



Conference on the 5th EU-Africa Summit
Organised by the Konrad-Adenauer-Stiftung, the German
Development Institute and the European Commission
23-25 July, Cadenabbia, Italy

Brussels, 4th August 2017

Upon personal invitation of Klaus Rudischhauser, Deputy Director General, European Commission, DG DEVCO, I attended the above conference on the state of Africa-EU relations. The seminar was organised ahead of the next Africa-EU summit in November by the Konrad-Adenauer-Stiftung (KAS) together with the European Commission and the German Development Institute (DIE). It took place at the Academy of the KAS at the shore of Lake Como, Italy, from 23 to 25 of July.

In November 2017 European and African leaders will meet in Abidjan, Ivory Coast for the 5th EU-Africa summit. This meeting between representatives of the two continents will take place in an international context dominated by man-made crises, prolonged conflicts, extremist threats, as well as natural disasters accelerated by the effects of climate change. It takes place at a time when the transformation of African economies features high on the agendas as does the widespread questioning of multilateralism and free trade. Societies on both continents experience rapid changes in the distribution of wealth and prosperity. Governments and societies on both continents seek to find sustainable responses to these partly dramatic social transformations.

The conference, a brainstorming and exchange of views ahead of the EU-Africa summit, was a real expression of the joint interest of policy makers on both continents to prepare the event.

The discussions brought together a small group (some 30) of high-level policy makers from national, regional and continental level as well as academia, civil society and the private sector. The aim was to explore new ways of interacting between Europe and Africa in an attempt to join forces to face the challenges identified above.

Topics addressed included:

- New approaches to the key issues identified in the EU Communication for a renewed impetus of the EU-Africa partnership
- Getting feedback from African partners on the EU Communication for a renewed impetus of the EU-Africa partnership
- Operationalization of the AU Agenda 2063 and possibilities for the creation of synergies between the strategic approaches of the AU and EU
- Defining the best ways of cooperation and engagement between the two continents linked by proximity, history, culture and economy in addressing mutual and global challenges; thus bridging existing divides and bringing the two continents closer together;



- Reflections on joint values, how to address challenges to these values and operationalize them in a future partnership
- Brainstorming on how best and fastest we can go from intentions to actions with a focus on inclusive and sustainable economic development, particularly focusing on job-creation for youth
- Reflecting on specific challenges in EU-Africa relations, e.g. related to trade, migration, the ICC etc. and how best to defuse them

It was a very good level of discussions, very well prepared and delivered in an environment conducive to reflected exchanges and discussions on a complex matter of the EU AU relations. It was more on the political and institutional side rather than on the business based economic development and on the role of the private sector

It was really worth attending not only for getting all the up-to-date material on Africa EU relations, but mainly for our visibility, raising the EBCAM profile and reminding our opinions and value of our members' potential contributions. Our presence was a unique opportunity to raise these matters in a group of people who have different professional backgrounds and interests.

Alexandros Spachis

EBCAM Secretary General

All documentation obtained with the conference, already added to the EBCAM web site, is listed below:

- EU Communication for renewed impetus of Partnership
- Council conclusions on EU Communication
- AU Concept note for AU-EU Summit
- Joint Africa-EU Strategy (JAES)
- JAES Roadmap 2014-2017
- Friends of Europe study on the JAES
- The EU Communication on the European External Investment Plan
- The Strategic Orientation for the EU Trust Fund for Africa
- The German Marshall Plan for Africa
- The G20 Compact with Africa
- EU Global Strategy
- African Agenda 2063

Detailed notes (confidential) taken during the sessions are attached in annex.



ANNEX
Personal-Confidential
Statements cannot be attributed to particular persons

SUNDAY, 23.07.2017

Introduction

by KAS organiser Andrea Ostheimer

by DG DEVCO

- Previous event in 2010, before Tripoli summit
- This is a parallel event - official track started very recently
- Summit should avoid acrimonious confrontations and be constructive
- All bilateral relations are very real and present

by German Development Institute Christina Hakenich

- Very important summit for both
- Can we agree on joint values
- Economic and structural transformation

By European Centre for Development Policy Management - ECDPM, Ewald Wermuth:

- Considering to open office in Addis to be close to AU

Keynote theme: "Where do we stand in Africa-EU-relations 10 years after the launch of the Joint Africa-EU Strategy (JAES)?"

Moderation: Andrea Ostheimer, KAS

African Perspective: Kwesi Quartey, Deputy Chairperson AU Commission

European Perspective: José Fernando Costa Pereira, Policy Advisor, European External Action Service (Portuguese diplomat)

1. JOINT VALUES AND THEIR SIGNIFICANCE FOR AFRICA-EU RELATIONS

Moderation: Andrea Ostheimer, KAS

The panel addressed the narrative that democratic values are a Western concept, which is not sufficiently compatible with African traditions and cultural values. It considered the need to enhance the significance for the AU Charta on Elections, Governance and Human Rights, the APRM and other instruments established by AU Member States, and which would contribute to the improvement of the conditions for inclusive and sustainable economic growth.



Discussion:

- E. Gyimah-Boadi, Ghana Centre for Democratic Development (CDD), Co-founder Afrobarometer
- Christine Hackenesch, German Development Institute (DIE)
- Adebayo Olukoshi, International IDEA, Nigeria, resident in Addis Ababa??

Main points:

- Let us move away from the classical development cooperation framework-mentality hypocrisy, selectivity. Already the diaspora cash sending is much higher than all development assistance together
 - Careful on what subjects to choose for starting human rights dialogue. Insist that you cannot export democracy and where is no single model fitting all.
 - EU has played a role complementary to IMF
 - If you (the EU) do not get your way in Addis Ababa, then you will go to ??...
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- Ambassador Ajay Bramdeo, Head of AU representation in Brussels
 - Why France is holding a separate Africa-France summit??
 - Why are there 7 EPAs in the ACP countries but the EU wants a single digital market in Africa

Conclusions by Christina - GDI,

- The main issue is the power.
-
- Andrea
 - A lot of analysis, a good start, we have to talk about democracy also as creating strengthening institutions and resilience

MONDAY, 24.07.2017

2. AU AGENDA 2063 AND THE EU STRATEGY FOR A RENEWED IMPETUS OF THE EU-AFRICA PARTNERSHIP

Moderation: Christine Hackenesch, DIE

This panel discussed the operationalization of the AU Agenda 2063 and options on how the EU can support the implementation of the Agenda 2063. The panel analysed the EU's proposals on how to



engage with the AU in the Agenda 2063 implementation as outlined in the recent EC Communication for a renewed impetus of the EU-Africa partnership and the related Council Conclusions.

Input

- Kwesi Quartey, Deputy Chairperson AU Commission
- Klaus Rudischhauser, Deputy Director General DG DEVCO
- - We see 2 Africas, one progressing middle class, middle of the road, and the explosive one which attracts more attention and majority of our resources, for Horn of Africa security
 - The Cotonou agreement is the largest legally binding international agreement after the UN.
 - Choice for young Africans to stay or migrate to survive.
 - EIP: huge resources made available??
 - All countries, i.e. China, Brazil, Japan, Turkey, invest in Africa. Why is it our problem??
 - EU Largest ODA, humanitarian assistance...
 - US and China can live without Africa and vice versa. The opposite for Europe.
 - There are 400 000 companies in Germany, only 1000 are active in Africa. The way forward to create jobs is to engage European companies. We need the political partnership but even more the economic partnership.
- (cabinet EC) Maud
 - What model: enemies when needed? Partners? With benefits for whom?
- Participant
 - Jobs quality: survival jobs, entrepreneurship for survival/(short term strategy) long term strategy for quality and more stable employment/ Africa HAS to integrate// the political economy of implementing integration
- Participant KAS Julia
 - The low level conflicts, like food prices protests, do not go up to the appropriate attention of the local political systems// The EU- AU texts should reflect less the conflict prevention-mitigation aspects and more the structural response of the local political systems
- Vice president of the AU Commission- Ambassador Kuasi
 - Knowledge and education is the key to addressing issues of Africa, it is the major transformation agent, the impact on governance will be better
- DDG DEVCO:
 - We have 2 unions, the AU and the EU, only ones in the global system
 - We have the senior interlocutors and we need to fill in the space below
 - China-Africa, a loose relationship
 - EU-AU relationship is like a marriage: take partner as it is and try to sort it out. We agree on the surface, then EU looks into the constitution and African country debates importance of sticking to agreed vs. usefulness



- Why 80 % of economy is informal?? Incentive to go to formal economy/ expect services – pay taxes/ no quality jobs without formalizing part of the economy
- Oblige foreign investors to train, in addition to paying taxes
- Companies fear to go to Africa-take away the fear, allow foreigners to provide capital, knowledge
- Stoisser
 - Create value for customers, business –not development
 - Create mutually beneficial business partnerships
- Tutu
 - Massive demographic imbalance → Europe declining populations. Europe has huge capacities for training educating etc. // he wants a low cost production capacity in Africa
- ECDPM
 - Between summits, not much is happening/ disillusion/ is there a game changer? Locomotive? He suggests that EU member states do not want too much of European policies/ all the present tools are not translated in action
 - Change: we keep perpetuating aspirations without accompanying results
- UNECA Giovani (lady from Burundi)
 - Issues are well known to the political elites, but not percolated down to the populations in Africa and Europe → How to popularize the debate? 10 years implementation plan, 12 flagship projects: the devil is in the detail, including on infrastructure and energy. How to implement?
- Olukoshi-African academic participant
 - How reliable and predictable have you been? You have conversations with all levels.
- Andrea
 - Migration is treated like the white elephant in the room that no one wants to touch/ it is an issue also for African states
- Ajay, AU rep in Brussels south African
 - Pattern of discussing a few months before summit: do not present EU as the saviour for Africa. We both have interests, negotiate and make it a win-win; work jointly to silence the guns. External players meddle for their interests. A lot of front loading of migration, hoping that the rest will follow. No real assessment of success of previous efforts. Business forum results? Where are they?
- African participant on youth leaders
 - Europe gives credibility to 30 years ruler's celebrations. Africa is very fertile for subversion etc. China is very good on handling young leaders, indoctrinating them very shrudely.
- DEVCO
 - We engage other donors to do like us systemic work on health, education, VET, not build 1 hospital or 1 school. Very strongly that we are not just do summit papers. Huge action in between. No one else does it, neither China nor US, they have no mandate,



no budget and no African agreement on doing more. We are not doing it, we are supporting AU to do it.

- AU VP
 - Low cost manufacturing base for Europe (instead of China and Vietnam).
- Moderator
 - Need to discuss what we need to change domestic European policies

3. THE NEED FOR ECONOMIC TRANSFORMATION AND JOB CREATION – HOW TO ENGAGE THE PRIVATE SECTOR MORE EFFECTIVELY

Moderation: Stefan Klingebiel, DIE

This panel will discuss key factors influencing economic transformation and job creation in Africa. It will bring into the discussion the view of the private sector and will aim to look for synergies where European private sector engagement matches with African initiatives.

Sectors energy, agriculture → under estimated in documents

Input:

- Robert Kappel, German Institute of Global and Area Studies (GIGA) – very good info in slides PPT- and full paper from author, available on request.
- Tutu Agyare, Managing partner, Nubuke investments
 - Provision of basic infrastructure.
 - Dishonesty from Europe.
 - China plays long term game.
 - EU should stop agri subsidies.
 - EU competitive advantage in finance but not on building ports rails etc?
 - Big corporations are all present in Africa. Missing the middle stack.
- Judith Helfmann-Hundack, German African Business Association
 - Image of Africa in Europe: starving sick children-TV time free for NGOs.
 - Earn money, which is the purpose of business, then CSR. Sustainable, responsible. Need security, law... bankable projects. It is not lack of money or ideas. The German government needs to cooperate with China on the compact for Africa. China is not giving ODA but FDI. Future surprises, jobs that do not exist yet.
- Oliver Stern, Senior Director, Kroll
 - Disaggregate private sector, do not listen those that use the good language of development cooperation, who may be not representing the private sector. Financing, investment banks, finance institution, institutional investors. Hedge funds are not going?



Not the best adviser? Institutional investors have small part in Africa. Regional integration still needed.

EBCAM SEC GEN comments:

- What is EBCAM
- The economic partnership model, needed for economic development, must overcome the syndrome and mentality of the colonial past
- Clarifications and confirmations needed in several African administrations about their model of economic development policy, their choices of public vs. private investors, enterprises, reserved sectors etc.
- There are examples of governments who solicit investments, but they try to do it too much on their interpretation of terms of inward investment; they try to have their cake and eat it; until reality gets understood, they lose the confidence of foreign investors and their credibility as destination of FDI
- Several administrations confuse the call to investors with the call for Overseas Development assistance; it can not be the same
- Africa is not at all homogeneous, has a lot of internal divisions and divergences, and also internal conflicts of interest; therefore, we have to accept variable geometries ; impossible to address all with the same policies and instruments
- Everybody says they want the private sector to come from Europe to go to Africa; the issue is how to go from the principle to a reasonable model of implementation
- EIP: need someone to inform European companies, encourage authorities of European countries to participate financially, assist in making it happen successfully. This is the role of EBCAM on this matter.

4. FROM INITIATIVE TO CONCRETE ACTION – IDENTIFYING OPPORTUNITIES AND CONSTRAINTS

Moderation: Julia Leininger, DIE

The panel zooms closer into the current initiatives, which have been launched by various Actors in support for Sub-Saharan Africa (EU emergency trust fund; EU external investment plan; G20 Compacts with Africa; German Marshall Plan with Africa, etc.). It seeks to identify the necessary actions that have to be taken in order to provide tangible results. The panel will also take into consideration the pitfalls and constraints which need to be overcome.

Input:

- Max Bankole Jarrett, Director in Charge, Africa Progress Panel, Kofi Annan Foundation



- Belay Begashaw, SDG Goals Centre for Africa
 - The Sustainable Development Goals Center for Africa (SDGC/A) is an international organization that supports governments, civil society, businesses and academic institutions to accelerate progress towards the achievement of the Sustainable Development Goals (SDGs) in Africa.
- Alex Vines, Research Director, Head Africa-Programme, Chatham House
 - 2 years ago China Africa summit was a wake-up shock to Europeans who considered Africa as their backyard. Everybody is doing an Africa summit. Behind the beauty contest, there is also a case that Africa is still not integrated enough in the global system. Mackenzie report highlights the divergences within Africa. We are lacking the obvious African leadership to drive the continent's agenda. Japan-India Africa is the defensive position to China's one road one belt. Africa needs stronger state capacity to follow Europe, which is very complex. Migration is very important, despite messages to the contrary from African commentators. The African security architecture for Mali was not there, hence unanimous request for European presence. Only 5% of UK trade is with Africa, hence the decision to have DFID in the foreign policy minister.
- Stefan Mair, Member of the Executive Board BDI
 - Federation of German industry. Get away from big initiatives, get down to infrastructure, governance and education.
- Lemma Senbet, professor, Executive Director, African Economic Research Consortium (AERC) .
 - We need consolidation of financial systems, and its integration to the global financial system. Diaspora remittances could be mobilised more. What is not coming out sufficiently clear is the role of multinational illicit financial flows.
- Devco
 - We cannot wait until institutions and everything else everything is in pace, take part of the business risks to make it start. EU revises the corporate tax system, in EU and in OECD, proposing new rules every month-we are the frontrunners. Tax evasion-avoidance, we are the only ones doing something on it, and we pay the cost of OECD on this. We are offering a toolbox for governments, but not all have taken it up. Without taxes, governments cannot supply the services.
 - Transfer pricing impact, not seen as a problem in Africa. Some elites in resource rich countries draw important illicit advantages.

Brexit Africa issues

1. More difficult for Africa governments to manage, as P5 will take more prominence while EU contributions still very important
2. EU budget reduction, with adjustments needed
3. Current UK government will reduce ODA (dfid budgets and actions) to privilege domestic industry



4. EU dynamics different after Brexit (in the past: let France speak first and then say the opposite). Now new priorities? Cooperation? Policies?
- Junker, BMZ, German Federal Ministry for Economic Cooperation and Development
 - Highlights the 3rd pillar of the EIP, investment climate on the ground
 - AU VP
 - After so many years, domestic investment is yet not attracted mobilized. If you do that, then FDI will also be attracted.
 - How to coordinate African ambassadors of AU ahead of EU meeting
 - Brussels permanent rep of AU Ajay Brandeo
 - NEPAD was a home grown development. The **New Partnership for Africa's Development (NEPAD)** is an economic development programme of the **African Union**. NEPAD was adopted at the 37th session of the Assembly of Heads of State and Government in July 2001 in **Lusaka, Zambia**. NEPAD aims to provide an overarching vision and policy framework for accelerating economic co-operation and integration among African countries.
 - The **Washington Consensus** is a set of 10 economic policy prescriptions considered to constitute the "standard" reform package promoted for crisis-wracked developing countries by **Washington, D.C.**-based institutions such as the International Monetary Fund (IMF), World Bank, and the US Treasury Department.
 - EEAS
 - The summits are symbolic, jamborees, not real new conclusions or agreements reached in session

DINNER - SPEECH BY Mrs Giovane Biha, Deputy Executive Secretary, UNECA

TUESDAY, 25.07.2017

6 THE 'AFRICA PILLAR' IN EU-ACP RELATIONS AFTER 2020

Moderation: Stephan Klingebiel, DIE

This panel encourages an exchange on the future of EU-ACP relations and how particularly the framework of relations with the African continent should be designed. A critical perspective on the current institutional setup for relations between the EU and Africa may serve as an input to discussing concrete proposals as to how relations between the two continents may be reinforced.

Input



- Ambassador Ajay Bramdeo, Permanent Representative of the African Union to the EU
 - ACP legally binding agreement, signed 1975, 42 years ago in Georgetown, with poverty-development-fragile economies A48 sub sahara- C16-P m18 countries. Populations totally disparate. Missing Mediterranean part of Africa. Contradictory positions of individual countries in ACP and AU.
 - The EDF was established long before ACP. Why the ACP should look on peace and security: no interest of Caribbean and Pacific, but the AU does it for Africa.
 - Climate change, security... common to all.
 - 2063 agenda: Africa's interests are taken on board. Trade within ACP countries is non-existent. But what voice will ACP have?
 - Objective assessment: countries have graduated to middle income because of ACP or in spite of ACP?
- Question of moderator: what is the opinion view of future of ACP?
- Brandeo: no interest for a weak umbrella.
 - Separate future EU deals with major countries of Africa, will reinforce EPA trends.
- Ambassador Viwanou Gnassounou, Assistant Secretary General, ACP Secretariat .
 - Yaounde francophone, history
 - Options: zero umbrella to full coverage
 - Cotonou agreement 2000
 - Pillar 1: Trade industrialization investment
 - Pillar 2:
 - Pillar 3: Political dialogue
 - No mention for peace and security
 - It has been successful. We should not through away. Renew it.
 - Role to pay for future trade agreements. Catalyst for information etc. Communication deficit.
- Moderator question: what after EU-Africa summit of end November 2017
- Ewald Wermuth, ECDPM
 - Analysis, scenarios, 4 future scenarios:
 1. muddling trough, weaknesses addressed, legally
 2. linked to regional agreements as a weak umbrella organization
 3. full regionalisation to 3 regions
 4. mix of regional and other interests
 - Keep aspirations of JAES
 - Why so little action between summits? Complicated implementation. Limited Africa co funding
 - Confusion between the 2 structures
 - North African countries have their own budgets, identities. Observers in the umbrella option.
 - JAES was not meant to be an ACP type of arrangement. Where will be the centre of



gravity?

- Post Cotonou is aid driven, JAES is more political.
- If JAES and ACP parts merge , will it serve? How? Need a workable arrangement.
- Samuel Awuku, National Youth Organizer, New Patriotic Party, Ghana
 - Key Needs of the recipients
 - Migration flows issue has to be addressed
- Reinhard Junker, German Federal Ministry for Economic Cooperation and Development
 1. ACP-EU coop has very little value for member states of EU
 - level of financing 100 billion euro, 20% German share, want some political return. ACP cannot deliver
 2. It has little value for ACP countries
 3. ACP-EU coop is not relevant for third countries, no political value, despite efforts
 4. JAES valuable for summit, but no attraction, probably because no budget. EDF budget is relevant, e.g. peace budget and other budgets, not through ACP. There is already a shift of gravity.
 5. Solution, landing zone-council compromise, keep the umbrella, regional arrangements for cooperation and budgets.
- Question 1 – North African countries really want it to be in the umbrella? Existing regional money to be renamed.
- Question 2 - Thematic pillar as opposed to regional, for ex. peace, security, climate change, migration.
- DG DEVCO - Additional questions
 - Some pacific island countries will be deserted or disappear
 - AU agreement only political. Is there value in a legally binding agreement, assuming we get in the North African countries?
- EEAS: Jose Perreira
 - ACP still has a potential? There is still something in common, climate change-survival of islands. European Parliament vested interest?

EBCAM SEC GEN comments:

- ACP: the 3 groups have no real common thread, neither interests;it has made its contribution in the past, but the 3 groups have really never made a link
- Cost benefit analysis need to be open and transparent; what are the costs of keeping, regardless of who pays for it; those that want to keep should be allowed to pay fully for it, if they want, not just claim the legacy of the past
- Also the financing mechanism,: EDF is seen by many Europeans with total incomprehension. Why have a different set up for Europeans paying –in , different from the EU budget for ODA? Also time to rationalise administration and management overheads, when all Europeans are suffering from reduction of budgets for social policies



in own countries. Time to sort it out and simplify EU taxpayers supported actions.

- Other participant
 - Post colonial structure-any relevance for UK after exit?
- Cabinet Mimica
 - Purely historic. Revive it? No African or other position 1 year before negotiation. No real answer of why they want to stay together. We have a real legal deadline.
- Sembet lemma
 - Enforceability of agreement. Do we need a legally binding one?
- Chatnam house rep
 - North African bloc likely to be impacted by the Morocco's aspirations
- German ministry
 - We do not care for legally binding agreement. We want to know what the other party wants.
- Ghana
 - Youth ACP exists for banquets but otherwise absent from African populations
- Edcp
 - there is no single ACP perspective. We need more time to prepare the future.
- ACP Gnassounou
 - working to reach 10% dependency of administration costs, now 40%. We can cooperate with North African countries without change of texts. We can simply align to EU positions.
- AU Branbeo
 - Now discussion is taking place in Brussels among ambassadors accredited to EU etc. we need to move to the countries. Reflections so far have not involved the AU voice. Need institutional role for AU. So far attendance at ACP is very limited at the nominal level. Brexit. Trump. New facts of life require new dynamics for Africa. North Africans do not want to move out of their current agreements with EU.
- Moderator
 - The political economy is very important. We need a good process to discuss it.

7. THE WAY TOWARDS ABIDJAN / CONCLUDING REMARKS

Moderator: Klaus Rudischhauser, Deputy Director General DG DEVCO

- Kristine KAS
 - How to bring-in the private sector.
 - Are the current initiatives enough adequate?
 - Non-trade barriers, agri subsidies, use money for training instead of other actions. Find African private sector associations.
 - Transfer pricing, fixing, illicit money and multinational corporations role



- Ajay
 - Need to establish an indigenous African think tank capacity. Also private sector involvement to be assisted with EIP and in line with MDG SDGs
- Robert economics professor, education institutions, cultural exchanges.
 - Fair trade, what is it?
 - Needs more FDI, how? EU but mainly from African side. Debate on currency zone needed.
 - Development aid should focus to fewer countries.
 - Greece in the euro zone is a disaster, should have never been invited.
- ACP Brussels
 - Ownership needed, but how do we organise it ahead of the next summit?
 - Aid commitment of 0.7% of GDP to be maintained as far as possible,.
 - Simplification needed. We have too many overlapping documents. Member states not to produce marshal plans as they confuse discussion with more EU cohesion –solidarity.
- Cabinet Mimica
 - We should not over estimate the importance of 24 hour summit. More important to define what we want for post Cotonou, before negotiations that have to start September 2018. Does Europe is something special to Africa or one among others like China US Japan- we want the answer before we discuss further.
- UNECA
 - How to go from the high level discussions to the ground. The Private sector needs to be brought in, and also has to do some effort, e.g. the continental free trade agreement - space, the common African market. Negotiations are to finish end 2017. Why the private sector is not aware of what is happening?
- Ministry rep
 - Let us fix the framework for the discussion between summits, since we cannot finish the negotiation before summit.
- AU VP
 - back to migration
- EEAS
 - important of history, concerns of private sectors, how to rebalance interests with sustainable growth. More and more difficult to speak about one Africa. Friends of Africa within EU institutions? Strategic partnership? The present KAS seminar is part of summit process.
- DG DEVCO
 - Demographic issue: it is a time bomb at 3%, unless growth is 10%. He does not want a post Cotonou discussion- but let us clarify what AU wants for ACP, to then discuss with Carribean & Pacific countries.