

# Matching means to priorities



James Mackie, Matthias Deneckere and Greta Galeazzi

**ECDPM's annual Challenges Paper seeks to identify important debates that can be expected in the coming year and beyond and to sketch the backdrop against which these will unfold. The aim is not to predict outcomes, but to situate debates that concern Africa-EU relations so as to facilitate as wide a stakeholder engagement as possible.**

## *Africa-Europe relations: Evolving context, shifting priorities*

Twenty-sixteen may well come to be seen as the start of a shift in course for Africa-Europe relations. Both continents face major challenges that affect the way they relate to one another. Continuing financial difficulties, the wars in Syria and Iraq and the global terrorist threat are pushing both continents towards more hard-line stances and self-interested foreign policy, and they are less willing to compromise. The election of Donald Trump as the 45th president of the United States is yet another factor that could impact the current geopolitical realities, pushing the European Union (EU) and Africa into more marginal positions at the top tables of global action.

Europe itself continues to struggle to define solid responses to multiple challenges, not least irregular migration and forced displacements from conflicts and protracted crises in the EU neighbourhood and beyond. These have contributed to a redefinition of EU foreign policy and increasingly blurred the lines between internal and external security – for example, in relation to border security and terrorism. Overall, the EU has become more explicitly interest-oriented. This is well illustrated by the 'principled pragmatism' of the EU's new Global Strategy on Foreign and Security Policy. All this is taking place in the context of what could be seen as an existential crisis for the EU, following the United Kingdom (UK) decision by referendum to leave the Union. The EU is being called upon to prove its added value to the European people. France's presidential election and the general elections in Germany and the Netherlands in 2017 are being looked to with concern, should they confirm the rise of Eurosceptic and populist forces.

Africa also faces challenges, as it confronts the consequences of violent conflict, high youth unemployment and migration. Against this backdrop, the African Union (AU) is seeking to strengthen its position as a credible and autonomous actor. Like Europe, Africa needs to deliver on new international

commitments, such as the Sustainable Development Goals (SDGs), or the 'Global Goals' as they are also called, and the Addis Ababa Action Agenda on financing for development. This will require new modes of cooperation aligned with Africa's changing relations with its partners. By the same token, when it comes to migration, Europe does, for once, seem to need Africa more than the other way around.

A number of opportunities are ahead in 2017 to adapt European and African policy and practice to new priorities and the evolving context and to balance hard-line stances with more pragmatic cooperation. The proposed revision of the European Consensus on Development is one such opening. Another is the mid-term review processes for the EU's Multiannual Financial Framework (MFF) and external action instruments. Conclusions from these reviews will provide clues about the EU's upcoming budget priorities as well. Last but not least, the Fifth EU-Africa Summit is scheduled for November 2017 in Cote d'Ivoire, after the AU will have appointed a new set of commissioners.

In that light, this edition of ECDPM's Challenges paper explores some of the political choices underlying the seemingly technical issues of financing for development and EU-Africa cooperation. It first considers opportunities in 2017 for adapting EU external action policy and practice to today's challenges, such as by reassessing the EU's financing instruments. Second, it casts an eye forward to the Fifth EU-Africa Summit, which represents an opportunity to advance joint European-African priorities on migration, peace and security, and youth affairs. Third, it looks at ongoing efforts towards greater financial autonomy for the AU and their potential to help deliver on the promises of Agenda 2063, the AU's vision on Africa's future. Finally, we dig into the topic of financing for development, to explore synergies and challenges in catalysing new public and private resources. These are illustrated by an analysis of key issues related to promoting sustainable agriculture in Africa – including linking food security and climate finance.

# Adapting EU external action to new challenges and commitments



## *Implementing the 2030 Agenda: work in progress*

The SDGs were adopted in 2015 and now form the main framework for international cooperation and development. The framework is innovative, as it presents an integrated agenda, encompassing both internal and external policies as well as traditional thematic policy areas. Yet if the SDGs are to be more than just a grand statement, the EU will have to adapt its policies and practices. The 2015 Addis Ababa Action Agenda gives an indication of how the SDGs could be implemented and development financing could be provided.

In that sense, it is promising that the EU Global Strategy on Foreign and Security Policy, which was presented by High Representative Federica Mogherini in June 2016, provides a springboard for SDG implementation.<sup>1,2</sup> The European Council has welcomed the strategy, but not endorsed it as yet. It will be interesting to see what sponsorship the strategy can muster across the relevant EU institutions, as it was mainly an initiative of Mogherini, albeit in response to a Council invitation.

In a similar vein, two intertwined processes will be key throughout 2017: Defining EU steps to deliver on the SDGs and revising the European Consensus on Development. European Commissioner and Vice President Frans Timmermans prepared a communication on implementation of the SDGs, which was released in November 2016.<sup>3</sup> It outlines the means the EU will employ to deliver on the 2030 Agenda in its internal and external policies. The communication underlines the EU's intention to mainstream the SDGs in all of its policies and initiatives. Furthermore, as of 2017, the EU will provide regular progress reports jointly with the member states, in line with the principle of subsidiarity. Finally, it plans to launch consultations towards a longer-term vision for a post-2020 perspective.

The second process, revision of the European Consensus on Development, will be of major concern to many African countries, as the Consensus has guided EU development cooperation for a decade. Its revision is now imperative to align EU development policy to the new and ambitious global agenda. The Commission released its proposal for a revised European Consensus<sup>4</sup> simultaneously with its

communication on SDG implementation. It is now up for discussion by member states and the European Parliament. The communication calls on the EU and member states to improve development cooperation: 'to do more, do it better and do it differently'. For instance, it urges the EU institutions and member states to work more closely together, based on shared analyses, common strategies, joint programming and joint financing. EU trust funds are mentioned as a means of pooling resources. Focusing on results and improving reporting are other sought-after changes, confirming a trend identified in the MFF mid-term review process towards more conscientious spending.

Private-sector involvement and investment in development also feature prominently in the proposed revision. At times criticised and derided, private-public partnerships and other forms of blending of private and public funds have a mixed record. Nonetheless, the scale of funding and many of the activities required to achieve the SDGs necessitates participation of private actors. The communication addresses them as a key partner in development. The European External Investment Plan (EIP) is referred to as a model for how official development assistance (ODA) can be used to mobilise funding from other sources.

New priorities are also proposed, such as gender, youth, migration and sustainable energy. These signal the changed international environment, while underlining appreciation of development cooperation as part of the toolkit for preventing and resolving conflict, responding to humanitarian needs and promoting peace and security. In this regard, the proposal calls on EU institutions and member states to focus their assistance particularly in fragile and conflict-affected states.

A novelty in the communication is its stress on digital technologies for development. Though high cost puts information and communication technologies (ICTs) out of reach for many in Africa, and connectivity remains limited on the continent, ICTs are seen as enablers of growth. On this point there is consensus across the EU institutions and member states. In fact, within just a few days of the release of the EU communication, the Council of the EU approved its own conclusions on mainstreaming digital solutions and technologies in EU development policy.<sup>5</sup>

## Box 1. “Brexit” and its impact on EU-Africa relations

The UK has set a timeline for leaving the EU. British Prime Minister Theresa May has said she will invoke article 50 of the Treaty on European Union by end March 2017 and this has now been accepted by a majority in the UK House of Commons, though the Supreme Court is still assessing the role parliament should play. Invoking Article 50 would trigger the start of negotiations between the UK government and the EU. A Brexit could have far-reaching implications for EU-Africa relations. The type of trade relationship the EU and the UK agree upon, for example, will affect the countries now party to an Economic Partnership Agreement (EPA). If the EU and UK establish a free trade agreement (FTA), EPA countries would lose their access to the UK market, as the ‘most favoured nation’ principle under the World Trade Organization (WTO) would apply. If the EU and UK establish a customs union, however, EPA countries would retain continued access to the UK market.

Implications of a Brexit for EU cooperation with Africa remain unclear. Some African countries have strong historical, economic and trade ties with the UK. Would a Brexit profoundly change the EU’s relations with them? Another question is whether a Brexit would change African perceptions on regional integration.

There have been suggestions that the UK might continue using EU development cooperation structures even after a Brexit.

However, a much greater share of UK official development assistance (ODA) will likely be channelled bilaterally. Without UK contributions, the EU will face a shortfall of development resources at precisely the time it is delivering on the high ambitions of the EU Global Strategy and the SDGs. For its part, the UK would have to boost its disbursement capacity to manage larger amounts of bilateral aid.

The financial markets’ negative reaction to the Brexit vote and the devaluation of the British pound by 10% after the referendum hint at the risks posed to the British economy by a UK exit from the EU, though not all analysts agree.<sup>6</sup> If the British economy were to slow or enter recession, ODA flows could fall regardless of whether the UK overturns its current pledge to spend 0.7% of its gross national income on aid every year<sup>7</sup>

Some argue that the UK leaving the EU would bring opportunities. A Brexit would remove a strong opponent to several forms of integration. For instance, it could provide a window of opportunity for the EU to reinforce its Common Security and Defence Policy (CSDP), to pool security and defence resources and to work towards establishment of a common military capability within EU structures. It might also open the door for more joined-up approaches, or joint programming, in development cooperation. Several major EU member states are pushing these agendas, but no clear consensus has yet emerged.

## Reviewing and adapting the EU’s budget for external action

An ambitious European Consensus on Development would need to be matched by adequate resources, or it becomes just an empty shell. Today’s realities, however, already impose heavy demands on EU finances. Conflicts and protracted crises in the EU neighbourhood, alongside the resulting migration and refugee flows, have put serious pressure on the EU’s external action financing instruments. Two interlinked processes in 2017 will provide opportunities for adapting the instruments to the EU’s current ambitions and challenges. First is the mid-term review of the EU Multiannual Financial Framework (MFF) 2014–2020. The results of the Commission’s review were presented to the European Parliament and Council in late 2016.<sup>8</sup> Based on this review, a legislative proposal for revisions was presented and needs to be agreed upon by the Council and the Parliament. The second process is the preparation of the mid-term review reports of the external action instruments. Findings from that review are expected to be submitted to the EU Council and Parliament by December 2017.

These two processes will allow the EU to recalibrate its current instruments’ budgets, programming and implementation. Moreover, they provide a platform for broader and more forward-looking reflection on the structural challenges facing the EU budget and the instruments. As such, the outcomes will feed into the discussions on the next MFF, for which the European Commission is due to submit a proposal by January 2018. Consequently, these mid-term reviews will be more than a technical exercise; unpacking the EU institutions’ and member states’ political priorities during the debates will be imperative.

Protracted crises in the countries surrounding the EU continue to challenge EU financing. These are increasingly recognised as more than a disruption from a ‘normal path’ of development. Their root causes often lie in complex mixes of

factors, including violent conflict, natural disasters, resource scarcity, state fragility and limited economic opportunities. As argued in the United Nations (UN) Secretary-General’s landmark report ‘One Humanity, Shared Responsibility’,<sup>9</sup> the multidimensionality of protracted crisis situations requires donors to engage in comprehensive responses that combine short-term humanitarian aid with more structural engagement through peacebuilding, conflict prevention and long-term development. The EU needs to incorporate this approach better into its crisis response and funding. The UN report has also served to refocus attention on the need to link development, humanitarian aid and other forms of crisis response better, while safeguarding humanitarian neutrality and independence where relevant.

At the same time, aid is now being used explicitly as a lever for wider foreign policy objectives. This is illustrated by the EU-Turkey refugee deal. ODA definitions, too, are expanding into the security sphere.<sup>10</sup> Moreover, there has been a surge in European countries’ use of ODA to cover the domestic costs of responses to the refugee crisis.<sup>11</sup> Integration of aid into more comprehensive policy agendas that explore the interrelatedness of security and development is welcome. However, a number of stakeholders, including some EU member states,<sup>12</sup> have voiced concern about ODA being diverted away from its ultimate objective of reducing poverty. They have called for development funds to be protected from political instrumentalisation.

The EU trust funds are a case in point. The trust funds enable the EU to pool its instruments with member-state resources to respond to specific emergency situations in a flexible and coordinated way. Trust funds have been set up to address the crisis in the Central African Republic, to respond to the forced displacement resulting from the conflict in Syria, and more recently, to tackle the root causes of migration in Africa.

While it is too early for conclusions on the trust funds’ success, concerns about their governance structures are justified. First,

# REVIEWING BUDGETS AND INSTRUMENTS

External Action Instruments

Multiannual Financial Framework

2016



**SEPTEMBER**

**Commission presents:**

- Mid-Term Review of MFF 2014-2020
- Legislative proposals to revise MFF regulation



**DECEMBER**

Expected agreement of the Council and European Parliament on the European Commission's proposal for a revised MFF regulation

2017



**SECOND QUARTER**

Completion of Mid-Term Evaluation reports of EU external actions instruments



**END OF 2017**

Mid-Term Review reports of external action instruments presented

2018



**JANUARY**

Commission presents proposal for post-2020 MFF



**MARCH**

Potential amendments of instruments regulations adopted through delegated acts



**MID YEAR**

Impact assessment and proposals for the next generation of post 2020 instruments

2021



Start of new MFF a new generation of external action instruments

*ecdpm*

trust fund decision-making reduces the influence of non-contributing member states on the strategic priorities of EU financing.<sup>13</sup> Second, the European Parliament has pointed to the need for more transparency and monitoring of the funds. Third, the limited involvement of partner countries in trust fund decision-making risks undermining ownership and raises concern that the funds may be used chiefly to serve the EU's strategic interests. Some see the trust funds as ad hoc tools that do nothing to fundamentally solve the lack of flexibility and comprehensiveness of the EU instruments. Moreover, the repeated use of emergency reserves and flexibility instruments reduces their future availability, suggesting the EU may be underequipped to respond to events such as natural catastrophes in the remainder of this MFF period.

A fundamental rethink of EU instruments is therefore needed as consultations on a new MFF kick off. The Instrument contributing to Stability and Peace (IcSP) already allows the EU to provide quick and flexible crisis responses beyond the humanitarian sphere, though its low funding limits its level of ambition. Some member states have favoured creation of a new, larger crisis response instrument, possibly merging the existing development and humanitarian instruments.

Not everyone is supportive of this idea. Both EU officials and implementing organisations point to the risk of humanitarian principles being watered down and aid instrumentalised. EU institutional politics may not be supportive either. Currently, EU external financing is marked by an institutional split. Four different Commission departments manage funds, each with its own mandate, principles and operational modalities. This reduces institutional appetite for integrating the existing instruments, instead favouring perpetuation of 'silo' thinking and turf wars, with high coordination costs as a consequence.

There has been a push at the higher policy level towards a more integrative approach to crisis situations. This is illustrated by the EU Global Strategy on Foreign and Security Policy and also by the recent communication on forced displacement, in which the EU puts greater emphasis on integrating development perspectives into its refugee responses. The upcoming consultations on the MFF may provide an opportunity to build on this momentum and question the current fragmentation of EU instruments more fundamentally. However, much will depend on the ability of the High Representative/Vice President to assert political leadership across the EU institutions.

Another longstanding question is whether the European Development Fund (EDF) should be integrated into the EU budget, that is, 'budgetised'. The EU has taken gradual steps to align the EDF regulations with those of its other instruments, mainly to simplify and harmonise procedures but also with a view to its possible budgetisation.

In parallel with this question regarding the EDF, global debates are examining the evolving role and definition of ODA and new indicators for measuring financial flows for development. While these will certainly shape some actors' positions on development financing, views on EDF budgetisation will likely be driven more by concerns about the EU budget as a whole. Including the EDF in the budget will visibly increase its size. Yet in the current climate of austerity, with Europe's slow economic recovery, as well as the challenge the EU faces in rebuilding confidence among its citizens, prospects for increasing the EU budget and strengthening the Commission's control are slight. The mid-term reviews will not provide answers on these issues. They could, however, offer some insights on how a reconstituted EDF could link into the post-Cotonou debates.

Budgetisation of the EDF would also have consequences for the EU's ability to profile itself as a peace and security actor. First, as EDF funds are outside the EU budget, they do not fall under the legal constraints that the Treaty of the European Union imposes on the EU budget. The EU therefore has been

able to use EDF funds to support, for example, the African Peace Facility. Should the EDF be integrated into the EU budget, the EU would have to find other options to continue playing its role as a promoter of peace and security in Africa.

A second and related issue is the difficulty that EDF budgetisation would pose for financing activities categorised as 'capacity building in support of security and development in third countries' (CBSD).<sup>14</sup> Security sector reform is now well established as a core part of peacebuilding and development. CBSD fills a gap in EU support to security sector reform, particularly in the context of CSDP training missions. The Organisation for Economic Cooperation and Development (OECD) has agreed that some security sector reform activities can be reported as ODA in certain circumstances.<sup>15</sup>

To provide for CBSD, options within and outside the EU budget are being explored. Examples are adapting the African Peace Facility, adapting the IcSP, creating a facility for pooling funds from existing instruments or establishing an entirely new instrument.<sup>16</sup> As a short-term solution, the Commission has proposed expanding the IcSP to cover CBSD costs. But it remains to be clarified whether the EU budget can legally be used for direct support to military actors. Long-term options will, in any case, have to conform with Treaty constraints and ODA eligibility requirements, while contributing to development objectives.<sup>17</sup>

## *What happens after 2020? Scenarios for a post-Cotonou future*

In 2016, EU member states and the African, Caribbean and Pacific (ACP) Group of countries began the groundwork for a fundamental debate on the future of the ACP-EU partnership beyond 2020. An October 2016 European Parliament resolution hints at its preference for regionalisation of the cooperation framework, in line with the principle of subsidiarity, alongside a more political relationship, though not neglecting development objectives.<sup>18</sup>

After preliminary consultations, the Commission published in November 2016 a communication and impact assessment of the partnership, also providing a vision on the future.<sup>19</sup> The Commission's preferred scenario is a joint umbrella agreement with the ACP Group concerning common values, interests and cooperation at the international level, accompanied by separate regional partnerships for Africa, the Caribbean and the Pacific. Differentiation, the EU has said, would allow it to respond better to the opportunities and challenges in each region.

This process will shift into higher gear in 2017, as the EU member states formulate a mandate for the European Commission to negotiate what comes after the Cotonou Agreement. The timeframe still allows space for an open, well informed and results-oriented discussion, though knowledge of and interest in the Cotonou Agreement remains mainly limited to the Brussels scene.

On its side the ACP Group is expected to publish its vision for a future agreement early in 2017. In the meantime the ACP Ambassadors in Brussels have identified possible objectives for the future of the Group including becoming an effective global player, with relevance beyond the EU and as an effective South-South network. Regional bodies, such as the AU, are also expected to consider what they would hope to see in a post-Cotonou agreement and the topic might well find its way on to the agenda of the EU-Africa Summit.

This revisiting of the ACP-EU partnership comes at a time when global challenges can no longer be seen as North-South issues. Demographic pressures, increased mobility, natural resources scarcity, climate change, new geopolitical realities,

regional dynamics and new forms of conflict affect all. Universality is enshrined in the 2030 Agenda and is changing the overall face of international cooperation and aid. The EU addresses some of these changes in its Global Strategy on Foreign and Security Policy. The fact that the strategy does not mention the ACP configuration provides something of a reality check on the ACP-EU partnership's prominence. The strategy does recognise the EU's responsibility to promote sustainable development worldwide, though it now clearly opts for a more pragmatic, interest-driven approach to international cooperation focused on specific regions.

Moreover, the initial three-pillar structure of the Cotonou Agreement – the pillars being 'aid', 'trade' and 'political cooperation' – has eroded over time. Trade and political dialogue now take place primarily outside the ACP-EU framework, effectively reducing the partnership to a tool for development cooperation. The privileged relationship between the ACP and the EU has been marginalised as a result, as the

parties increasingly defend their interests through alternative continental, regional or thematic bodies. The political value of the Cotonou Agreement has also waned. To some, the partnership's justification, rooted in the colonial past, has become untenable, and even undesirable.

Continuation of business as usual is not an option. Yet there is no agreement on either side on the course to take. Several scenarios are being discussed.<sup>20</sup> While the end result will depend on the key players' negotiating positions and the ensuing political process, a major contentious issue is still the financing of a future partnership, including the question of EDF budgetisation. The mid-term review of the EU's external action instruments, to be finalised in 2017, will likely inform the EU position on this point. Another tough question is the balance between value-based engagement and more realist, interest-driven cooperation. The positions on this will have a bearing on the legal status of any successor agreement, which remains a potentially divisive issue among EU member states.

## Four Scenarios for the Future of ACP-EU Relations

01

### REVISED

COTONOU PARTNERSHIP AGREEMENT BEYOND 2020

- CPA remains the main framework for cooperation with the EU
- Weaknesses are addressed through a review and revision of the current text
- Overarching CPA as a legally binding treaty is maintained

02

### UMBRELLA AGREEMENT

WITH THE ACP LINKED TO REGIONAL AGREEMENTS WITH AFRICA, THE CARIBBEAN AND THE PACIFIC

- Legally binding regional agreements facilitated by an all-ACP umbrella agreement
- Answer to regionalisation and the rise of alternative institutional frameworks but within the CPA
- Task division between the ACP and the regions (subsidiarity and complementarity)

03

### REGIONALISATION

OF ACP-EU RELATIONS

- Flexible and non-legally binding cooperation arrangements between the EU and African, Caribbean and Pacific regional and sub-regional organisations
- Regionalisation as the driving force behind foreign policy of both the EU and the ACP regions
- Facilitates pursuit of interest-driven forms of international cooperation in proximate settings

04

### MIXED

REGIONAL AND THEMATIC MULTI-ACTOR PARTNERSHIPS

- Allows EU and ACP regions/states to engage on the basis of shared interest and cooperation potential
- Cooperation on global challenges informed by functional logic (portfolio of partnerships)
- Allows for continuing and deepening geographic partnerships

Graphic design: Yusema Chiu-van't Hoff, ECDPM

For more information please see <http://ecdpm.org/dossiers/dossier-future-ACP-EU-relations-post-2020/>

# Towards the Fifth EU-Africa Summit



The Fifth EU-Africa Summit, scheduled for November 2017 in Côte d'Ivoire, will take stock of progress on the roadmap agreed at the last summit in 2014. While that summit was marked by a shift towards more 'business-like' relations, prioritisations and behind-the-scenes diplomacy, there were missed opportunities to address governance and human rights.<sup>21</sup> The 2017 summit could suffer similar shortcomings. Two major issues on which the continents do not see eye to eye are migration and the International Criminal Court (ICC). These could be subjects for robust political discussion at the summit.

The European Commission and European External Action Service (EEAS) are expected to issue a joint communication in early 2017 in preparation for the summit. This will be an occasion for the EU to update its vision on Africa, in line with its Global Strategy, as the communication will set out the EU's strategic interests towards the African continent.

## *Migration at the core of EU-Africa relations*

The context of EU-Africa cooperation has evolved rapidly since the 2014 summit. Migratory flows and the refugee crisis are now at the core of the relationship between the continents. At the same time, African countries face their own pressures from refugee flows.

The Valletta Summit on Migration, which gathered European and African leaders and organisations in November 2015, marked a shift in EU foreign policy on Africa, towards a narrative dominated by a search for solutions to migratory flows and drivers. The Valletta Summit saw the announcement of the EU Emergency Trust Fund for Africa and the adoption of a joint action plan for improving the management of migration, strengthening resilience of vulnerable people and facilitating employment and remittances.

The EU crafted a wider response of its own to the migration crisis in early 2016, under the pragmatic Dutch presidency of the EU Council. This contributed, for instance, to the EU-Turkey deal, which helped to temporarily close the Western Balkan flight route. It also led to a political agreement to create a European Border and Coast Guard.<sup>26</sup>

The EU-Turkey deal inspired a new EU partnership framework, launched in June 2016.<sup>27</sup> Under the framework, tailored 'migration compacts' will be negotiated with selected countries in the Middle East and Africa. Supporters present the approach as multidimensional, since the compacts will include a mix of short-term measures for managing ongoing flows and asylum requests, and long-term measures to reduce incentives for irregular economic migration. Critical voices, however, note that poverty reduction in itself is unlikely to reduce migratory flows, as migration requires a minimum level of wealth. The framework has also been criticised for introducing both positive and negative conditionalities. Instead of beefing up cooperation between European and African states, some say it will increase mistrust across the Mediterranean. The EU-Africa Summit will reveal whether this new approach is indeed worthy of further institutionalisation.

## *The youth as a shared priority*

The AU's theme for 2017 is 'Harnessing the Demographic Dividend through Investments in the Youth'. In addition, the 2017 EU-Africa Summit is likely to focus on the youth in Africa and in Europe. Young people were only marginally represented at previous EU-Africa Summits. Youth issues, however, are a clear priority today, in light of demographic trends, migration patterns, unemployment among young people and the threat of radicalisation. The European Commission's proposal for a revised European Consensus on Development speaks extensively of youth, often linked to the role of ICTs in development. Youth affairs, particularly youth employment, is also prominent among the priorities of the EU Emergency Trust Fund for Africa.<sup>28</sup>

Unemployment among young people in fragile and conflict-affected states is a special concern, as it is a major driver of migration. To address the problem, however, requires a deep understanding of contexts, drivers and factors within African societies, since youth demographics are not homogenous. Factors like gender, race, education, skills and geographic location shape employment opportunities, and improvements in education and skills have not always led to better job opportunities.

One reason is the continued dependence of some African countries on natural resources extraction and agriculture, paired with limited industrialisation. This has barred many educated youths from benefiting from the commodity boom of the past decade. Moreover, these industries have created relatively few stable jobs, and local business climates have remained uncondusive for starting new enterprises. The fact that many African countries fall within the category of fragile and conflict-affected states makes long-term investments

there riskier and less likely. Democracy, accountability and good governance are also issues that concern many young people across Africa. Elections that are not handled in a transparent manner are thus often flashpoints.

The 2017 EU-Africa Summit will need to address the difficulties facing youth in a holistic way. A key element will be support for the transformation of African economies from natural resources dependence to value-added production, which could benefit young people in the long term.

In Europe, too, limited opportunities and access for young people are a major concern. For some years, rising youth unemployment has been a persistent worry among policymakers. Some limited improvements have been recorded since the launch of the EU Youth Employment Initiative, which provides apprenticeships, traineeships, job placements and further education for young people who become unemployed or are recent graduates.<sup>29</sup>

### Box 2. Africa and the International Criminal Court (ICC)

Three African states formally handed in their notice of withdrawal from the International Criminal Court (ICC) in October 2016: Burundi, South Africa and Gambia. South Africa did so because it found “its obligations with respect to the peaceful resolution of conflicts at times incompatible with the interpretation [of the ICC]”.<sup>22</sup> Burundi reasoned that it could not justify its membership, as it considered the preliminary investigation being carried out by the ICC prosecutor to constitute a violation of complementarity with national courts and sovereignty.<sup>23</sup> The reason given by Gambia for its withdrawal was its perception of the ICC as “in fact an International Caucasian Court for the persecution and humiliation of people of colour, especially Africans”.<sup>24</sup> Yet there are also many African officials and citizens who have expressed strong support for the ICC.<sup>25</sup>

Calls for mass withdrawal of African countries from the ICC have persisted,

moved by events such as the indictment and warrants of arrest for Sudanese President Omar al-Bashir in June 2009 and 2010, coupled with the refusal of the UN Security Council to defer the ICC case against him. The call for withdrawal was renewed at the 26th Ordinary Session of the AU, after the UN Security Council rejected the AU’s request to defer the proceedings against Kenya’s Deputy President, William Ruto.

The ICC’s prosecutions are perceived by some as Africa-focused, since nine out of ten situations currently under investigation involve African countries. In addition, three other African countries are under preliminary investigations. The AU has called for a rethinking of the international justice system, pushing for an alternative model of justice based on the concept of complementarity, with the ICC as a court of last resort. The AU has indicated that Africa has its own courts and that it has its own mandate to engage in justice proceedings to ensure accountability for international crimes within the African continent. Criticism of the ICC includes the fact

that African states’ concerns regarding the Rome Statute have not been duly addressed.

Yet, only a few member states have ratified the key legal instruments that could enable the AU to play a stronger role in the area of justice: the declaration to give individuals and common citizens access to the African Court on Humans and People’s Rights (ACHPR) and the Protocol on the Statute of the African Court of Justice and Human Rights to set up a merged court comprising the ACHPR and the African Court of Justice. Similarly, there has been no ratification of the Malabo Protocol, the Protocol on Amendments to the Protocol on the Statute of the African Court of Justice and Human Rights, which extends the jurisdiction of this merged Court to international crimes, including genocide, crimes against humanity, war crimes and aggression. Reporting of member states to the AU on human rights commitments and instruments has also been slow.

### Box 3. Elections

Security crises have arisen around elections in numerous African countries in recent years, such as in Burundi in 2015. Unconstitutional changes of government in the form of coup d’états, presidents bending constitutions to prolong their mandate and failure to concede power to the winning party all have been reasons for strife. Election monitoring can prevent violence from erupting before and following elections.

Multiple African countries will hold elections in 2017: the Democratic Republic of the Congo (DRC), Kenya, Rwanda and Liberia, among others.

The DRC has not had a peaceful transition of power since its independence in 1960. Initially, its elections were scheduled for November 2016, but they have now been postponed to 2017. Though President Joseph Kabila’s term ends on 20 December 2016, the Constitutional Court ruled in favour of him staying in power until the inauguration of a new president elect. This has prompted accusations that President Kabila has delayed elections to hold onto power. In addition, there have been rumours of constitutional changes to allow the president to run for another term. AU Special Envoy Edem Kodjo has played an important role in facilitating consultations and dialogue with the DRC to address these rising tensions,

together with the UN, the EU and the International Organisation of La Francophonie. Stronger partnership between the AU, the UN and the EU on this issue could help reduce the risk of conflict, as well as ensure credible and timely elections.

Presidential and general elections in Kenya will also be critical. Post-election violence erupted in Kenya in 2007, and the AU stepped in to mediate the crisis. Subsequently, Kenya underwent political reform including adoption of a new constitution in 2010 and again held elections in 2013. Still, given Kenya’s leading geopolitical and economic position in the region, vigilance is needed to avoid any risk of a recurrence of violence.



Europe is also struggling with the recruiting of young people by extremist groups, such as the Islamic State, and the threat of disaffected youths committing atrocities on European soil. A recent EU communication on preventing radicalisation outlined support to member states in addressing radicalisation. It provides guidelines regarding prison populations, models for promoting education and shared values, and social and innovation funds that target disadvantaged youths.<sup>30</sup>

Contexts, of course, differ markedly between Europe and Africa, from many viewpoints: demography, political participation and democracy, and the cultural and social norms that define how young people relate to their elders, among others. Leaders at the EU-Africa Summit could recognise the potential of youth to stimulate the wellbeing of and positively transform societies and communities, but also the need to tackle those issues that constrain young people's energies and creativity.

### *A strategic Africa-EU partnership on peace and security*

The number of conflicts in Africa has declined during the past decade, and most of the continent is now generally at peace. Nonetheless, enduring fragility and multifaceted threats to governance and rule of law have demonstrated their potential to spark violent conflict quickly and devastatingly. Today, more than 100,000 peacekeepers are deployed on the African continent, in nine UN peacekeeping operations (see box 2), a hybrid AU-UN mission and five peace support operations (PSOs) led by the AU or African regional economic communities (RECs).

Beyond the more typical conflicts, a 'perfect storm' is potentially emerging in Africa that seems certain to hamper progress towards the 2030 Agenda and Agenda 2063. This is a convergence of the emerging youth bulge, rapid urbanisation, intensifying water scarcity, other climate-related challenges, persistent food insecurity, and lagging industrialisation and

investments in infrastructure. All these elements compound the difficulty of achieving peace, security and sustainable development in Africa. But they have tangible consequences for Europe too, particularly in the form of increased irregular migration flows. Conflict and security therefore will continue to be high on the agenda of Europe-Africa relations, and the November summit will be no exception.

The EU has been a vital supporter of peace and security in Africa over the past decade, as the continents' interdependence on security matters has increased dramatically. One of the EU's main tools in this support is the African Peace Facility, which has been a true game changer in strengthening peace and security efforts.

To date, the bulk of EU's African Peace Facility funding (90% of the € 1.9 billion total) has gone to support African-led PSOs. This has enabled African security institutions to deploy African troops to pursue peace and stability objectives, in the spirit of 'African solutions to African problems'. Examples include the AU-led AMISOM mission to conduct coercive operations against Al-Shabab in Somalia and the Africa-led AFISMA mission to stabilise the situation in Mali. Beyond the African Peace Facility, the EU also runs nine CSDP missions on African soil. However, EU-Africa cooperation in peace and security will see fundamental changes in the years ahead. The EU Political and Security Committee recently requested a better balancing of African Peace Facility funds, with more emphasis on institutional capacity-building support (the remaining 10% of the APF funds) through the AU's African Peace and Security Architecture (APSA). The EEAS and European Commission are therefore gradually reducing the share of African Peace Facility funding to PSOs to 65%. In doing so, they are seeking to incentivise more African ownership of African-led PSOs and to advance beyond crisis-driven financing towards longer-term capacity building for conflict prevention and crisis management.

Reliance on external funding has been a source of frustration among AU member states too. The appointment in January 2016 of Donald Kaberuka as AU High Representative for the Peace Fund was a signal to the international community of the AU's commitment to finding sustainable, predictable and

#### **Box 4. AU-UN cooperation on peace and security**

Both the AU and the UN are mandated to promote peace and security, the former at the continental level and the latter at the global level. The 2015 report of the High-Level Independent Panel on Peace Operations (HIPPO) stressed the need for partnership between the UN and regional organisations to effectively address peace and security issues. Given that new conflicts and threats continually emerge, alongside the need for sustained support for long-term conflict prevention, it is essential that the UN and AU coordinate and divide their labours.

A major criticism up to now has been insufficient burden-sharing between the UN and the AU in peacekeeping missions. Some 63% of UN peace operations and 87% of all UN peacekeepers are in Africa, and more than 80% of the UN's annual peacekeeping budget is spent on

missions in Africa. However, the UN Security Council has not always acted in a timely manner to address conflicts in Africa. The UN needs to more fully embrace its political and operational role in peace and security, responding alongside others and acting as an enabler and facilitator. The UN's partnership with the AU needs to be strengthened as well, and made more predictable, through mechanisms for collaboration and by optimising the use of the limited resources available.

Funding for AU-led peace and security operations (PSOs) remains a challenge. The HIPPO report recommends that assessed contributions to the UN be allocated on a case-by-case basis to fund AU-led PSOs authorised by the UN Security Council. This funding would include the cost of deployed personnel, and provide predictable and sustainable support for the AU to implement PSOs that the UN itself cannot undertake. Future UN-AU cooperation should seek to enable effective delivery by the AU,

for the collective benefit, while also allowing deployment of UN peace operations alongside or after AU missions, to reinforce the political and operational benefits of cooperation.

The coming year will mark the start of PAIDA – the Partnership between the UN and the AU on Africa's Integration and Development Agenda. This partnership, which includes peace and security as a theme, has a ten-year framework, from 2017 to 2027. It is closely aligned with the first ten-year implementation plan of Agenda 2063 of the AU. PAIDA's launch in 2017 brings an opportunity for strategic cooperation between the UN (via its Office to the African Union) and the AU in addressing shared peace and security concerns.

Furthermore, 2017 will be a key year for implementation by the AU of its vision on conflict prevention and disarmament: 'Silencing the Guns in Africa by 2020'. With less than four years to go, the AU will have to make concerted efforts to achieve the vision's aims.

flexible funding mechanisms for AU-led peace operations. African leaders underlined this commitment in their common position on the comprehensive review of peacekeeping operations issued by the High-Level Independent Panel on Peace Operations (HIPPO) in 2015.<sup>31</sup> It was subsequently reiterated in the UN Secretary-General's report on the future of UN peace operations.<sup>32</sup> The recommendations of Kaberuka's panel must be seen within the wider context of the AU's commitment to raise 25% of its own peace and security budget, with the remaining 75% expected to come from the UN. AU member states have welcomed the Kaberuka recommendations. The EEAS, too, publicly expressed its support for the Kaberuka plan, calling it "an important step towards a system of African Union 'own resources'"<sup>33</sup>.

The AU proposals will prime the debate on financing for peace over the next decade and feed into dialogue between the AU and its external partners, including the EU and UN. In April 2016, the AU launched its 2016–2020 APSA Roadmap. This is a key document that sets out a strategy for conflict prevention, management and resolution. Unlike previous roadmaps, it formulates five objectives with accompanying indicators to be pursued jointly by the AU and RECs/regional mechanisms for operationalising the APSA.

As the AU seeks to diversify its funding sources for peace and security activities, the EU will need to develop a strategic understanding of where it wants to stand in supporting the APSA, in line with the newly launched roadmap. As the AU Peace Fund develops, questions of alignment and coordination will be at the forefront of decisions on EU support to the AU from 2017 onwards.

All this raises questions about the future direction of the Africa-EU partnership in general. Overall, the EU needs to be clear on the role it seeks to play in support of peace and security. European actors need to decide whether they want to use the African Peace Facility as a tool to advance their own security interests, or to empower African organisations to take care of their own security challenges. To position itself more strategically, the EU will need, at minimum, a shared vision on the African Peace Facility. The 2017 summit presents an opportunity to draft strategic guidelines for the Africa-EU partnership in the peace and security domain. It could also be a venue for decisions on the role the African Peace Facility should play in implementing such a partnership, linked to the 2030 Agenda for Sustainable Development.

There has been increased institutionalisation of the Africa-EU partnership on peace and security, for example, through the regular dialogue between the AU Peace and Security Council and the EU Political and Security Committee. Doubts remain, however, about the partnership's strategic value. The EU and AU lack a shared vision on peace and security. This is partly because the EU's security agenda is driven largely by the individual interests of its member states, and partly because EU countries are unused to considering Africa a politically or strategically important counterpart. This latter is changing, however, as illustrated by Africa's prominence on the G20 agenda in 2017.<sup>34</sup> To develop a genuine strategic partnership, the EU and Africa must move beyond their donor-recipient relationship, to a more equitable partnership based on shared perceptions of threats to peace and security.<sup>35</sup>

# Financing and reforming the African Union



## *Implementing the 2030 Agenda and Agenda 2063 in Africa*

Twenty-sixteen marked the transition from the Millennium Development Goals (MDGs) to the SDGs, or 'Global Goals'. From 2000 to 2015, Africa made substantial strides on five of the eight MDGs. However, unmet ODA commitments and Africa's persistently low share in global trade hampered, particularly, progress towards MDG 8, on a more effective global partnership for development.<sup>36</sup> Lessons learned from the MDGs could help Africa kick-start implementation of the SDGs in 2017. The AU also has its Agenda 2063, adopted in 2013, which provides a long-term vision and action plan for institutional and infrastructural development on the continent. Agenda 2063 has several objectives in common with the SDGs, and the two share the overarching aim of achieving sustainable and inclusive development.

AU member states have been slow to implement Agenda 2063-related policies at the national level, even though they have much to gain from it, and from the SDGs. To make these strategic frameworks a success will require member states to adapt their national visions and action plans. For coherent implementation, monitoring and evaluation of both frameworks, an integrated set of goals, targets and indicators will be needed, alongside a harmonised review and reporting platform. A challenge for the AU will be to monitor indicators that differ between the agendas. For this purpose, the AU Commission and the UN Economic Commission for Africa (UNECA) are developing a core set of regional indicators that all RECs and AU member states will be expected to report on. Establishing guidelines for monitoring these is on the AU's 2017 agenda.

The UNECA's Africa Regional Forum on Sustainable Development (ARFSD) could offer a platform for follow-up and review of progress on both agendas in Africa.<sup>37</sup> The next ARFSD meeting, in 2017, will be an opportunity for the AU and

its member states to share best practices in implementation and reporting. African Peer Review Mechanism reports are also expected to be used as monitoring tools.

Challenges regarding access to statistical data remain. National statistics offices need support in designing new methodologies, developing baseline estimates and compiling data where none exists. In February 2009, the AU adopted the African Charter on Statistics (ACS), which entered into force in 2015. The ACS is designed as a policy framework for production, management and dissemination of statistical data and information at the national, regional and continental levels. Yet, only 17 countries have ratified the ACS to date. More attention is also warranted for the Strategy for the Harmonisation of Statistics in Africa (SHaSA). This is an initiative to improve the measurement of indicators at the national and regional levels.

## *A quest for leadership and reform*

Strong and visible leadership within the AU Commission is an asset for shaping continental agendas and mobilising the energies and resources of African states and leaders. At the 27th AU Summit, in July 2016, none of the three candidates for the position of AU Commission Chairperson achieved the required two-thirds majority.<sup>38</sup> Elections were therefore deferred to the January 2017 Summit, and the nomination process was reopened. The five<sup>39</sup> nominees for Chairperson are Pelonomi Venson Moitoi from Botswana; Amina Mohamed, Kenya's Foreign Affairs Cabinet Secretary<sup>40</sup>; Agapito Mba Mokuy, Foreign Minister of Guinea; Moussa Faki Mahamat, Foreign Affairs Minister of Chad; and Abdoulaye Bathily, Senegalese politician and Special Representative of the UN Secretary-General for Central Africa. The deputy chairperson position and the eight commissioners' seats are also open for nominations. Appointments will consider professional backgrounds as well as regional and gender balances.<sup>41</sup>

The AU Commission is responsible for shaping the continental agenda on economics, trade and political and security issues, while also representing and advancing common African positions in global fora. The AU must be vigilant to ensure that continental legal and governance frameworks for inclusive and sustainable development are adopted by all member states, especially on key issues like peace and security, migration, human rights and democracy. Strong leadership will particularly be needed to implement Agenda 2063 and the 2030 Agenda.

But the Commission's success depends on much more than just having the right people in the right place. Over the past 50 years, the AU has evolved and gradually revised its mandate to respond to new challenges. Despite progress, for example, on peace and security, it has become clear that reorganisation of the AU itself and its organs is now needed. At the 27th AU Summit, therefore, Rwandan President Paul Kagame was appointed to lead the ongoing institutional reform, to equip the organisation better to deliver on its Agenda 2063.

Making the AU Commission and organs more effective and efficient in resource use and more business-oriented in delivery are key objectives of the reform. A central question is if the AU Commission could gain greater authority to sanction member states that fail to comply with agreed continental rules. Currently, the AU's highest decision-making body remains the Heads of State and Government, which, for instance, nominates the eight commissioners who work in support of the chair.

Recommendations for the reform are expected to be presented at the 28th AU Summit in January 2017 in Addis Ababa. Responses to these recommendations, by African heads of state and the new AU leadership, will say much about their viability.

### *Towards greater AU financial autonomy*

Progress is visible on another issue: securing sustainable financing for the AU. This follows concerted efforts from within the AU to seek alternative sources of financing and to urge AU member states to honour contributions, including clearing arrears. In 2015, member states agreed to fund 100% of the AU operational budget, 75% of the programme budget and 25% of the PSO budget.<sup>42</sup> In addition, the June 2015 AU Summit agreed on a new formula for assessing contributions based on the gross domestic product (GDP) of the member states.

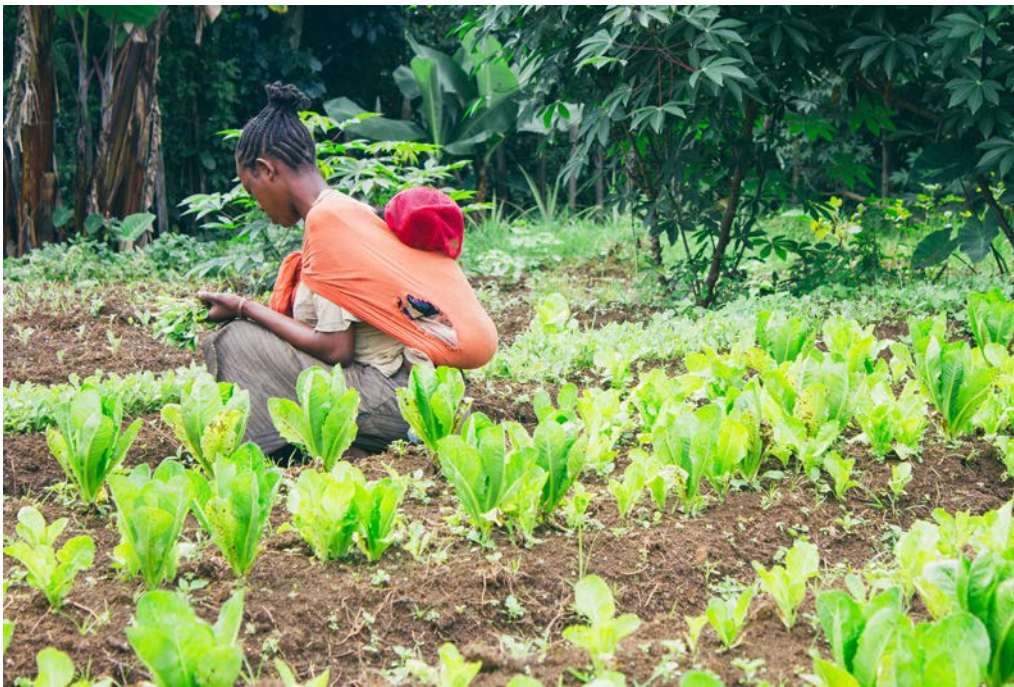
The AU Commission began implementing this new formula in 2016.<sup>43</sup> This led to increases in both the AU's operational budget and programme funding. While the operational budget commitment has almost been met, progress on the programme budget has remained limited, with member states contributing only 7.5% in 2016. Monitoring in the coming years will reveal whether a growth trend can be maintained in member-state contributions.

The dependence on GDP may not provide predictability, as countries are vulnerable to economic shocks. This is one of the issues that the Kaberuka panel was asked to examine. Based on the panel's work, the AU decided to institute a 0.2% levy on all eligible non-African goods imported to the continent. However, many questions remain on how this recommendation could be implemented, and what institutional reforms would be needed for the transfer of the import levies and oversight of the funds. The plan is ambitious and time is short, as AU Heads of State and Government want to implement the levy starting in 2017. The aim is to raise US \$400 million by 2020.

The role that central banks in member states would play in transferring the levy to the AU, in accordance with each member state's assessed contributions, remains unclear. The AU Commission was asked to establish an oversight and accountability mechanism to complete the ongoing institutional reforms, and to set up a Committee of Ministers of Finance comprised of ten member states to participate in preparation of the AU annual budget. During a two-day conference of AU Ministers of Finance in mid-September 2016, a roadmap was adopted with guidelines on implementing the levy. The ministers in attendance agreed on the need to reduce the AU's dependency on partner funds while also relieving pressure on member states' treasuries to meet their obligations for payment of their assessed contributions to the Union.

Some concerns have been expressed about the conformity of the import levy to WTO regulations and international trade agreements, including the Economic Partnership Agreements (EPAs), and whether the import levies can be imposed unilaterally. Kaberuka has visited key European capitals to secure support for this formula, should it be referred to the WTO. These discussions are likely to intensify in 2017, especially between Africa and the EU, as the EU is currently a major funder of AU programmes.

# Financing for development



## *Catalysing public and private resources: Synergies and challenges*

The 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda<sup>44</sup> and more recently the G20 Entrepreneurship Action Plan and Hangzhou Declaration place strong emphasis on private finance and investment to boost productivity, inclusive growth and job creation while addressing human rights and social and environmental issues.<sup>45</sup> Implementation of these commitments is crucial given the scale of the challenges and the declining importance of ODA in relation to private financial flows, especially as the incomes of low-income countries rise.<sup>46</sup> Nonetheless, the current political and economic situation in Europe, with Brexit on the horizon and weak economic growth, is likely to undermine the already scarce public resources available for development objectives.

During the past decade, policymakers have deployed a range of instruments and innovative financing mechanisms to catalyse public resources and leverage private-sector finance and investment. Examples are the blending of public and private finance, challenge funds, public-private partnerships and other multi-stakeholder platforms. Using blending, some €2 billion in EU grants served to mobilise around €20 billion in loans from European development finance institutions and regional development banks from 2007 to 2014. Together, these financed more than 240 projects.<sup>47</sup> Estimates suggest that EU grants combined with public and private financing could unlock some €43 billion in investments in partner countries.

Though these results are encouraging, research suggests there is room for further improvements, particularly regarding projects' economic and sustainability outcomes.<sup>48</sup> Indeed, while discussions on development finance tend to focus on the amounts needed to achieve the SDGs, issues relating to the quality of financial support – and the extent that it integrates sustainability criteria – also need to be addressed if

these instruments are to spur economic transformation and sustainable development.<sup>49</sup>

To move 'from billions to trillions'<sup>50</sup> more is needed than creation of new financing instruments. Numerous instruments already exist, but are overly fragmented. Many players are involved as well – from governments to financial institutions, the private sector and civil society – though coordination is lacking. The challenge is to provide a coherent financing framework that promotes synergies between actors and instruments across sectors and contributes to transformative changes and development outcomes at a higher scale.

The European External Investment Plan (EIP) is an example of a way forward for development finance. The plan is timely, given the need to mobilise more and better private investment in Africa and to foster greater coherence across European initiatives. Some parts of the plan in essence repackage existing facilities. For example, the Africa Investment Facility and the Neighbourhood Investment Facility are repackaged into new regional investment platforms. Nonetheless, its three-pillar approach is a key innovation, offering more coherence as well as non-financial benefits (box 4).

The structured political dialogue foreseen under the plan could make EU external investment support more effective and diverse. Its openness to non-European development finance institutes in particular may increase competition and draw in a wider range of experience, knowledge and expertise. However, a number of issues need to be addressed for the plan to live up to its potential.

The first relates to how increased competition can be reconciled with stimulation of cooperation between international financial institutions. The European Investment Bank (EIB) will have a role to play and its expertise could be drawn upon, as it has been active in Africa and in the

### Box 5. The European External Investment Plan (EIP)

The recently announced European External Investment Plan (EIP) aims to promote sustainable investment to tackle some of the root causes of migration in Africa and the European neighbourhood. More broadly, it will contribute to implementation of the 2030 Agenda and to the Addis Ababa Action Agenda on financing for development.

For the first time, the ambition is to provide a coherent, integrated framework for EU external investment support. The EIP will be a 'one stop shop' that contributes to the global architecture for long-term development in Africa and the EU neighbourhood. The EIP seeks to leverage funds from and enable full

cooperation among the EU, its member states, its partner countries, international financial institutions, donors and the private sector.

The EIP will support social and economic infrastructure and small and medium-sized enterprises (SMEs). With €3.35 billion provided from the EU budget and EDF resources, the EIP will offer innovative guarantees and similar instruments to trigger private investment. The aim is to mobilise up to €44 billion in investments – or €88 billion if member states and other partners match the EU's contribution.

The EIP has three pillars. First is the European Fund for Sustainable Development (EFSI). This includes two regional investment platforms

(Africa and the EU neighbourhood) and guarantees to address obstacles to private investment. The second pillar is technical assistance, to develop greater numbers of better and more sustainable projects and attract investors. The third pillar is structured policy dialogue addressing the investment climate and aligned with a range of dedicated thematic, national and regional EU development cooperation programmes.

While the EIP's core aim is to support sustainable development in Africa and the EU neighbourhood, it will also promote opportunities for private businesses by unlocking trade and investment, including from Europe. In doing so, it will be supporting European economic, energy and climate diplomacy.

EU neighbourhood and prominent in the European Fund for Strategic Investments (EFSI). The EFSI provides a guarantee facility to boost sustainable investment. How can the EIP's strong development potential be further enhanced, including through the ACP Investment Facility? And what about linkages with neighbourhood and African actors, including financial institutions? More broadly, the link between European internal and external actions will likely have to be strengthened. Clarity about what member states are doing individually vis-a-vis the EIP's added value at the European level is also needed.

A major yet challenging ambition of the EIP is to operate as a coherent overarching framework. The articulation, synergy and complementarity between the EIP's three pillars will thus be a critical determinant of the effectiveness of this new EU development chapter.

The EU would like to engage more with the private sector through economic diplomacy and 'aid for trade'. The WTO's sixth Global Review of Aid for Trade to be held in Geneva in July will be a key event in 2017. Lessons and areas for improvement will be sought, particularly to enhance the sustainability focus and linkages between aid for trade and private-sector support.

Private-sector finance and investment will need to take on a prominent role to implement both the 2030 Agenda and Agenda 2063. More and better jobs need to be created in Africa and inclusive growth stimulated. Businesses need to be encouraged to contribute their funding and expertise to address development challenges. Doing so brings development and business interests into greater alignment and opens additional opportunities for leveraging commercial activities for the benefit of development projects and outcomes.

So, for 2017 to be a successful year in terms of private-sector engagement for development, a number of challenges need to be overcome. Foremost among these are better results and impact measurement; the issue of additionality; aligning results, impact indicators and reporting mechanisms; and better and more regular coordination between the actors involved. This includes the more traditional actors, like ministries, aid agencies and development finance institutions, but also investment and trade promotion agencies, such as export credit agencies. Building more systematically on each other's activities, project timelines and networks will generate cross-institutional learning and collaboration and stimulate more responsible and sustainable investments.

Multi-stakeholder partnerships, including business partnerships among civil society organisations (CSOs), are another private-sector development modality increasingly

supported and promoted by donor agencies in the context of the 2030 Agenda. Such partnerships can work towards economic transformation at a critical or even sector-level scale, especially if they link commercial, market-driven investment projects to private-sector know-how, resulting in more and better jobs. CSOs, with their socially-grounded, networked approaches, aim primarily to promote inclusive development within a given location. Reflecting this interest, the Global Partnership for Effective Development Cooperation, led by its three co-chairs (the Netherlands, Malawi and Mexico) launched Promoting Effective Partnering initiative in November 2016.

### *Sustainable agricultural transformation as an example*

The agricultural sector in Africa provides a good illustration of the importance of effective and creative approaches to financing for development. Agriculture employs 65% of Africa's labour force – more than 700 million people. Hence, sustainable development in this sector is essential to combat poverty and food insecurity. More effective financing, including from Europe, will be required to accomplish this.

Looking forward to Europe-Africa relations in 2017, three aspects merit particular attention: (i) European direct investment in African agriculture and its impacts on local farmers and companies, (ii) the quality and role of European ODA within African food security policy processes and (iii) creation of synergies between agriculture and climate financing, including climate financing originating from Europe, since agriculture and food systems are not only impacted by, but also drive, climate change. All three aspects can be addressed within the respective regular dialogues and policy processes jointly involving the European and African partners. They can also feature at key events in 2017, such as the EU-AU Agriculture Ministerial 'Roundtable' (launched during the Dutch Presidency of the EU in 2016 for political steering of improved AU-EU agricultural cooperation)<sup>51</sup> and the 2017 G7 Summit under Italian Presidency.

ODA alone can never solve the many bottlenecks to agricultural transformation in Africa. Increasing private-sector investment in agriculture is essential. African governments can use public resources to stimulate private investment, for example, by investing in irrigation or road infrastructures. This would help create an enabling policy environment for sustainable investment, value addition and trade. ODA should accompany this mobilisation of public- and private-sector investment, particularly targeting benefits for smallholder farmers. They produce most of Africa's agricultural output (70% in sub-Saharan Africa), but face a multitude of challenges, including

limited access to financing, incoherent policies, outdated technologies and underdeveloped infrastructure. Fresh perspectives and innovative financing are needed in Europe, too. It is time for a shift away from the prevailing donor-recipient mentality. Private investment in African agriculture needs to be seen as an attractive business proposition. ODA should be geared both towards stimulating flows of European private funding to enterprises that are impactful and sustainable and towards strengthening the capacities of local governments to support private investment.

The EU institutions and member states could stimulate large funds to channel investments to agriculture by blending loans and grants. Engagement of international banks and local financial institutions would benefit the millions of small farmers and agribusinesses in Africa that lack access to credit markets, largely due to the risks inherent in their enterprises. But they do create jobs and grow food to feed rural and rapidly growing urban populations.

In 2017, faster progress needs to be made in implementing such efforts. For a start, the new EU Agriculture Financing Initiative (AgriFI) provides EU blending resources as guarantees and other risk-sharing mechanisms. This supports mobilisation of public and private investment by taking some of the risk out of financing smallholder agriculture.<sup>52</sup>

Agricultural foreign direct investment (FDI) in Africa has grown steadily in recent years, though concerns have been raised that FDI has not generated the expected benefits. In some cases FDI has spurred controversy over land grabbing, negative environmental effects and bad working conditions for local farmers. The EU does need to ensure that European companies adhere to responsible investment practices. It can do so by integrating the following three guidelines into all bilateral and EU-level policy and financing instruments for the private sector in agriculture: (i) the 'Voluntary Guidelines on the Responsible Governance of Tenure', (ii) 'Principles for Responsible Investment in Agriculture and Food Systems' and (iii) the 'OECD-FAO Guidance for Responsible Agricultural Supply Chains'.

To support African governments in stimulating private investment in agriculture, the EU will need to improve its own support for inclusive public-private dialogue for agricultural transformation. In 2017, it will be particularly important to make the 'Grow Africa' platform more effective. This partnership between the AU, the New Partnership for Africa's Development (NEPAD) and the World Economic Forum seeks to attract private investment to African agriculture through regular dialogue and lesson-sharing on value chains and market systems. So far, Grow Africa has generated interest from large companies and foreign investors. But there has been insufficient attention and benefit among smaller farmers and local companies. To build more successful and inclusive agricultural public-private partnerships, those involved in the informal economy need to be brought in, understood and learnt from as well. The EU could play a role here, especially in the context of Grow Africa and in promoting a new knowledge agenda around the informal food economy.

In terms of more traditional ODA targeting the public sector, it merits saying that aid from Europe will remain essential to support African policy processes for enhancing food security, in particular the AU's Comprehensive African Agriculture Development Programme (CAADP). CAADP has helped create a more coherent policy environment for the agricultural sector across the continent, by encouraging better donor coordination, promoting greater inclusion of farmers in policy discussions and facilitating preparation of national and regional agricultural investment plans. However, CAADP has been criticised as too donor-driven, with countries and RECs demonstrating too little ownership of and commitment to the programme's processes and initiatives.

CAADP has been largely financed by donors, in particular the EU, and many of the completed investment plans are still not being implemented. Local public and private investments haven't matched expectation either. This is indicative of the long way still to go in the shift from a donor-recipient mentality to an investment mentality in the transformation of the agricultural sector in Africa. Only some ten African countries spend 10% or more of their national budget on agriculture, though this is the primary objective of CAADP.

The CAADP multi-donor trust fund, through which most CAADP processes have been financed, expired on 31 December 2016. If African countries and institutions fail to put forward an effective alternative support mechanism in 2017, there is a high risk that the CAADP process will gradually fade away. The EU institutions and member states could help avert this risk by offering strong political and financial backing to any credible plan that the African side tables for sustaining the CAADP momentum. This could mean use of a share of the €8.2 billion in ODA resources that the EU has committed for Africa's agricultural sector over the 2014–2020 period. Or it could entail promoting within the donor community a continuation, and improvement, of coordinated modalities in support of CAADP, building on lessons from the multi-donor trust fund.

Finally, financing for sustainable agriculture has to take the impacts and risks of climate change into account. Climate change is already undermining food security in Africa. Relevant policy instruments and institutional arrangements regarding agriculture and climate will be increasingly important. Initiatives that utilise climate financing cannot neglect the need for increased agricultural productivity and sustainable food systems that contribute to reduce greenhouse gases and deforestation.

In 2017, the EU and AU could promote the needed synergies between food security and climate. They could work towards inclusion of agriculture-specific issues in the next UN Climate Change Conference (COP23) in November 2017, thus helping to fill what many have considered a serious omission since the Paris Agreement launched at COP21. The EU could also assist African governments in mainstreaming climate change adaptation and mitigation strategies within their agricultural development policies (in CAADP and beyond). This would help break down the traditional sectoral 'silos' that today are a bottleneck in addressing global warming.<sup>53</sup> Again under the UN Framework Convention on Climate Change (FCCC), the EU could specifically co-finance implementation of the food-related parts of the 'intended nationally determined contributions' of African countries. Two-thirds of African countries already include climate-change adaptation and mitigation measures in their agricultural sector plans.

As the largest contributor to the climate finance mechanisms envisaged under the FCCC and Paris Agreement, the EU could dedicate an agreed percentage of its Green Climate Fund (GCF) allocations to sustainable agriculture and food systems in developing countries. Hereby, a specific commitment could be made to facilitate use of a share of the GCF to support strategic and effective disbursement of the US \$30 billion to be raised by the initiative for the Adaptation of African Agriculture (launched at COP22 in November 2016). This commitment could extend, for instance, to EU actions to simplify GCF procedures, which are currently so cumbersome as to block developing countries from accessing the funds. It could also include implementation of urgent adaptation and mitigation actions.

The EU institutions and member states could encourage the European private sector to contribute 'climate finance' to foster sustainable food systems in Africa. After all, the Paris finance target included private investments, and environmental sustainability and climate resilience are increasingly seen as a key driver of international competitiveness and investments.

# Conclusions

In a year leading up to the next EU-Africa Summit, in late 2017, there will be increasing discussion on what themes the summit should address. In terms of political topics, migration and the ICC will probably be high on the agenda. Both merit serious debate. But as things stand, with different parties unwilling to really engage or listen to other viewpoints, progress on these issues at the summit seems unlikely. While migration can be discussed in terms of numbers and flows of people, or in terms of increased ODA spending for poverty reduction or increased private investment in job creation, at another level the migration issue is very much about governance. Young Africans are leaving the continent for Europe. They do so not just because they cannot find work at home, but also because of widespread poor governance, gross violations of human rights, corruption, the absence of rule of law in many places and the sense of widespread impunity that has enabled systems to persist that undermine investment, diminish opportunities and access to resources.

The core issue for the ICC is also impunity, albeit at a very different level and for a restricted list of major crimes. Withdrawing from the Rome Statute therefore tends to send the message that impunity will not be tackled. It is clear from positions taken in many African countries by politicians, officials and citizens (e.g. Côte d'Ivoire, Nigeria, Senegal, Tanzania, Zambia ...) that many Africans see the danger in going down that path. It is also far better when African legal systems deal with impunity at all levels directly. But until they can do so satisfactorily at both national and continental levels, and for all African citizens, the case for an international court for the most serious crimes remains if only to set the tone and show that even the most powerful are not immune to prosecution. The parties to the Rome Statute also recognise that some reform of the ICC is required<sup>54</sup> and this should be something that the EU and AU could usefully discuss.

Young Africans migrating North take tremendous risks to get to their chosen destination. Although Europe increasingly needs the labour and skills they can provide, general perceptions on the continent are far from sympathetic and

welcoming to new arrivals. As has become very evident in 2016 many European citizens, like Africans, are mistrustful of their elites and the way their countries are governed. Populist politicians have cannily exploited latent anti-immigrant sentiments, blowing them up until reasoned debate is virtually impossible. At the same time the EU has so far failed to agree a clear plan to handle migration. In such a context on both continents it is hard to see how a heads of government meeting at the 2017 EU-Africa Summit could really progress on the theme of 'youth' and reach joint conclusions that young people would find credible.

In the meantime, throughout the course of the year, African officials should not ignore the discussions going on in Europe on development policy, implementation of the SDGs and the future of the Cotonou Agreement. In April the EU will publish a communication on its strategic relations with Africa and one key question will be how this will tie up with its vision for a post-Cotonou agreement. Equally, it is not apparent yet where or when the link between the post-Cotonou debate and the Joint Africa-EU Strategy will be made. Finally one other issue of major interest during 2017 will be the various discussions on EU financing for development: the follow-up to the mid-term review of the European budget, external assistance funding and the EDF. Aside from any immediate adjustments made, various clues are also likely to emerge from these debates on the EU's financial priorities beyond 2020.

As a result, by the time of the EU-Africa Summit at the end of the year, much of the European financial framework for EU-Africa relations for the next few years will already be in place and major EU policy orientations will be set out. The EU-Africa Summit may be a good place to agree on policies and priorities, but the danger is that by then many of the EU's positions will already be determined. Moreover decisions on the allocation of EU means for short-term support for the EU-Africa partnership will already have been taken, and even some of the elements of the longer-term support framework may be falling into place.

## Abbreviations

AAAA	Addis Ababa Action Agenda
ACD	African Charter on Statistics
ACHPR	African Court on Human and People's Rights
ACP	African, Caribbean and Pacific
AFISMA	African led International Support Mission to Mali
AgriFI	EU Agriculture Financing Initiative
AMISOM	African Union Mission to Somalia
APF	African Peace Facility
APSA	African Peace and Security Architecture
ARFSD	Africa Regional Forum on Sustainable Development
AU	African Union
CAADP	Comprehensive African Agriculture Development Programme
CBSD	capacity building in support of security and development in third countries
COP	UN Climate Change Conference
CPA	Cotonou Partnership Agreement
CSDP	Common Security and Defence Policy
CSOs	Civil Society Organisations
DRC	Democratic Republic of Congo
ECDPM	European Centre for Development Policy Management
EDF	European Development Fund
EEAS	European External Action Service
EFSD	European Fund for Sustainable Development
EFSI	European Fund for Strategic Investments
EIB	European Investment Bank
EIP	European External Investment Plan
EPA	Economic Partnership Agreement
EU	European Union
FAO	UN Food and Agriculture Organization
FCCC	UN Framework Convention on Climate Change

FDI	foreign direct investment
FTA	Free trade agreement
G20	Assembly of governments and leaders from 20 of the world's largest economies
G7	An informal bloc of industrialized democracies-- the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom--that meets annually to discuss issues such as global economic governance, international security and energy policy
GCF	Green Climate Fund
GDP	gross domestic product
HIPPO	High-Level Independent Panel on Peace Operations
ICC	International Criminal Court
IcSP	Instrument contributing to Stability and Peace
ICTs	information and communication technologies
MDG(s)	Millennium Development Goal(s)
MFF	Multiannual Financial Framework
NEPAD	New Partnership for Africa's Development
ODA	official development assistance
OECD	Organisation for Economic Cooperation and Development
PAIDA	Partnership between the UN and the AU on Africa's Integration and Development Agenda
PSO	peace support operation
RECs	regional economic communities
SDG(s)	Sustainable Development Goal(s)
SHaSA	Strategy for the Harmonisation of Statistics in Africa
SMEs	small and medium-sized enterprises
UK	United Kingdom
UN	United Nations
UNECA	UN Economic Commission for Africa
US	United States
WTO	World Trade Organization



# 2016

July-December



## Slovakia Presidency

23 June: Britain votes to leave EU after Referendum.

16 July: Military Coup Failed in Turkey.

14 September: European Commission presents Mid-Term Review/revision of MFF and amendment proposal for MFF regulation

17-20 Oct: 6<sup>th</sup> Climate Change and Development in Africa Conference (CCDA-VI)

Oct-Nov 2016: South Africa, Burundi and Gambia withdraw from the International Criminal Court

4 November: Paris Agreement entered into force

8 November: Donald Trump Elected as US President.

7-18 November : UNFCCC COP 22

# 2017

January - June



## Malta Presidency

July-December



## Estonia Presidency

17-20 January: World Economic Forum 2017, Davos

30- 31 January: 28<sup>th</sup> African Union Summit and election of new AU Commissioners

8-9 February: Follow-up meeting on Valletta Summit on migration, Valletta

20-21 March: Africa CEO Forum, Geneva

28 March: Forum for the Future of Agriculture, Brussels

March (tbc): UK government invokes Article 50 of the TEU to start Brexit negotiations

1<sup>st</sup> Quarter (tbc): ACP publishes its vision for the future of ACP-EU relations

April 21-23: Spring Meeting of IMF and The World Bank, Washington D.C.

22- 23 April (tbc): 6<sup>th</sup> Tana High-Level Forum on Security in Africa. Focus on 'natural resource governance in Africa'

April (tbc) Commission published communication on the EU's strategic relations with Africa

April (tbc) Africa Regional Meeting of the ECOSOC Annual Ministerial Review

22-25 May: Session of the United Nations Economic and Social Council

May 26-27: G7 Taormina Summit, Sicily

May (tbc): EU Foreign Affairs Council with development focus

June (tbc) Completion of Mid-term evaluation reports of EU external action instruments

28-30 June: 10<sup>th</sup> Global Forum on Migration and Development Summit Meeting

26-27 GFMD Civil Society Days

3-8 July: FAO Conference, July

7-8 July: G20 Summit, Hamburg

11-13 July: WTO 6<sup>th</sup> Global Review of Aid for Trade, Geneva

10-19 July: High-level Political Forum on Sustainable Development 2017, New York

July (tbc): 29<sup>th</sup> African Union Summit

September: 72<sup>nd</sup> Session of the UN General Assembly, New York

October (tbc): UNDP Human Development Report published

November (tbc): 5<sup>th</sup> EU-Africa Summit, Ivory Coast

6-17 November: UNFCCC COP 23, Bonn (organised by Fiji)

November (tbc): EU Foreign Affairs Council with development focus

End of 2017 (tbc): Mid-Term Review reports of external action instruments presented

# 2018

January - June



## Bulgaria Presidency

July-December



## Austria Presidency

### More to look out for in 2017:

Negotiating mandate for EC on the Cotonou Partnership discussed and adopted by MS in 2017 (SEEA)

Launch of the Continental Free Trade Area by an indicative date of 2017 (ACD)

AU Biennial Review Mechanism for AU Malabo Declaration

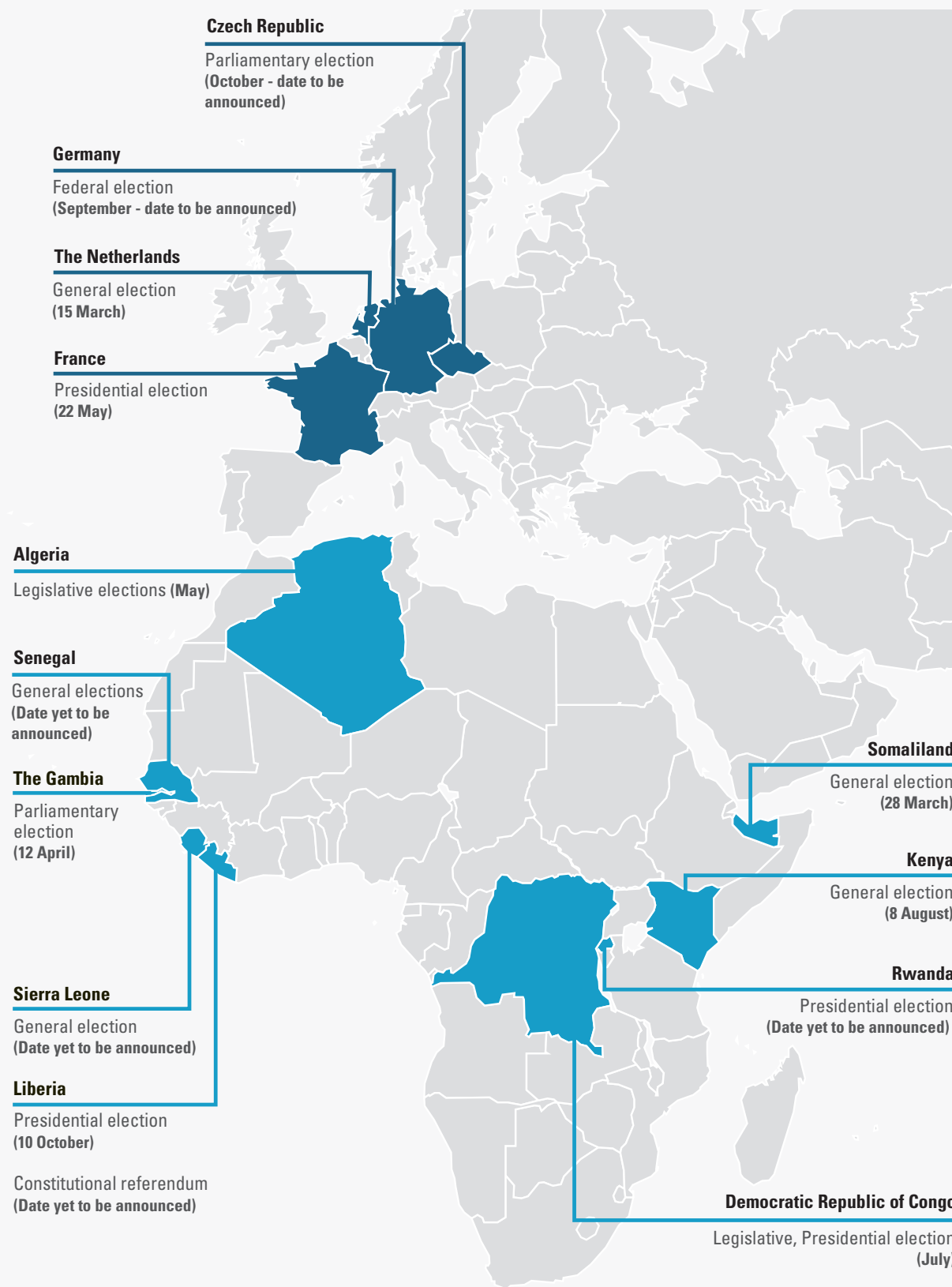
December European Council to discuss HR/VP's implementation plan

HR/VP to present proposals for establishing a permanent operational planning and conduct capability for non-executive military missions as soon as possible (to implement as of early 2017)

HR/VP to make proposals in Spring 2017 on further improving civilian and military capabilities

Commission to launch Preparatory Action on Defence Research early 2017

## ELECTIONS IN THE EU AND AFRICA IN 2017



*ecdpm*

## Notes

1. Venturi, B., Helly, D. 2016. A new EU strategic approach to global development, resilience and sustainability. (IAI Working Papers 16/14). Rome: Istituto Affari Internazionali. <http://ecdpm.org/wp-content/uploads/IAI-ECDPM-Venturi-Helly-June-2016.pdf>
2. Gavas, M., Hackenesch, C., Koch, S., Mackie, J., Maxwell, S. 2016. The European Union's global strategy: Putting sustainable development at the heart of EU external action. Bonn etc.: The European Think Tanks Group. <http://ecdpm.org/publications/eu-global-strategy-global-goals-ettg-2016/>
3. European Commission. 2016. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Next steps for a sustainable European future. European Action for Solidarity. COM(2016) 739 final. Strasbourg: European Commission.
4. European Commission. 2016. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Proposal for a new European Consensus on Development. Our world, our dignity, our future. COM(2016) 740 final. Strasbourg: European Commission.
5. EU Council. 2016. Council conclusions on mainstreaming digital solutions and technologies in EU development policy. Brussels: Council of the EU.
6. Financial Times. 19 August 2016. Britain's economy after the Brexit vote is an enigma. <https://www.ft.com/content/3dba0c4e-6619-11e6-a08a-c7ac04ef00aa>
7. Green, D. 2016. What's the likely impact of Brexit on development, aid and Oxfam? Any opportunities amid the gloom? Oxfam. Online at: <http://oxfamblogs.org/fp2p/whats-the-likely-impact-of-brexit-on-development-aid-and-oxfam-any-opportunities-amid-the-gloom/>
8. European Commission. 2016. Communication from the Commission to the European Parliament, and the Council: Mid-term review/revision of the multiannual financial framework 2014-2020. An EU budget focused on results. COM(2016) 603 final. Brussels: European Commission. Online at: [http://ec.europa.eu/budget/mff/lib/COM-2016-603/COM-2016-603\\_en.pdf](http://ec.europa.eu/budget/mff/lib/COM-2016-603/COM-2016-603_en.pdf)
9. United Nations General Assembly. 2016. One humanity: shared responsibility Report of the Secretary-General for the World Humanitarian Summit. New York: United Nations.
10. Anders, M. 2016. ODA redefined: what you need to know. Devex. Online at: <https://www.devex.com/news/oda-redefined-what-you-need-to-know-87776>
11. OECD DAC. 2016. ODA reporting of in-donor country refugee costs. Paris: OECD. Online at: <https://www.oecd.org/dac/stats/RefugeeCostsMethodologicalNote.pdf>
12. Loevin, I. 2016. How to ensure development aid is effective. Euobserver. Online at: <https://euobserver.com/opinion/135805>
13. Hauck, V., Knoll, A., Herrero Cangas, A. 2015. EU Trust Funds – Shaping more comprehensive external action? (Briefing Note 81). Maastricht: ECDPM.
14. European Commission. 2015. Joint Communication to the European Parliament and the Council. Capacity building in support of security and development - Enabling partners to prevent and manage crises. JOIN(2015) 17 final. Brussels: European Commission and High Representative of the European Union for Foreign Affairs and Security Policy.
15. OECD DAC High Level Meeting. 19 February 2016. Communiqué. Paris: OECD. Online at: <http://www.oecd.org/dac/DAC-HLM-Communique-2016.pdf>
16. European Commission. 2016. Capacity building in support of security and development in third countries. Inception Impact Assessment. Brussels: European Commission. Online at: [http://ec.europa.eu/smart-regulation/roadmaps/docs/2016\\_fpi\\_002\\_capacity\\_building\\_security\\_development.pdf](http://ec.europa.eu/smart-regulation/roadmaps/docs/2016_fpi_002_capacity_building_security_development.pdf)
17. Tardy, T. 2015. Enabling partners to manage crises. From 'train and equip' to capacity-building. Paris: EUISS.
18. European Parliament. 2016. The future of ACP-EU relations beyond 2020 European Parliament resolution of 4 October 2016 on the future of ACP-EU relations beyond 2020 (2016/2053(INI)). Brussels: European Parliament. Online at: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+P8-TA-2016-0371+0+DOC+PDF+Vo//EN>
19. European Commission. 2016. Joint Communication to the European Parliament and the Council. A renewed partnership with the countries of Africa, the Caribbean and the Pacific. JOIN(2016) 52 final. Strasbourg: European Commission and High Representative of the European Union for Foreign Affairs and Security Policy.
20. Bossuyt, J., Keijzer, N., Laporte, G., Medinilla, A., Tollenaere, M. De. 2016. Exploring scenarios for the future of ACP-EU cooperation: An analytical tool for informed choices. Maastricht: ECDPM.
21. Fassi, S.E.; Medinilla, A.; Laporte, G. (2014) European Centre for Development Policy Management (ECDPM)
22. <https://www.justsecurity.org/wp-content/uploads/2016/10/South-Africa-Instrument-of-Withdrawal-International-Criminal-Court.jpg>
23. Gouvernement du Burundi. 2016. Communiqué de presse de la reunion du conseil des ministres du jeudi 06 octobre 2016. Bujumbura: Gouvernement du Burundi. Online at: <http://www.burundi.gov.bi/spip.php?article1534>
24. VOA News. 26 October 2016. Gambia latest African country to withdraw from International Criminal Court. Online at: <http://www.voanews.com/a/gambia-latest-african-country-to-withdraw-from-icc/3566570.html>
25. See reactions collated by Human Rights Watch: <https://www.hrw.org/news/2016/11/02/africans-speak-out-against-icc-withdrawal>
26. European Commission. 5 July 2016. Speech: "turning the EU into an Union of Europeans". Strasbourg: European Commission. Online at: [http://ec.europa.eu/news/2016/07/20160705\\_en.htm](http://ec.europa.eu/news/2016/07/20160705_en.htm)
27. European Commission. 2016. Communication from the Commission to the European Parliament, the European Council, the Council and the European Investment Bank on establishing a new Partnership Framework with third countries under the European Agenda on Migration. COM(2016) 385 final. Strasbourg: European Commission.
28. The EU Emergency Trust Fund for Africa. [http://ec.europa.eu/europeaid/regions/africa/eu-emergency-trust-fund-africa\\_en](http://ec.europa.eu/europeaid/regions/africa/eu-emergency-trust-fund-africa_en)
29. Eurostat. 2016. Unemployment statistics. Online at: [http://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment\\_statistics](http://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment_statistics); Eurostat. 2016. Statistics on young people neither in employment nor in education or training. Online at: [http://ec.europa.eu/eurostat/statistics-explained/index.php/Statistics\\_on\\_young\\_people\\_neither\\_in\\_employment\\_nor\\_in\\_education\\_or\\_training](http://ec.europa.eu/eurostat/statistics-explained/index.php/Statistics_on_young_people_neither_in_employment_nor_in_education_or_training)
30. European Commission. 2016. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: supporting the prevention of radicalisation leading to violent extremism. COM(2016) 379 final. Brussels: European Commission.
31. United Nations. 2015. Uniting our strengths for peace – politics, partnership and people. Report of the High-Level Independent Panel on United Nations Peace Operations. New York: United Nations. Online at: [http://peaceoperationsreview.org/wp-content/uploads/2015/08/HIPPO\\_Report\\_1\\_June\\_2015.pdf](http://peaceoperationsreview.org/wp-content/uploads/2015/08/HIPPO_Report_1_June_2015.pdf)
32. United Nations General Assembly and Security Council. The future of United Nations peace operations: implementation of the recommendations of the High-level Independent Panel on Peace Operations. Report of the Secretary-General. New York: United Nations. Online at: [http://www.un.org/en/ga/search/view\\_doc.asp?symbol=S/2015/682](http://www.un.org/en/ga/search/view_doc.asp?symbol=S/2015/682)
33. EEAS. 20 July 2016. Statement on the decision to operationalise the African Union Peace Fund. Brussels: EEAS. Online at: [https://eeas.europa.eu/delegations/council-europe/7280/statement-by-the-spokespersons-of-the-hrvp-federica-mogherini-and-commissioner-for-international-cooperation-and-development-neven-mimica-on-the-decision-to-operationalise-the-african-union-peace-fund\\_en](https://eeas.europa.eu/delegations/council-europe/7280/statement-by-the-spokespersons-of-the-hrvp-federica-mogherini-and-commissioner-for-international-cooperation-and-development-neven-mimica-on-the-decision-to-operationalise-the-african-union-peace-fund_en)
34. Deneckere, M., Knoll, A. 2016. The future of EU support to peace and security in Africa: What implications for the African Peace Facility beyond 2020? Maastricht: ECDPM
35. Tardy, T. 2016. The EU and Africa: A changing security partnership. EUISS Brief (5, February). European Union Institute for Security Studies.
36. UNECA, African Union, African Development Bank and UNDP. 2016. The MDGs to Agenda 2063/SDGs. Transition Report 2016. Addis Ababa: Economic Commission for Africa. Online at: <http://www.regionalcommissions.org/ECAtransition.pdf>
37. UNECA, African Union, African Development Bank and UNDP. 2016.
38. Mail and Guardian Africa. 18 July 2016. AU delays Chairperson vote as no clear winner emerges extends Dlamini Zuma's term. Online at: <http://mgafrica.com/article/2016-07-18-first-round-of-african-union-elections-fails-to-produce-dlamini-zuma-successor>
39. Africa News. 22 November 2016. AU chairperson candidates to face off in a debate. Online at: <http://www.africanews.com/2016/11/22/au-chairperson-candidates-to-face-off-in-a-debate/>
40. Patrick Lang'at & Nyambega Gisesa. 2 October 2016. Kenya fronts CS Amina Mohamed for AU Post. Online at: <http://www.nation.co.ke/news/Kenya-fronts-CS-Amina-Mohamed-for-AU-chairpost/1056-3403372-format-xhtml-ohxbh6z/index.html>
41. CCP-AU. 6 June 2016. Election of the AUC Chairperson, Deputy and Commissioners at the July 2016 Summit. Online at: <http://ccpau.org/?p=1712>
42. African Union. 2015. Decision on the Report on Alternative Sources of Financing the African Union. Assembly/AU/Dec.561(XXIV). Addis Ababa: African Union.
43. African Union. 2016. Decision on the Scale of Assessment and Alternate Sources of Financing the African Union, Assembly/AU/Dec.578(XXV); Decision on the Scale of Assessments and Implementation of Alternative Sources of financing the African Union. Assembly/AU/Dec.602(XXVI). Addis Ababa: African Union.
44. ECDPM. 2016. Thematic focus: "Partnerships with business for development". GREAT Insights Magazine, Vol. 5(2), March/April 2016.
45. Mogherini, F., Mimica, N. 2016. The European External Investment Plan: An innovative new chapter. GREAT Insights Magazine - Volume 5, Issue 5, October/November 2016.
46. Große-Puppenthal, S., Byiers, B., Bilal, S. 2016. Matching businesses, public support and sustainable ambitions (Briefing Note 90). Maastricht: ECDPM.
47. European Commission. 2015. EU blending - European Union aid to catalyse investments. Online at: [https://ec.europa.eu/europeaid/sites/devco/files/leaflet-eu-blending-10.2841-748965-20150710\\_en.pdf](https://ec.europa.eu/europeaid/sites/devco/files/leaflet-eu-blending-10.2841-748965-20150710_en.pdf)
48. Große-Puppenthal, S., Byiers, B., Bilal, S. 2016. Matching businesses, public support and sustainable ambitions (Briefing Note 90). Maastricht: ECDPM.
49. Byiers, B., Große-Puppenthal, S., Huysse, H., Roengren, A. and S. Vaes. 2016. Principles for public-private partnerships - towards sustainability? Lessons from SAGCOT, healthcare in Lesotho, and Better Factories Cambodia. (Discussion Paper 194). Maastricht: ECDPM and KU Leuven.
50. MDBs (2015), "From Billions to Trillions: Transforming Development Finance Post-2015 Financing for Development: Multilateral Development Finance", prepared jointly by the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund, and the World Bank Group. Online at: [http://siteresources.worldbank.org/DEVCOMINT/Documentation/23659446/DC2015-0002\(E\)FinancingforDevelopment.pdf](http://siteresources.worldbank.org/DEVCOMINT/Documentation/23659446/DC2015-0002(E)FinancingforDevelopment.pdf)
51. Netherlands Presidency of the Council of the EU, African Union and European Commission. AU-EU investing in a food secure future. Chair's communiqué. Noordwijk, The Netherlands. 4-6 July 2016. Online at: [https://www.evite-sendmail.nl/ez/aeue\\_16/web/presentations/chair's%20communiqu%C3%A9%20final.pdf](https://www.evite-sendmail.nl/ez/aeue_16/web/presentations/chair's%20communiqu%C3%A9%20final.pdf)
52. Ridolfi, R. 2015. 2015. Engaging with business for agricultural growth: Opportunities and risks. GREAT Insights Magazine, Volume 4, Issue 5, August/September 2015.
53. Knaepen, H., Torres, C., Rampa, F. 2015. Making agriculture in Africa climate-smart: From continental policies to local practices. (Briefing Note 80). Maastricht: ECDPM.
54. Apiko, P., Aggad-Clerx, F. 2016. The International Criminal Court, Africa and the African Union: What way forward? (DP201), Maastricht: ECDPM.

# Global Development Challenges Blog Series

Every year, guest bloggers contribute to our Challenges Paper, casting light on relevant issues. This year, the focus is on migration (MEP Judith Sargentini), security (Mr. Lars-Erik Lundin) and tax avoidance (Ms. Uzo Madu).

[ecdpm.org/talking-points/](http://ecdpm.org/talking-points/)



Part 1

## *Development for Policy Coherence? How migration took over EU-Africa relations*

By MEP Judith Sargentini

MEP Judith Sargentini shares her perspectives on the challenges of migration for 2017. She discusses the EU's response to the migration crisis. She anticipates that, for next year and for the years to come, migration will exert great pressure on the development budgets and it will continue to significantly influence EU-Africa relations.



Part 2

## *Should Europe pay to enhance military capabilities in Africa?*

By Mr. Lars-Erik Lundin, Distinguished Associate Fellow at the Stockholm International Peace Research Institute (SIPRI)

Mr. Lars-Erik Lundin looks ahead into one of the critical debates that will shape discussions on EU external action financing in 2017. He raises the question whether the European Union should provide more capacity building assistance to military actors in Africa to promote security and development, and briefly assesses the benefits and the risks involved.



Part 3

## *Hopes for a global approach to Tax Avoidance in 2017*

By Uzo Madu, founder of What's in it for Africa, an online platform dedicated to EU-Africa current affairs

In the third and last contribution to our series of blogs ahead of the 2017 Challenges Paper, Uzo Madu reflects upon the steps taken by the EU in 2016 to face tax avoidance, and the impact of the latter on the African continent. Moreover, she expresses her visions and hopes for a more global approach to the issue in 2017.

Follow our Talking Point Blogs for the Challenges Paper 2017 blog series, where our experts will further elaborate on important topics discussed in the publication: <http://ecdpm.org/dossiers/challenges/>

The 'Challenges paper' is a collective effort reflecting work done across ECDPM. The authors wish to thank in particular: Tasnim Abderrahim, Faten Aggad, Philomena Apiko, Tilly Bogataj-De Coninck, San Bilal, Paulina Bizzotto Molina, Sophie Desmidt, Sebastian Große-Puppendahl, Volker Hauck, Damien Helly, Karim Karaki, Hanne Knaepen, Anna Knoll, Annabelle Laferrère, Geert Laporte, Luckystar Miyandazi, Valeria Pintus, Francesco Rampa, Martin Ronceray, Andrew Sherriff, Carmen Torres and Sean Woolfrey for their contributions and comments.

**Photo credits:** Page 6: courtesy of the Council of the European Union; page 9: courtesy of UN Photo by Eskinder Debebe; page 20: European Parliament via Flickr (top), Defence Images via Flickr (middle)

**Visuals:** Yaseena Chiu-van't Hoff    **Layout and production:** Claudia Backes

**ecdpm**

**HEAD OFFICE**  
**SIÈGE**  
Onze Lieve Vrouweplein 21  
6211 HE Maastricht  
The Netherlands Pays Bas  
Tel +31 (0)43 350 29 00  
Fax +31 (0)43 350 29 02

**BRUSSELS OFFICE**  
**BUREAU DE BRUXELLES**  
Rue Archimède 5  
1000 Brussels Bruxelles  
Belgium Belgique  
Tel +32 (0)2 237 43 10  
Fax +32 (0)2 237 43 19

For further information or to subscribe to our (electronic) newsletters, visit [www.ecdpm.org/subscribe](http://www.ecdpm.org/subscribe). To order a hard copy of an ECDPM publication e-mail [info@ecdpm.org](mailto:info@ecdpm.org)

This publication benefits from the generous support of ECDPM's core and institutional funders: The Netherlands, Belgium, Finland, Ireland, Luxembourg, Portugal, Sweden, Switzerland, Austria and the United Kingdom.

ISSN 1879-6745