



Building an EU-Africa Partnership of Equals:

A Roadmap for the New European Leadership

CGD Fact Sheet | September 2019

Only 10 years remain to achieve the Sustainable Development Goals. The European Commission has a vital role to play in setting the course.

The arrival of a new leadership team in Brussels provides an opportunity to reinvigorate Europe's role as a global development power, and to build a true partnership with its continental neighbour Africa. By 2030, around a quarter of Africa's population will remain in poverty. The continent's strong growth since 2000 has failed to translate into quality jobs, less inequality, and higher well-being in most sub-Saharan countries. Such persistent underdevelopment prevents Africa from realising its full economic and social potential. It also undermines the integrity and viability of the EU itself, endangering the future of the world's most successful integration project.

The outgoing European Commission, recognising the challenge, has called for a "radical shift" in Europe's approach to development cooperation in Africa that will take the continents' relationship "to the next level." It will be the task of the new Commission to turn this vision into reality. Four policy areas in particular are ripe for progress: migration, development finance, trade, and global health security. Through the actions in these areas we outline here, the new Commission can build a constructive partnership between the EU and Africa that benefits both.

MIGRATION: Promoting New Kinds of Legal Labour Migration Pathways between Europe and Africa

The world is experiencing significant demographic shifts. By 2100, Europe's working-age population will have declined, and sub-Saharan Africa's working-age population will have greatly increased. Many of these new labour market entrants will seek opportunities in Europe, plugging skill gaps and contributing to economies in their countries of destination. To make the most of these movements, the new European Commission should

- create and promote new kinds of legal labour migration pathways with more tangible benefits to countries of origin and destination;
- pilot and scale Global Skill Partnership projects between Europe and sub-Saharan Africa, and within Africa;
- be a positive voice for migration within Europe, promoting the benefits from migration and ensuring they are understood.

FINANCE: Redesigning the External Investment Plan to be a Game-Changer for Africa

Investment in projects in sub-Saharan Africa have great potential to achieve high development impact. However, these projects are chronically under-financed by European development finance institutions and private investors because of real or perceived low risk-adjusted returns. If structured and steered correctly, the External Investment Plan and its risk-mitigation tools could mobilise investment where the need is greatest. In order to make this happen, the new European Commission should

- clarify the strategic objectives of external investment and steer it towards leveraging high-risk capital for underserved markets;
- explicitly focus assistance on the poorest countries through clear project selection criteria;
- provide demand-driven technical assistance and operationalise policy dialogue to improve the business environment;
- federate the development finance institutions focusing on steering policy, encouraging best practice, and harmonising procedures and results amongst the development finance institutions and multilateral development banks.

TRADE: Reforming EU Trade Policy to Accelerate Economic Transformation in Africa

As developing countries elsewhere have reaped the benefits of globalisation, much of sub-Saharan Africa remains marginalised in international trade. The new EU leadership has an opportunity to accelerate export-led growth on the continent by introducing a bolder, more coherent policy on trade, agriculture, and aid. The new European Commission should

- work towards ending tariffs on imports from Africa and reform rules of origin to permit increased cumulation;

- improve the effectiveness and impact of EU “Aid for Trade” in Africa by piloting “payment by results”;
- reduce subsidies to Europe’s agricultural sector to help even the playing field with African producers;
- reform the European Globalisation Adjustment Fund to ensure the EU can manage structural adjustment resulting from increased intercontinental trade.

HEALTH: Strengthening European Leadership on Global Health Security

Recent outbreaks of diseases such as Ebola and Zika highlight the need to focus on global health security and preparedness, both at the country and at the global level. Pandemic preparedness is a shared, global concern. Impending leadership transitions in EU institutions provide a unique opportunity to bolster European action on global health security. This would be a double win for the EU: advancing its efforts to foster progress in developing countries while also protecting Europe against potential disease risks. Finance is crucial to preparedness, and both the EU and Member States have a responsibility to ensure that mechanisms are in place to mobilise funds when needed. The new European Commission should

- strengthen collaboration and coordination across EU entities holding global health security responsibilities;
- prioritise global health security and preparedness in the Commission’s dialogue with Member States;
- develop a financing mechanism to increase sustainability, collaboration, and effectiveness on preparedness as assessed by the WHO’s joint external evaluation process.

This fact sheet is based on the CGD briefing book for the European Commission, *Building an EU-Africa Partnership of Equals: A Roadmap for the New European Leadership*. The full book is available at cgdev.org/eu-africa-partnership.