

## The European Union has to assert its role as Africa's leading partner

### Patrick SEVAISTRE

Special Advisor EBCAM (European Business Council for Africa)/ CIAN (Conseil français des investisseurs en Afrique)

\* The opinions and views expressed in this publication are those of the author.

After the European Parliament adopted the strategy for a more ambitious and equal partnership with Africa, the next EU-Africa summit will have to validate this new offer. Will partners succeed in establishing the long-term mutual trust necessary to meet together the new development challenges of the African continent?

In March 2021, the members of the European Parliament approved the new EU-Africa strategy, adopted a year earlier by the European Commission and the EU High Representative as a joint communication. The stated objective for Europe is to establish a new relationship from continent to continent that leaves behind the donor-recipient model, to empower African nations to achieve the SDGs (Sustainable Development Goals), to ensure a successful green transition, to accompany and support Africa's vision and ambitions for a continental free trade area.

This desire for a partnership of equals is symbolically embodied by the 2019 choice of the new European Commission to no longer have a commissioner in charge of development, but a commissioner in charge of International Partnerships, including Africa.

To implement this strategy, the Commission has set up substantial funds under a new financial instrument which now merges all external intervention instruments into a single one, including the EDF (European Development Fund), the financial arm of the Lomé and Cotonou Agreements, matured in 2020.

With a budget of €70.8 billion over 2021-2027, of which 37% (€26.19 billion) for Africa, "the European Instrument for Neighbourhood, Development and International Cooperation (NDICI)" aims to facilitate EU international engagement by providing more financial flexibility in its actions.



# The new format of the EU-ACP agreement establishes the EU-AU Summit political prominence

At this stage, this offer for a new EU strategy has to be discussed with a view to adopting a common strategy at an EU-Africa summit which should have been held in October 2020. The pandemic imposed changes in priorities and political agendas and now the postponed summit is foreseen to be held at the beginning of 2022, during the French Presidency of the European Union. Indeed, one of the few achievements of this new partnership strategy today is the renewal of the EU-ACP partnership under a post-Cotonou Treaty agreement.

The new 20-year Treaty retains some of the features of the Lomé and Cotonou Conventions, but its structure and content are profoundly modified. The link between the Pan-African Agenda and the cooperation with the ACP States is established in accordance with the principle of subsidiarity. The members who signed the Treaty recognise the political prominence of the EU-AU Summit under the Africa Protocol, which seeks to reconcile the EU-ACP legal framework with the continent-to-continent approach between the EU and the AU.

The AU is the frame of reference on continental and trans-regional issues, while the essential of cooperation will continue to be organised at national and sub-regional levels.

#### From the spirit of conquest, to the spirit of sharing

At the moment, this renewed Cotonou Treaty is the only legal framework governing trade between Africa and Europe. We will see whether the long-awaited EU-Africa Summit will succeed in creating lasting mutual trust to enable the two partners to meet together and discuss the new challenges of the continent's demographic, climate, security and trade development.

On the African side, many doubt the ability of Europeans to move from the spirit of conquest to the spirit of sharing. They consider that the real motivations of the European side should be clarified, the field covered by the cooperation strategy explained, its management method and in particular the **lack of joint programming should be addressed**. The most recurrent terms in their assessments of the European position are those of inertia, lack of clarity in terms of objectives, search for meaning and identity.



On the European side, a certain scepticism about the ability of African states to move from dependence to responsibility has to be mentioned. Some question the ability of many states to effectively **stimulate the domestic private sector** to create future investments and jobs to build the necessary ecosystem to foster the emergence of future global champions.

#### Develop the private sector, a key challenge

This trust has become fundamental, because **the need for a framework agreement between the European and the African continent has never been stronger** than in the post-Covid context. However, while Europe has no choice but to propose a more positive and proactive partnership for a post-Covid "new deal" in Africa, Africans clearly have a choice...

For example Africa, increasingly courted by other partners, might be inclined to successively limit its relations with the EU and to consider Europeans as mere providers of aid and security in the fight against terrorism.

This is why, in a context marked by growing rivalry among the major powers, **the European Union needs to assert its role as Africa's leading partner.** In order to do this, it is necessary to go beyond declarations of intention to propose a more engaging and readable "narrative", based on a partnership of projects that are close to the ground and that meet the real needs of Africans.

In this perspective, the national private sector, as it is particularly fragile, must become an essential stake in the public policies to be implemented. This current crisis will inevitably result in weakened and impoverished States. The shock will be profound. It will affect not only infrastructure, but also social services such as health and education. Facing the fall in public revenues in Africa, the private sector will therefore be the source of future funding for national public spending. It is its formal component that must ensure employment and, through taxation, finance the African health and education services of tomorrow, not development assistance. If the African private sector is not there, the African continent will continue to depend on this much-criticized western development assistance. It will nourish bitterness and resentment.

Recognised as a driver of development by the Cotonou Agreement, the involvement of the private sector has remained distant and virtual in EU-ACP cooperation, marked by a state-to-state relationship, from bureaucracy to bureaucracy.



#### AfCFTA success will depend on private sector

Time has therefore come to accelerate the transformations in order to establish a constructive public-private dialogue and to make cultures evolve with a view to an intelligent network of ecosystems, up to the **hybridization between the public sphere and the private sector.** 

This hybridization is essential to guarantee the success of the project of the AfCFTA (African Continental Free Trade Area).

The point is that the AfCFTA has been remarkable in terms of engagement from a wide range of countries ready to develop a complex set of trade rules. It provided an opportunity for African countries to test and refine their trade negotiation capabilities. However, until today the direct involvement of the private sector in these negotiations is marginal. Consulting with national stakeholders through already established mechanisms, which vary considerably in terms of effectiveness and inclusion, has largely been left to individual countries.

Taking as an example the results of the Economic Partnership Agreements (EPAs), the success of the AfCFTA will depend on the extent to which private companies from different sectors and countries will be able to take advantage of this opportunity and decide whether it is worth using. Without this, as with EPAs, the AfCFTA risks creating an empty framework, or a framework that only a few will be able to take advantage of.

On this condition, the AfCFTA will be able to significantly increase intra-African and Euro-African connectivity, in order to more strongly link the two continents one to another. In this way, it could be a **good example of a common Euro-African narrative to be built**, which is convincing, based on clear priorities and mobilising projects.

Converging these new European and African narratives on the basis of common values, ambitions and issues will require building and maintaining a winning relationship between the two sides, which presupposes trust and ongoing dialogue between them, and not just the display of good intentions.

We can see how far we have to go.