



**2017/2083(INI)**

27.9.2017

# **OPINION**

of the Committee on International Trade

for the Committee on Development

on the EU-Africa Strategy: a boost for development  
(2017/2083(INI))

Rapporteur: Maria Arena

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## SUGGESTIONS

The Committee on International Trade calls on the Committee on Development, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas in Africa, infrastructure requirements are estimated at EUR 75 billion annually, the value of the consumer market is likely to reach USD 1 000 billion in 2020, foreign direct investment is set to increase steadily to an estimated USD 144 billion in 2020, and the population is currently 1 billion;
- B. whereas the economic security and prosperity of Europe and Africa are linked, and whereas these two continents must face their shared challenges and opportunities together;
- C. whereas there is a need to create an environment which is conducive to investment and which prioritises improvements in health and education above all else;
- D. whereas the share of the population living in extreme poverty in Sub-Saharan Africa has fallen from 56 % in 1990 to 43 % in 2012;
- E. whereas there are large disparities in the economic development and growth of African countries, and whereas, according to the United Nations, 33 of the 47 least developed countries are in Africa; whereas more than 218 million people live in extreme poverty in Africa;
- F. whereas exports from Africa are still dominated by unprocessed products, and whereas a high proportion of these exports are covered by trade preference arrangements; whereas free market access for most African products increases the capacities of African countries and enhances their competitiveness and participation in global markets when accompanied, among other things, by policies aimed at lasting sustainable industrialisation and rural productivity as key paths for development;
- G. whereas preferential access to the EU market has provided scope to enhance the export performance of African beneficiary countries depending on their ability to actually take advantage of such preferences;
- H. whereas good governance and transparency cut the cost of trade and boost commerce, investment and economic development; whereas fair and responsible trade and investments play an essential role in development and could help create more than the 18 million new sustainable jobs per year needed in Africa to absorb the growing labour force, which is also beneficial for the EU;
- I. whereas sustainable and responsible management of raw materials and natural resources should be at the heart of the EU-Africa strategy, and should be a priority in cooperation between the European Union and the African Union in particular to contribute to tackling and dismantling the resource curse; whereas Europeans and Africans should take a strong, united stance on this matter at the relevant international fora and summits such as the G20, the United Nations General Assembly or the WTO;

- J. whereas universal access to electricity is a major development issue for Africa;
- K. whereas, hitherto, actions have failed to fully integrate Africa into world trade and have also failed to bring about the eradication of poverty or a reduction in inequality in African countries, and whereas most African countries still stand to gain a lot from fuller participation in world trade and its potential benefits;
- L. whereas the 2015 ‘Trade for All’ strategy sets out the EU’s commitment to binding and enforceable trade and sustainable development (TSD);
1. Calls for the EU to support sustainable and inclusive development in Africa and to focus on supporting projects which will have a real and positive impact on the creation of decent jobs for men and women, the fight against poverty, promotion of human development, and protection of the environment, while having a positive impact on sustainable economic growth, beneficial value- and rules-based trade in goods and services, industrialisation and capacity-building, a high-quality and predictable business climate, the management of public finances to enhance tax justice, transparency in the management of natural resources (in particular in mining and energy production), and the fight against corruption and illegal capital flows away from the continent, as well as the promotion of human rights, gender equality, good governance and the rule of law, and while helping to create stability and security; stresses, in particular, EU initiatives focused on mobilising the private sector which accounts for 90 % of jobs in developing economies;
  2. Calls for the EU to reinforce its development-oriented trade policy and to increase its financial commitment to Aid For Trade and technical assistance and capacity building initiatives, which is essential for African countries, in particular in LDCs, to take full advantage of the EU’s trade preferences; asks furthermore that the Commission and Member States coordinate the implementation of their programmes in order to maximise the effectiveness of Aid for Trade; welcomes, in this respect, the entry into force in February 2017 of the WTO Trade Facilitation Agreement which should facilitate customs procedures, thereby decreasing trade costs;
  3. Calls for the EU and its Member States to better coordinate their aid for trade programmes and further boost synergies with their investment policies for Africa;
  4. Considers that Economic Partnership Agreements (EPAs), largely supported by the parliaments of the countries concerned, if properly implemented and accompanied by appropriate structural measures, have the potential to be an important tool to promote regional development and the inclusion of the continent into world trade;
  5. Stresses that EU-Africa relations must be articulated on a fair and balanced framework among equal partners and based on mutual respect and recognition of interests aimed at the promotion of human rights and the realisation of the UN’s Sustainable Development Goals;
  6. Calls on the Commission to support the integration of African countries into global and regional trade through building critical infrastructures, access to energy, financial services and business training;

7. Calls on the Commission to help African countries develop and integrate into the world economy, including through global and regional value chains, to allow different countries to contribute to production through intermediate and finalised products; calls, in this context, on the EU to give greater support to the ambitions in Africa to create a continental free-trade zone favouring the reduction of local income inequalities, to assist with economic diversification and technology transfer and to contribute to greater African participation in international trade, and to further cooperate with the countries concerned with a view to achieving this objective; acknowledges that, although the EU's policies are crucial in assisting them in pursuing such objectives, the political commitment of African countries is, of course, essential;
8. Urges the EU to always take account of the different levels of development among African countries and regions as well as their varying expectations when defining and implementing its trade policies vis-à-vis Africa, and to therefore adopt targeted and specific trade preferences or measures which enhance production and processing capacity, regional integration and foster small-scale and sustainable agriculture, by promoting local food on local markets; stresses also the need for any trade agreement or unilateral trade arrangement between the EU and African countries or regional groupings to provide for sufficiently asymmetrical liberalisation schedules, protections for infant industries, development-supportive rules of origin and effective safeguard clauses;
9. Takes the view that effective implementation of the WTO trade facilitation agreement and the simplification and transparency of customs procedures will help to boost trade between Europe and Africa, which will particularly benefit SMEs and innovation;
10. Calls on the EU to focus, by means of its commercial and investment policies, on the growth of the private sector, support for innovation, competitiveness and entrepreneurship in Europe and Africa, and to conduct its affairs with Africa in accordance with the principles of sustainability and social responsibility;
11. Takes the view that 'public-private partnerships' have a fundamental role to play in economic development, insofar as they make the private sector more dynamic and boost synergies between institutions and economic operators, and that they should therefore be supported in this strategy;
12. Calls for European development and investment projects in Africa to be guided by the principle of ownership, so that beneficiary countries can take charge of their own development models;
13. Expects the EU to make strategic plans for cooperation in a dialogue with Africa in the future;
14. Calls on the EIB and the Commission, in particular via the External Investment Plan (EIP), to invest in projects with high job-creation potential and in the priority areas of clean energy, infrastructure, health and medical research;
15. Stresses that support for investment projects should be made conditional on economic effectiveness and expected economic outcomes, in an effort to boost trade on the

African market and with third countries and regions, and to boost the processing capacity of industries in African countries;

16. Recalls that EU investment policy, especially when involving public money, must contribute to the realisation of the Sustainable Development Goals; recalls the need to enhance transparency and accountability of development finance institutions (DFIs) and public-private partnerships (PPPs) to effectively track and monitor the money flows, debt sustainability and the added value for the sustainable development of their projects;
17. Takes the view that digital development could lead to growth opportunities in Africa – via e-commerce or telephone payments, for example – and that the development policies of the EU and Africa should help to improve access to electricity and the internet in Africa;
18. Calls for transparency in trade agreements and for the full participation of all relevant stakeholders including the civil societies of the countries concerned, through formal consultations, in future negotiations and the implementation of agreements currently under negotiation;
19. Calls for the principles of policy coherence for development to be fully incorporated in the EU's trade relationship with Africa, which entails the inclusion of enforceable TSD clauses in all EU trade agreements with African countries, in line with the commitment undertaken by the Commission in the 'Trade for All' strategy;
20. Welcomes the efforts made by the EU in recent years aimed at promoting social corporate accountability; calls on the EU to continue taking steps in order to ensure that companies are fully accountable for human rights violations and environmental crimes; shares, in this regard, the view that the UN Guiding Principles on Business and Human Rights should be part of any future agreements between African countries and the EU, and asks both sides to include them in any revisions; calls, in addition, for the EU to effectively promote due diligence obligations to ensure global supply chains sustainability;
21. Expects in addition the development of a strategy for the fight against corruption and illegal capital flight from Africa and insists that the development of the regional African markets is taken into consideration in the future;
22. Takes the view that it is essential for the EU-Africa strategy to take account of the importance of the role of women in economic development and the resilience of societies both in Europe and in Africa, and that projects should be set up with that in mind.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	25.9.2017
<b>Result of final vote</b>	+: 32 -: 2 0: 0
<b>Members present for the final vote</b>	William (The Earl of) Dartmouth, Laima Liucija Andrikienė, Maria Arena, Tiziana Beghin, Santiago Fisas Ayxelà, Eleonora Forenza, Karoline Graswander-Hainz, Heidi Hautala, France Jamet, Bernd Lange, David Martin, Emma McClarkin, Anne-Marie Mineur, Sorin Moisă, Alessia Maria Mosca, Franck Proust, Godelieve Quisthoudt-Rowohl, Viviane Reding, Inmaculada Rodríguez-Piñero Fernández, Tokia Saïfi, Helmut Scholz, Adam Szejnfeld, Hannu Takkula, Iuliu Winkler, Jan Zahradil
<b>Substitutes present for the final vote</b>	Klaus Buchner, Edouard Ferrand, Agnes Jongerius, Sajjad Karim, Sander Loones, Paul Rübig, Jarosław Wałęsa
<b>Substitutes under Rule 200(2) present for the final vote</b>	Massimiliano Salini, Bogdan Brunon Wenta

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

32	+
ALDE	Hannu Takkula
ECR	Emma McClarkin, Jan Zahradil, Sajjad Karim. Sander Loones
EFDD	Tiziana Beghin, William (The Earl of) Dartmouth
GUE/NGL	Anne-Marie Mineur, Eleonora Forenza, Helmut Scholz
PPE	Adam Szejnfeld, Bogdan Brunon Wenta, Franck Proust, Godelieve Quisthoudt-Rowohl, Iuliu Winkler, Jarosław Wałęsa, Laima Liucija Andrikienė, Massimiliano Salini, Paul Rübig, Santiago Fisas Aixelà, Tokia Saïfi, Viviane Reding
S&D	Agnes Jongerius, Alessia Maria Mosca, Bernd Lange, David Martin, Inmaculada Rodríguez-Piñero Fernández, Karoline Graswander-Hainz, Maria Arena, Sorin Moisă
Verts/ALE	Heidi Hautala, Klaus Buchner

2	-
ENF	Edouard Ferrand, France Jamet

0	0
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### Key to symbols:

+ : in favour

- : against

0 : abstention