in security matters, it is important to have an exit strategy.
  - Think about the mistakes of not having one in Afghanistan.