

AFRICA-EUROPE : **the indispensable alliance**

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Foreword

Africa-Europe, a new start

The second summit between the European Union and Africa, to be held in Lisbon on 8 and 9 December, marked a watershed in relations between our two continents. Putting behind us the outdated, threadbare relationship of "donor" and "beneficiary", we are entering into a responsible adult relationship in which mutual respect and political dialogue underpin a genuine and effective partnership aimed at achieving the Millennium Development Goals.

In Lisbon, African and Europeans will discuss at long last at the highest level an ambitious agenda consisting of issues as important as peace and security, climate change and energy, development aid, migration, governance and human rights. I have made this change of course, and indeed of language, a priority of the European Commission since the start of my term in 2004. I have done this primarily through a deep personal conviction borne of my time in charge of my country's development policy, when I was able to make a personal contribution to the peace processes in Angola and Mozambique, and also had the privilege of helping to support, inter alia, the independence of Namibia and the advent of a post apartheid South Africa.

But I am also convinced that now, for the first time since the African states became independent, we are faced with

an exceptional combination of circumstances. Governance in Africa is improving, despite the enormous challenges which remain. The African continent has also found a place on the international agenda more in keeping with its enormous potential. This renewed interest must contribute to a responsible development that will benefit the largest number of African citizens. Those who develop economic relations and cooperation partnerships and those investing in Africa have a huge responsibility, a responsibility as great as that of Africa's leaders themselves.

I believe in this Africa on the move, where the number of armed conflicts is diminishing, where ever more democratic elections are held and changes in government are brought about via the ballot box, where there is sustained economic growth.

I am banking on the emergence of such good governance. The time for lectures, sermonising and paternalism is past. Now is the time for people to shoulder their responsibilities, for ownership of development by its beneficiaries, for regional integration and peer pressure.

I and Louis Michel, an exceptional politician whom I am proud to have in my team and with whom I share a passion for Africa, are determined to meet the expectations of a large majority of our fellow citizens, who are demanding that Africa be the number one priority of European foreign policy.

There is no time to lose. The EU-Africa Strategic Partnership will enable us to meet common challenges together and to distance ourselves from simplistic negative stereotypes and to exploit the many ties that bind us and the enormous potential of our relationship.

A handwritten signature in black ink, consisting of a series of connected loops and a long horizontal stroke at the end.

José Manuel Barroso
President of the European Commission

Africa-Europe: the indispensable alliance

Introduction

The Lisbon Summit brought together all 27 countries of the European Union and 53 African countries. This summit has opened up new horizons for the EU-Africa partnership.

There is an urgent need to reassess relations between two neighbouring continents linked by geographical proximity, history, culture and destiny.

Since the first EU-Africa Summit in Cairo in 2000 there have been many dashed hopes, many unrealised expectations of our partnership, as if Europe and Africa found it hard to rise to the historical challenges facing them.

The arguments set out in this essay, which takes an optimistic viewpoint, are designed to show why relations between the EU and Africa have to change and why this change is so crucial for both continents:

- The world is changing and Africa's relationship to the world is changing in response to new economic realities and the geopolitics of globalisation.
- Africa is coveted and wants to take advantage of this despite its sometimes precarious situation.
- Europe and Africa are becoming aware of their mutual

interest in forging a comprehensive, balanced and dynamic partnership to exploit the opportunities of a world with horizons far removed from the world of the past, a world of challenges that have to be met.

Louis Michel, Brussels, 1 December 2007

Chapter 1 - The "new frontier": rediscovery of Africa's geostrategic importance

Africa has often been described as the forgotten continent. It is nothing of the sort. It was the people of Africa who were forgotten. Between the 15th and 19th centuries Africa was a land of conquest and exploitation where military and religious incursions in the name of civilisation went hand in hand with the material interests of expansion and enrichment, i.e. geopolitics and economic exploitation. A situation that the father of Kenya's independence, Jomo Kenyatta, described in these terms:

"When the whites came to Africa, they had the Bible and we had the land. They taught us to pray with our eyes closed. When we opened them, they had the land and we had the Bible."

The 20th century marked the end of colonialism and the independence of African states, a source of immense hope for Africans finally free from the colonial yoke. But the promises held out by independence were seldom kept. Under the impact of dictatorial regimes, the confrontation of the two ideological blocs and a sometimes vengeful neo-colonialism Africa lost its way to the extent that the last 40 years are spoken of as "lost decades" for the development of Africa.

At the dawn of the 21st century, the world is changing under the combined influence of the globalisation of the

economy and the "multi-polarisation" of power.

More than any other region of the world, Africa is changing fast and trying to tap into globalisation. Container ships, the symbol of this new "global hive", no longer steer clear of Africa.

They now stop to load and unload goods. Deep water ports are being built or enlarged, in Djibouti and Mombasa for instance, to receive the new galleons of the 21st century. African airports are served by ever more international airlines from all four corners of the world to handle increasing passenger traffic.

Africa is once again being courted by all the global powers, with the United States and China leading the way.

It is becoming a major partner for everyone. Africa is no longer perceived as a lost cause but as an opportunity, a "new frontier".

This renewed interest in Africa centres on three areas: economic issues, strategic and security concerns, and power.

1.1 Economic issues

The increasing globalisation of the economy and headlong dash to economic expansion is making the leading economic powers, both traditional and emerging, ever more determined to gain access to the immense resources of the African continent.

Africa therefore has a pivotal role in the new geopolitics of energy, driven by high demand for oil and gas. With 10% of the world's oil reserves, Africa is a major prize in the race for oilfields and in the diversification of the sources of supply. Africa, from this point of view, is seen as safer than the Middle East or producer countries with ideological agendas, such as Iran or Venezuela, which use oil as a political weapon or in unpredictable ways.

The new geopolitics of mining resources, even more than the previous example, has seen the fast emergence of the new Asian powers. In their race for resources Africa is of crucial importance since it possesses, sometimes in duopoly with Russia or Australia, sometimes as a monopoly, most of the rare metals and minerals which drive industrial growth and the development of new technologies. Africa accounts for 90% of the proven world reserves of platinum, cobalt and chromium, and 60% of the world's reserves of manganese. Africa also has more than 40% of gold reserves, 30% of bauxite and uranium reserves, and 25% of titanium reserves. Once again, Africa has a key role as a source of alternative supplies of metals whose production is otherwise under the monopolistic control of other powers. An example is tungsten, of which 85% of the deposits are in China.

The corollary of the extraction and export of these natural resources is the development of infrastructure and financial and banking sectors, sectors where the Western, Asian and Arab powers are in fierce competition. China's largest bank, *the Industrial Land*

Commercial Bank of China, announced on 25 October 2007 that it had bought a share in the largest South African bank, *Standard Bank*. It will spend USD 5.6 billion to acquire 20% of Africa's biggest bank. This is the biggest investment to date by a foreign group in Africa. It shows that China is planning for the long term because it firmly believes in Africa's economic growth, as is seen by the choice of its holdings.

1.2 Strategic and security concerns

Africa has also become a theatre of global strategic challenges, whether they be Islamic terrorism, nuclear proliferation, illegal trafficking or fragilised states which threaten peace and stability. As home to large numbers of the Arab and Muslim communities, Africa – and in particular the Sahel region and the Horn of Africa – is directly confronted with the effects of the volatile situation in the Middle East and the clash between the jihadist movement and the war on terrorism.

The Darfur crisis is also a telling example of African conflicts where external interference and international concerns - the responsibility to protect but also the economic issue of oil - intermingle with local causes to bring African affairs before the United Nations Security Council.

Another strategic challenge pushing Africa to the forefront of the international stage is, of course, poverty. Out of a population of over 800 million, Africa has 300 million living in extreme poverty, on less than one euro per day. The human

development indices (life expectancy, income, literacy, access to health care) of most African countries are the lowest in the world. Efforts to alleviate poverty in Africa have mobilised the international community as never before, including the EU, the world's leading aid donor, the UN, the G8, and the other global players.

Africa is not spared the consequences of global warming in the form of a growing number of natural disasters and a succession of extreme weather events, as we saw in 2006 and 2007, with unprecedented flooding following a period of severe drought. The impact has been widespread and serious, and risks ruining years of development: damage to harvests, conflict arising from competition for scarce agricultural land, famines, millions of displaced persons. Next to Amazonia, the African equatorial forest is the earth's second lung. Its future is a global challenge and not merely an African one. Lastly, migration from Africa, the product of poverty and unemployment, of conflict and population pressure, is of concern both for Africa - just think of the brain drain - and for the countries of transit and destination, which have to manage the illegal influx of migrants.

1.3 Power struggles

Africa is also becoming a new "chessboard" on which the powers which shape world geopolitics move.

China, the US, Australia and India, but also Malaysia, are increasingly competing for control of Africa's mining, oil and gas deposits.

China

China is the most noteworthy example. Africa-China trade has grown fivefold in five years – standing at more than USD 50 billion in 2006. The EXIM (Export-Import) bank, the financial arm of Chinese foreign policy, is planning an investment portfolio of USD 20 billion in Africa over the next three years. Almost 800 Chinese companies are now operating in Africa. This is a long-term project with the planned creation in 2008 of a Development Fund with a start-up capital of USD 1 billion, which will be raised to USD 5 billion in 2009, designed to accelerate the building of roads, railways and oil and gas pipelines; infrastructure built in record time across the African continent.

To illustrate of this new financial muscle, let us cite the loan of USD 5 billion made by China to the Democratic Republic of Congo in September 2007: USD 3 billion is earmarked for infrastructure (some 3200 km of railways, 3400 km of road, 31 hospitals and 5000 units of social housing) and USD 2 billion for "mining partnerships".

Whereas the EU provides the bulk of its aid in grants, China makes loans secured against natural resources, obviously with the twofold risk for the beneficiary countries of massive re-endebtment and dependence.

It is also interesting to note that much of this re-endebtment does not appear in the African countries' debt statistics as classified by the IMF World Bank

because this debt is not generally repayable in cash but in kind. Barter is not dead in the globalised economy of the 21st century.

Moreover, by participating – though in homeopathic doses - in the UN's peace keeping operations by sending 1000 Chinese soldiers to the African continent, China is seeking to be seen as a responsible global player in Africa, while also maintaining a stance of political non interference. This is not a critical value judgment attacking the sovereignty of a state but a factual observation.

The United States

The United States is back in force in Africa as part of its "global strategic vision".

It sees Africa as a means to carry out its energy diversification policy: within two years, Africa should account for 25% of its oil supply, against 16% at present.

It is also taking a bigger stake in mining activities in Central Africa. Its development agenda in Africa remains closely tied to economic and foreign policy considerations, leading to a selective approach to beneficiary countries - as we see with the 2000 *Africa Growth and Opportunity Act* (AGOA) and the *Millennium Challenge Account*. It regards the continent as a front in the war on terrorism, which largely explains the creation in February 2007 of a strategic command

for Africa, AfriCom, which will become operational in 2008.

Brazil and **India** are each involved in Africa as a means to confirm their growing power by playing on their historical and cultural links: the presence of Indian minorities in central and eastern Africa and the shared linguistic and cultural community of Portuguese-speaking Africa and Brazil.

As an emerging power in search of energy and raw materials like China, India partly follows the Chinese policy approach and imports gold, timber and minerals to drive its growth. Brazil, without entering in competition with South Africa, finds in Africa markets where it can be competitive and an opportunity to affirm its role as an emerging power.

This is just an observation. It is in no way a value judgment. The real issue at stake here is whether the African continent can benefit from this play of interests and power.

Chapter 2 - Africa in search of clout: between strength and fragility

2.1 Africa's strengths

It will not have escaped the attention of those who know Africa that the continent is on the move, both politically and economically.

The wars that ravaged Africa in the 1990s are now far less frequent. Admittedly, the eyes and attention of international public opinion are riveted on the tragedy of Darfur. But Africa also experienced conflicts that were just as devastating on the eve of the new century: Mozambique, Angola, Liberia and Sierra Leone.

Coups d'etat, once the norm, are now giving way to democratic governments which, though often fragile and far from perfect, are nonetheless indicative of a change for the better.

Since 2000 more than two thirds of the sub-Saharan countries have held multi party elections.

In 2007 alone, twelve African countries held presidential or parliamentary elections. All these processes of democratic transition must be continued or consolidated. In most cases the process is well under way.

Opinion polls carried out by Afrobarometer between 1996 to 2006 show that six Africans out of ten consider

that "democracy is preferable to any other kind of government".¹ This general trend reflects above all the desire of African states and peoples to take their destiny in their own hands, both at national and at continental levels.

Africa would like to be a player not a plaything. It is asserting itself as an international force to be reckoned with and is putting its house in order.

The African Union (AU), which succeeded the Organisation of African Unity in 2002, is becoming the institutional framework for stronger and more integrated governance on the continent. Its agenda is no longer confined to internal African problems but also takes in the major global challenges of the 21st century, such as climate change, energy and the technology revolution.

NEPAD (the New Partnership for Africa's Development), the economic arm of the AU, promotes itself as "vision and strategic framework for Africa's renewal" and the means for promoting Africa's integrated socio-economic development.

A further sign of Africa's political renaissance is the greater strength and diversification of its strategic continental relations and partnerships.

1 Surveys carried out among 56 000 people in 18 countries: West Africa (Benin, Cape Verde, Ghana, Mali, Nigeria and Senegal), East Africa (Kenya, Madagascar, Uganda and Tanzania), Southern Africa (Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Zambia and Zimbabwe). The survey referred to here is that carried out simultaneously in 24 May 2006.

There are, of course, traditional partners like France, Belgium, Portugal, the United States and Japan. But Africa is increasingly entering into "South-South" partnerships with powers such as China, in particular within FOCAC (Forum on China-Africa Cooperation), which in 2006 brought together for the third time African and Chinese leaders plus the Arab League and Latin America, or more unusual summits such as those with Brazil, India and South Africa.

Indeed the African countries, which were formerly supplicants, are now themselves being wooed. This new state of affairs enables them to extract the maximum advantage by making their partners compete against each other.

African votes in international frameworks have never been so sought after.

Economically, Africa is in the throes of globalisation and becoming part of the world economy. For the first time in more than thirty years, it has registered a real growth rate of more than 5% of GDP for the fourth year in a row, with nine countries reaching as much as 7%. The latest World Bank report highlights the fact Africa has been able to learn the lessons of the collapses of the 1970s, 1980s and 1990s, to improve macroeconomic management, to rely more on the private sector and to integrate better into the new world economic order.

The signs are encouraging. But the limits and weak points of Africa's new dynamism should not be underestimated.

2.2 Africa's weaknesses

On the political front, despite the efforts made by African states in the African Peer Review Mechanism, **governance** remains a major challenge.

Many African leaders are tempted by the siren call of easy money in the form of loans threatening to plunge their countries straight back into debt.

Global strategic issues, whether it be the fight against terrorism or power struggles, carry the further risk of transforming Africa into a battlefield and importing external divisions and tensions.

In other words, the danger that Africa might be used as a pawn by vying world powers cannot be discounted.

The attraction of African oil and minerals for the world's economic heavyweights carries with it the well known risk of the "resource curse". Will the wealth generated be reinvested in diversifying the African economy and upgrading it to produce manufactured goods with higher added value? Will it help reduce poverty and speed progress towards the MDGs? Or will the money be lost to corruption or used for "white elephants", leaving African countries as "rentier" economies?

The problem is that Africa is playing catch-up in the new international economic order. Africa's share of world trade has fallen from some 5% in the 1980s to 2% in

recent years. Africa's share of total foreign direct investment is still marginal at 1.8%.

African markets are now flooded with manufactured products that are "made in China" or "made in India", in direct competition with local products. The African textile sector has been hard hit by low-price Indian and Chinese imports. Agreements with the emerging powers are certainly not always "win-win" from this point of view.

Global growth is not benefiting everyone. The 53 countries of Africa are an extremely mixed bunch. Some are getting by, while others have not managed to take off. According to the World Bank, average economic growth rates recorded over the period 1995-2006 showed markedly different trends between a group of some 15 countries with growth rates of almost 5% (notably Mozambique, Uganda, Rwanda, Tanzania, Ethiopia, Ghana, Benin and Burkina Faso) and another group of 13 countries with less than 3% (including Kenya, Eritrea, Burundi, Guinea-Bissau and Côte d'Ivoire); an intermediate group recorded between 3% and 4.5% (Cameroon, Zambia, Guinea, Togo, Niger and Malawi). Inflation rates also vary: in 2006 they ranged between a shocking 1216% in Zimbabwe and 11.2% in Madagascar and 12.9% in Angola.

The list of the African continent's handicaps and problems is long and well-known. Whole libraries are devoted to the subject. It may still, however, be helpful to recall the principal barriers to African growth.

Population trends continue to hold back growth. The population of Africa was 9% of the world's population in 1950 (with five inhabitants/km² and about 150 million inhabitants) and had risen to 12% in 1990. It is expected reach 20% in 2050, according to the UN. Africa will then have 1.8 billion inhabitants – a projection that includes the negative impact of AIDS. The fertility rate remains high, with 4.9 children per woman over the period 2000-2005.

Africa has therefore not completed its demographic transition and is lagging behind the other continents.

This process did start, however, at the beginning of the 1980s under the combined effects of urbanisation and the change in the status of women. The fall in sub-Saharan Africa's fertility rate has started, but there are great variations. For example, four children per woman in Kenya and Ghana, five in Nigeria and only 2.6 in South Africa. High rates persist in predominantly rural countries such as Niger (8), Mali and Uganda (7) and regions that have experienced serious crises,² such as Somalia and Angola (7). The mortality rate, after declining significantly between 1950 and 1990 (from 30 to 15 per 100) thanks to medical progress, is now stagnating at 14 per 100 (against a global rate of about 9). Here again there are still major differences between regions (6 in the Maghreb, 18 in East Africa) owing to economic

² Frédéric Docquier and Abdesalam Marfouk, "International Migration by Educational Attainment, 1990-2000", in *International Migration, Remittances and the Brain Drain*, published by Mauritius Schiff and Caglar Ozden, Palgrave MacMillan, New York, 2005.

crises, a decline in education and healthcare, war and ongoing crises. The infant mortality rate in Africa remains the highest in the world (approximately 90 per thousand): twice as many children under five die here as in the rest of the world.

The African population is also a very young population : some 45% of the population is under 15, against only 3% over 60 years ago.

The birth rate (23 per 1000) is therefore expected to remain high for the next quarter of a century. This will be an enormous challenge for young people, who find it hard to get work even when they are qualified. Jobs are few and far between. Young people without employment will often migrate to urban areas and slums and try to survive in the informal economy, which is very often a subsistence economy.

The other escape route is migration. Migration from Africa is marked by two disparities:

- geographical disparity. The vast majority of African emigrants come from North Africa, with approximately 2.3 million migrants (51% of all African emigrants). The percentage of North African migrants in total African migration is much higher than their share of the continent's population (22%). East Africa (852 000 emigrants) and West Africa (777 000 emigrants) in contrast account for 19% and 17% respectively of all African migrants, shares that are appreciably lower than

their share of the African population, 31% and 28% respectively. About 7% of migrants come from Central Africa (12% of the population) and 6% from Southern Africa (7% of the population).

- disparity in qualifications. According to a study published by the World Bank in 2005,³ nearly 74 000 graduates leave Africa each year. Africa is losing a dangerous number of qualified people, whether they be doctors, engineers or teachers. Taking 22 African countries, the percentage of university graduates among all migrants is higher than 45%, even exceeding 50% in 13 cases. This African brain drain is expected to increase in coming years as the population ageing in developed countries creates an unprecedented pull factor.

The brain drain has a dramatic impact on certain skilled sectors, particularly the health sector. In its 2006 annual report, the World Health Organisation said that 23% of doctors trained in sub-Saharan Africa would work in the industrialised countries, attracted by wages that were sometimes fifteen times higher. This skills flight is aggravating the shortage of medical personnel. According to the same report, sub-Saharan Africa is the epicentre of the world wide crisis of healthcare workers: there are on average 2.3 health workers for 1000 people in this part of the world (against 18.9 in Europe and 24 in America), whereas Africa is home to 24% of global morbidity.

³ Frédéric Docquier and Abdesalam Marfouk, "International Migration by Educational Attainment, 1990-2000", in *International Migration, Remittances and the Brain Drain*, published by Mauritius Schiff and Caglar Ozden, Palgrave MacMilan, New York, 2005.

At the same time Africa remains greatly exposed to the HIV/AIDS and malaria pandemics, which have a disastrous human and socio-economic impact. Whereas some African countries such as Uganda and Mozambique have succeeded in containing or even reversing the progress of AIDS thanks to proactive health policies, the situation is particularly serious in southern Africa where AIDS is assuming the proportions of a silent tsunami: 30% of new cases of infection in the world are recorded there. HIV/AIDS not only kills, it also decimates the labour force in rural areas and has a direct impact on the agricultural output and food security of these areas, not to mention the social impact on families and communities where the adults are dead or infected.

About 90% of deaths caused by the malaria are in sub-Saharan Africa, and children are particularly affected. Malaria kills an African child every 30 seconds. Just like HIV/AIDS, malaria has a major economic and social impact. The WHO estimates that malaria inflicts a 1% penalty on African economic growth.

Africa is also a largely rural continent, highly dependent on agriculture. The combined effect of population and the increase in world farm prices is a major challenge. Will the pressure on food products and the lure of biofuels raise the prices of agricultural imports for African countries to such an extent that malnutrition spreads? Or will higher prices for agricultural food products finally make some food crops more profitable for African producers, thereby stemming excessive

urbanisation that is a source of poverty and instability.

Compared with agricultural giants like Brazil, Argentina, Australia, the US and Europe, Africa is more fragile than ever before and needs to undergo a "green revolution", drawing on its labour force and local grassroots organisations, which help to pool risks.

The European Commission, aware of the stakes in African agriculture in terms of the economy and food security, has embarked on a policy of support for rural development and agriculture.⁴ After the free fall in investment in this sector for years, the trend looks finally to be reversed.

Under the 10th European Development Fund (2008-2013) the sums devoted to agriculture, food security and rural development will be doubled to more than USD 1 billion.

This increase matches the commitments made by the African countries in 2003 to allocate 10% of their national budgets to agriculture and rural development.

The World Bank, in its last report on development published in November 2007, for the first time places the emphasis on reviving agriculture as a means of reducing poverty. And that concerns above all Africa.

All these figures show the relative fragility of Africa and

⁴ *"Advancing African Agriculture - Proposal for continental and regional-level co-operation on agricultural development in Africa", Commission Communication of 24 July 2007, COM (2007) 440 final.*

how much ground has to be covered before it can take full advantage of the globalised economy.

So what is Europe doing in response to this new situation in Africa?

Chapter 3 - Africa-Europe: an essential new alliance

3.1 Europe's unique position in relation to Africa

Europe is in a unique position in relation to Africa, geographically, historically, and economically, and also as regards the role it has been playing for forty years with development aid.

Geography does indeed dictate. Africa and Europe are neighbours, separated by only the 13 kilometres of the Straits of Gibraltar.

This geographical proximity is important for the "cross-border" issues of migration, climate change and pandemics.

History, however painful at times during the colonial era, left us a multifaceted common heritage: shared languages, cultural ties and trade. These are the thousand and one tenuous and close links woven by centuries of sometimes painful or sometimes promising cohabitation.

There are the **diasporas** which weave the human and very personal links between the two continents; they also constitute a significant source of revenue for Africa.

While the migration of skilled workers has had negative effects on Africa's development, migration has overall had beneficial compensatory effects, thanks to the diasporas.

In 2005 the World Bank calculated that remittances from

African diasporas accounted for more than 13% of Africa's GDP. 4.6 million Africans live in the OECD countries, 2.3 million of them from sub-Saharan Africa. Networks encourage skilled migrants to invest in their countries of origin. In the period 2000-2003 remittances accounted for about USD 13 billion a year in the 41 African countries for which data is available. Major beneficiaries include Nigeria with USD 1 527 billion (3.2% of its GDP), Sudan with USD 896 million (6% of GDP), Kenya with USD 486 million (4.1%), Uganda with USD 347 million (5.9%) and Senegal with USD 307 million (6%).

These remittances from diasporas also significantly reduce the proportion of people living in poverty, by about 11 points in Uganda and 5 in Ghana. Although these are private funds, it is obvious that there is enormous potential for making these transfers contribute more to the development of the countries of origin. This is a field in which the EU and its African partners, in cooperation with the networks and collective organisations set up by diasporas, could develop their cooperation.

In economic terms, Europe is a major partner of Africa. It is not only Africa's leading trading partner, but also the biggest importer of African agricultural products. It accounts for 68% of the value of foreign direct investment in Africa.

But what strengthens these ties is the steadfast support

shown by Europe over 40 years as the leading donor of official development assistance, assistance in the form, need I remind you, of grants and not loans.

Aid for Africa goes back as long as the history of the EU. At the time of the negotiations to set up the European Economic Community (EEC), the issue of relations between the colonies and the Member States arose immediately. That led to an association between the overseas countries and territories and the EEC, which was set out in Part IV of the Treaty of Rome establishing the EEC. The purpose of association was "to promote the economic and social development of the countries and territories and to establish close economic relations between them and the Community as a whole." Initially the association embraced 18 African countries. The EDF was set up to finance the development projects, financed by contributions from the Member States made separately from the Community budget. In 1963, when the African states were becoming independent one by one, it was replaced by a new agreement signed in Yaoundé named the "Yaoundé Convention". This Convention was replaced in 1975 by the Lomé Convention, which added the former British colonies and brought together nine EEC Member States and 46 African, Caribbean and Pacific countries (ACP States). This partnership developed over time and was built up under successive conventions, Lomé II, III and IV, until the current Cotonou Agreement, which was concluded in 2000 and revised in 2005. In this process all the sub-Saharan countries joined the Convention.

The funds going to African countries account for 90% of the EUR 23 billion for the ACP countries under the 10th EDF covering 2008-2013.

3.2. A unique position that Europe is not making the most of

The EU and its Member States do not, however seem to make the most of their unique position in relation to Africa.

There are many reasons for this.

First, the difficulties inherent in the EU's complex political organisation do not make for consistency in relations between the EU and Africa. The weight of the past burdens the Member States' policy-making.

The colonial legacy, cultural links and bilateral foreign policies mean that some Member States prefer to cultivate their special links with African partners rather than develop them coherently through the European institutions.

Until a short time ago Europe had not managed to create any real consistency between its development agenda, its trade agenda, the external projection of its internal policies and its foreign policy.

All this has made it hard for Europe to assume its place as a global partner for Africa and to articulate policy that is coherent at European and Member State levels.

To this is added a "rentier reflex" that leads them to live off past glories and not to take full measure of the

competition in relations with Africa. Trends in external direct investment and financial flows show that Europe has lost ground.

Although international financial flows related to the activities of European contractors have risen from USD 53 billion to USD 120 billion since 1990, the proportion of these activities carried out in Africa over the same period has fallen from 15% to 5%.

Afro-pessimism is still too prevalent in Europe, not just in circles of power, but in public opinion and in the private sector. Africa continues to be regarded as a "problem". This perception leads to a naïve, do gooding approach that can become downright sermonising. This has blinkered us and prevented us from rethinking relations with Africa.

For their part Africans are taking a much more assertive and demanding attitude towards Europeans: African leaders increasingly criticise European countries for their overcautious, backward looking approach and make it clear to us that Africa is no longer Europe's exclusive domain.

The legacy of our common history is no longer sufficient. Our African partners expect a more dynamic, results oriented strategy from us.

The Senegalese President Abdoulaye Wade, though he has made some very critical and sometimes unjust remarks about Europe, recalled in November 2007 the

importance of Europe and Africa's "forging a common destiny by laying the foundations of a real alliance based on what we share".

And in African eyes Europe does have the necessary legitimacy and potential to develop a genuine alliance that benefits both parties and goes well beyond Europe as "lady bountiful".

First, the relations that Europe has established with Africa under the ACP Agreements constitute a model of regulated globalisation, based on solidarity and support for economic opening.

Second, relations between Europe and Africa are not based on the immediate, sectoral interests of traditional power relations - even though some Member States may also promote or defend such interests.

The EU's approach is unique in that it is a "global soft power" which relies on laws, rules and example both in its approach to development and growth and in its approach to security.

With the African Union and NEPAD the African countries have given themselves a continental and regional dimension. They are therefore eager to find partners that are willing and able to grapple with problems in their entirety, whether they be management and crisis handling, financing, development, economic integration and world trade.

Third, the EU and Africa should know that they need each other and have a common interest in joint action to meet the challenges and seize the opportunities of globalisation.

Europe is better placed than anyone to help Africa get exceptional added value from its immense natural resources through a economic and commercial dynamic profitable to both continents and support for the emergence of local processing companies.

As to Africa, it can always count on a partner which will not drag it into big power rivalries or push it into forms of development that do not correspond to its basic interests. Such an approach would breathe life into the old concept of a Euro-African area, one which deserves to be updated.

Without this alliance, globalisation will be forced upon us in a chaotic manner. Together, Africans and Europeans can shape globalisation so that it is in keeping with their values and sustains their respective identities. Thus the only real challenge for Europe is to change the nature of its relations with Africa once and for all.

Europe has to carry out its "strategic revolution" in relations with Africa, as others have done.

That is what the European Commission started to do in 2005 when it set out its strategy for Africa and its desire to make Africa one of the top priorities of the EU's external action.

Chapter 4 - The new Europe-Africa Partnership: comprehensive, ambitious and long term

There are three main components to the new Europe-Africa partnership.

4.1 Renewing the principles underpinning our relations

We need to renew the principles underpinning our relations on the basis of responsibilities fully assumed and shared between partners with equal rights and duties. We must put behind us the outdated, threadbare relationship of "donor" and "beneficiary", which merely encourages sermonising and hand-wringing. Together, we should be able to engage in an honest, open, respectful political dialogue, where each party assumes its responsibilities.

Europe, for example, must ensure that policies such as agriculture or trade help build rather than brake Africa's development. Considerable progress has been made on this front. Our internal policies are more consistent. But much remains to be done.

Africa, for its part, must strengthen the governance and effectiveness of its states, anchor the individual and collective duties and freedoms of its citizens in impartial institutions, guarantee basic public services, share out more fairly the wealth created by a sound management of its natural resources and encourage the emergence of vigilant civil societies.

This is the main challenge of the Lisbon Summit: to put this Africa-Europe political partnership on the right footing.

Africa-Europe relations should be free of complexes and pragmatic.

The five topics on the agenda of the Lisbon Summit should become the main vectors of a political partnership. Governance and human rights, peace and security, migration, energy and climate change, and trade, infrastructure and development are all global challenges which will affect the well being and the quality of life of Europeans and Africans.

Henceforth our partnership should no longer go on the defensive. Issues such as the Economic Partnership Agreements (EPAs), the situation in Darfur, nuclear energy, migration, Zimbabwe and the International Criminal Court are tough. But we should not be afraid of having different points of view.

What will shape and consolidate this new partnership is our shared ability to approach the most sensitive issues without preconceptions, drama or dogma.

What counts when all is said and done is that this dialogue is carried out in mutual respect and confidence. Whether this new relationship is genuine will determine the effectiveness and credibility of our partnership.

4.2 Agenda for a comprehensive, ambitious and operational partnership

The Joint Strategy and Action Plan drawn up by the EU and the AU for the Summit is the response to this challenge. They set out a comprehensive partnership that goes beyond the development and beyond institutions, that is outward-looking, operational and pragmatic and that commits us at all levels.

Beyond development

What this involves, in addition to the necessary development dimension, is the establishment of dialogue and political and economic cooperation on issues of common interest such as governance, trade, infrastructure, development of the private sector, culture and new technologies, not forgetting energy, climate change and migration.

Africa can no longer be the sole preserve of foreign or development ministers. If we mobilise all stakeholders there is an enormous potential we can exploit.

The European Commission, at the initiative of its President, José Manuel Barroso, has acted on this principle by organising meetings with its counterpart, the African Union Commission. Two working meetings have taken place, in Brussels in 2005 and in Addis-Ababa (seat of the African Union) in 2006.

The European and African Commissioners with the

same portfolios exchange views and best practices, forge lasting specialist and political relations, and jointly design cooperation programmes and projects in sectors such as infrastructure and transport, health, energy, science and research.

The European Parliament has developed a partnership with the Pan-African Parliament to monitor the implementation of the Joint Strategy. This partnership will take the form of a joint parliamentary delegation from the two parliaments which will become the forum for Euro African democratic discussion and debate on our partnership. A first EP-PAP meeting took place in Lisbon on the eve of the summit to give a hearing to the two Commissions, EC and AU, on the subject of the Joint Strategy and Action Plan.

As far as states are concerned, it is also important that we have more continuity between the major summits. A promising way forward would be to hold joint meetings of sectoral ministerial councils bringing together, say, all European and African transport ministers or telecommunications ministers, to draw up true work programmes with continental dimensions and encourage a more coherent, more integrated and thus more effective approach to our efforts.

Beyond the institutions

Our preparations have involved extensive consultations with the entire spectrum of civil society in Europe and

Africa, including employers and trade unions and the private sector.⁵ By doing so, we hope to ensure the involvement of all these partners throughout the implementation of the priority measures identified in the first action plan. The Lisbon Summit is mobilising an impressive number of players, through numerous conferences and forums that reflect the breadth and depth already attained by this partnership (NGOs, members of parliament, local and regional authorities, private sector, civil society, employers and trade unions, etc).

Our challenge is to develop and organise lasting contacts between civil society on both continents.

We will try to keep all the partners on board throughout the implementation of the priority actions identified by the first action plan for the EU Africa strategy. Many associations and EU-Africa cooperation forums have developed in recent years. This trend now needs to be boosted through the framework provided by the joint strategy.

Two years ago the European Commission and the African Union Commission created a forum for political dialogue with the private sector in Africa and Europe. Such joint forums exist for all the regions of the world with which the EU has agreements. It was time for us to have such a forum with Africa, too.

This business forum is an opportunity for the private

⁵ See website: <http://leuropafrika.org/public-consultation/>.

sector to make its expectations and demands known to European and African political decision-makers in order to improve the business climate in Africa and, ultimately, promote inclusive sustainable growth.⁶

This forum is working to improve governance, strengthen the institutional fabric and establish a more coherent regulatory environment in order to attract investment and make doing business in Africa easier. It has already met twice: the first meeting was in Brussels in 2006, the second in Accra in 2007. It will next meet in 2008 in Europe. An action plan was adopted in Accra, with specific recommendations on four topics: trade and regional integration, interconnectivity in the field of information and communication technologies, the interconnectivity of physical infrastructure and entrepreneurship.

These recommendations set out the specific objectives, the responsibilities of each private or public actor in attaining them, a timetable and progress indicators. The associations of local authorities from Europe and Africa⁷, which are meeting on the fringes of the Lisbon Summit, also offer promising scope for partnership to promote decentralised development and local democracy. Whether it is a question of twinning between cities, sporting clubs, hospitals or universities, the potential spin offs of the Euro African partnership are almost unlimited.

⁶ http://ec.europa.eu/development/Geographical/europe-cares/africabusiness_forum_en.html

⁷ *United Cities and Local Governments of Africa (UCLGA)*, www.uclgafrica.org

On the ground, many African and European women and men are providing a practical demonstration of solidarity and cooperation between civil societies. The EU-Africa partnership will seek to foster even greater cooperation, promoting the establishment of joint organisations wherever possible and, above all, helping develop the capacities of the organisations and associations of Africa's civil society.

External projection

Our cooperation will enable us to identify our common interests together and to make a joint case for them in international institutions and frameworks, so giving us greater clout.

Is it so hard to imagine Europe and Africa joining forces to argue for a more representative Security Council? Is it so hard to imagine developing a common strategy to strengthen Africa's presence in such institutions as the World Bank and the IMF? Is it so hard to imagine Europe and Africa forming an alliance in favour of an ambitious post-Kyoto agreement at international conferences on climate change? In an area such as peace and security, we have to be able to engage in frank discussions on tensions and conflicts, not just on our respective continents but all over the world, and in particular in the Middle East, which has a direct impact on the stability of both Africa and Europe.

The other aspect of this external projection will be

ensuring that Africa features even more systematically on the agenda for our meetings with other partners that are also players in Africa, namely China, India, Brazil, Japan, Russia and, of course, the United States.

A working and pragmatic global partnership

Lisbon is the starting point for a practical partnership geared to action and results. The joint strategy is based on a 2008-2010 action plan comprising eight strategic partnerships.

• Partnership for Peace and Security

The European Union will strengthen its support for conflict prevention, peace operations, and for developing Africa's planning and crisis management capabilities at continental, sub-regional and national levels. The EU and the AU will work more closely together and can coordinate their positions at the United Nations regarding the design of peacekeeping operations in Africa and elsewhere. The European Union and the African Union must also join forces in the campaign against light weapons and landmines.

In the security field, the main source of funding is the Peace Facility for Africa set up under the European Development Fund. This instrument, which now has a budget of almost EUR 440 million, has helped finance inter alia the African Union Mission in Sudan and Darfur and the African Union Mission in Somalia. The

Peace Facility is also providing EUR 35 million to help build African capacity in the area of conflict prevention and management, including the development of the African Standby Force. The Community budget's Stability Instrument is also being used to cover non military aspects of operations, an example being the future training of Chadian police officers as part of the EU UN joint peacekeeping operation.

• **Partnership for Democratic Governance and Human Rights**

This will involve a more robust and sustained political dialogue between the EU and Africa on governance and human rights. Outside the bilateral dialogue with the African countries, Europe is still having difficulty launching a continent to continent dialogue on these subjects. It is, however, important that we be able to discuss our cooperation with the International Criminal Court, to discuss the limitations of sovereignty when weighed against the duty to protect people preyed on by their own leaders and with no domestic recourse.

We will be launching a forum on governance. This forum will be a platform for an open and structured dialogue between Europe and Africa on impartial institutions. On these questions, it is important to avoid a categorical and moralising ideological mindset and to recognise that nobody has a monopoly on virtue.

• **Partnership on Trade and Regional Integration**

Trade and regional integration are major vectors for economic growth. In Africa, as elsewhere, there can be no sustainable development without economic prosperity.

In 2007, for the fourth year running, gross domestic product (GDP) increased by more than 5% in sub-Saharan Africa. Africa has seen growth average about 5% in recent years. But this growth could be even stronger if it were not held back by the general weakness of African trade.

One of the major factors affecting the growth of African economies and trade is the lack of regional economic integration. Regional economic integration would be a powerful incentive for trade because it would increase the size of the markets, generate economies of scale and attract foreign investment. But the many tariff, technical and other barriers between African countries hamper intra-African trade, which nevertheless has enormous potential. It is simply absurd that it should cost more to export a tonne of maize from Zambia to Tanzania than to export that tonne from Zambia to Europe or the United States.

Moreover, Africa's share of world trade has fallen in absolute terms, from 5% twenty years ago to less than 2% today. From this point of view, four decades of preferential trade arrangements between Africa and Europe have failed to deliver. The World Trade

Organisation (WTO) is now demanding the end of these arrangements on the grounds that they discriminate against other developing countries.

As a result, the European Union and the African, Caribbean and Pacific countries have decided to conclude Economic Partnership Agreements, which will help boost Africa's economies by creating regional economic markets that will maintain preferential access to the European market while complying with WTO rules. This integration will serve to attract foreign investment - owing to the expected economies of scale - and to prevent the flight of African capital (at present USD 39 billion leaves the African continent each year, whereas only USD 19 billion is invested).

These regional markets also promote integration methods identical to those to which Europe owes its prosperity: a common customs tariff, the removal of tariff and non-tariff barriers, fair and predictable competition rules.

The formation of more integrated regional markets is accompanied by complementary action on two fronts:

- The first is the gradual and, above all, asymmetric liberalisation of trade in goods and services between these regions and Europe. Under the economic partnership agreements, the EU has proposed extending free access to the European market to all products from sub Saharan Africa from 1 January

2008, with transitional arrangements for rice (2009) and sugar (2015).

- The second is EUR 2 billion a year in support for trade and businesses in the productive sector, including agriculture. Another EUR 5.6 billion has been earmarked to build the infrastructure needed to connect these regional markets and make them work.

This is not, therefore, cut throat liberalisation but a gradual and carefully managed opening up of markets. No other power in the world has done as much as Europe to help Africa and couple trade with a generous, substantial and direct development dimension.

The European private sector has a major role to play. It must be encouraged and given incentives to contribute to the emergence in Africa of a private sector capable of deriving maximum value added from natural resources to the benefit of Africa's people, thereby putting an end to the rentier economy.

• **Partnership on the Millennium Development Goals**

Africa is behind schedule for the achievement of the Millennium Development Goals by 2015. This does not mean there have not been positive developments. Enrolment in Africa's primary schools increased from 72% to 93% between 1991 and 2004. The gap between men and women (which still averages almost 15% when it comes to access to primary education) is declining in 30

of the 36 countries for which information is available. The proportion of women sitting in Parliament is rising in 31 of the 45 countries that have reported on the composition of their national parliaments. But, at the same time, the number of people living on less than a dollar a day continues to rise, and all the indicators for the eight Millennium Development Goals show that Africa is having difficulty catching up.⁸

The leaders of the main multilateral and intergovernmental international organisations have responded to this finding by establishing, at the initiative of the UN Secretary-General, the Millennium Development Goals Africa Steering Group.⁹ President Barroso himself represents the Commission in this Group.

In terms of the volume of aid, Europe is the international donor that is doing the most for Africa.¹⁰ Our aid is clearly targeted on achieving the Millennium Development Goals. One innovative aspect of EU policy is making financing more predictable. No finance minister can give their education or health minister the resources needed to recruit 1000 teachers or nurses unless they can be sure of receiving the resources on a multiannual basis. This is why the European Commission has proposed the "Millennium Development Goals contract": six year agreements to be concluded under the 10th EDF with a number of ACP countries. This financing will take the

⁸ See UN 2007 Update on Africa and the Millennium Development Goals
<http://www.un.org/millenniumgoals/docs/MDGafrika07.pdf>.

⁹ See official site: <http://www.un.org/millenniumgoals/afirsteering.html>.

¹⁰ See point 3 of Chapter 4 on EU development aid in Africa.

form of multiannual budget support with an annual review. This aid will be tied to performance indicators for the Millennium Development Goals.

• **Partnership on Energy**

This partnership is aimed at improving the management of energy resources; the electrification of Africa (500 million Africans have no access to electricity) and the development of networks and crossborder interconnection both within Africa and between Europe and Africa.

More specifically, from 2007 the Energy Facility for the African, Caribbean and Pacific countries will be financing 80 projects for EUR 220 million. These 80 projects include the electrification of 28 villages in rural Cameroon, a mini hydropower station in Kenya and the development of solar power in Mauritania. The programming of the 10th EDF earmarks EUR 100 million in grants for energy projects over the period 2008-2013. This is an addition to the possibilities afforded by the Infrastructure Trust Fund, which is being started up with EUR 100 million for loans at preferential rates.

A European special fund, the Global Energy Efficiency and Renewable Energy Fund (GEEREF), endowed with about EUR 125 million, will also mobilise investment and public private partnerships in the fields of renewable energy and energy efficiency.

• Partnership on Climate Change

There is an interdependence between the effects of climate change and efforts to reduce poverty. Climate change can have disastrous effects: lost harvests, famine, increasing scarcity of grazing land and water points owing to desertification, massive CO₂ emissions owing to uncontrolled deforestation. Each year Africa sees the destruction of 13 million hectares of forest, an area the size of Portugal. All this may cause population movements, forcing people to become "climate refugees".

All the studies show that if we do not factor climate change into our development policies - here and now - we will lose all the investments that we have made, be it in quantitative or qualitative terms.

The very attainment of the Millennium Development Goals is therefore at stake.

The EU has taken the global lead on this issue.

First of all, Europe will itself be making efforts. It has decided to reduce its emissions by 20% of 1990 levels by 2020. It will be extending the market for emission rights and financing research programmes (EUR 2 billion for 2007-2013). In November 2007 the EU also proposed a Global Climate Change Alliance with the developing countries. The Alliance between the EU and the countries most vulnerable to climate change is aimed at founding a strong political partnership in order to bring

pressure to bear on those responsible for global warming, i.e. the industrialised and emerging countries, and to raise resources for the most vulnerable countries.

As for the additional financial resources, we are well aware that the development aid resources available to us for the period to 2015 will not be sufficient to meet needs. It would be politically irresponsible and unethical to use ordinary development aid budgets to tackle a phenomenon for which the rich, industrialised countries bear primary responsibility.

It is therefore important to use new sources of financing and innovative schemes to achieve a critical mass swiftly and enable countries in dire need of resources to take the requisite measures immediately.

With this in mind, we tabled the idea of a long-term global loan, underwritten by the rich countries, to finance action against climate change in the developing countries.

The European Commission is currently fleshing out this idea with the World Bank. Such a proposal could play an important role in the negotiations for a new post-2012 agreement, between the Bali conference in December 2007 and the Copenhagen conference in December 2009. This would reassure the developing countries of the industrialised countries' will to provide effective assistance to help them cope with the challenge of climate change. The extra resources generated by the loan will finance the Alliance's action; they are, of course,

additional to the other international initiatives and resources that exist and those already committed by the EU as part of its development aid.

The 10th European Development Fund will earmark EUR 100 million for programmes on the environment and climate change and EUR 100 million for programmes to reduce the risk of natural disasters.

The European Commission has released an initial EUR 50 million for the Alliance.

• Partnership on Migration, Mobility and Employment

Africa has enormous potential in human resources. But there is a great need for training and the constructive management of migration. This is why we have to offer greater opportunities for legal migration, without encouraging a brain drain. It is therefore proposed:

- to establish migration management and information centres to inform migrants about the real scope for legal migration, to provide training, to inform people about the risks of illegal migration, to provide loans for the creation of family businesses, to promote microcredit, etc. The Mali pilot centre, which will open in the first quarter of 2008, will be a practical example;
- to introduce mobility partnerships, which are agreements containing commitments on readmission and legal migration opportunities. The negotiation of a number of pilot partnerships will begin in 2008;

- to encourage circular migration: at European level, we have added safeguard clauses to the Directive on highly skilled workers, "the Blue Card Directive", in order to contain the brain drain that worries the African countries. We have provided for the possibility of returning to the country of origin for long periods – for 12 consecutive months and a total of 16 months in the first five years alone – without loss of rights. This circular migration provision will enable the countries of origin to benefit from the skills acquired. We have provided for the conclusion of agreements with developing countries that protect certain sectors from the Directive. The Directive obliges the Member States to observe the principles of ethical recruitment;
- to prevent the brain drain of African students: one sub-Saharan African student in sixteen studies abroad and many do not return to their country owing to the lack of opportunities. These personal choices represent an economic disaster for an Africa in sore need of young graduates. Under exchange programmes, such as the Erasmus Mundus and Nyerere programmes, the European Union and Africa will give African students an opportunity to study in Europe for a year or more before returning to reinvest their skills and knowledge in their countries of origin;
- to make greater use of the opportunities offered by migration for development: in 2005 remittances from African migrants to the 34 countries of sub-Saharan Africa amounted to about EUR 6.5 billion.

• **Partnership on Science, the Information Society and Space**

Africa is reducing the digital divide at breathtaking speed. In 2006 sub-Saharan Africa already had more than 110 million subscribers to mobile telephone services. This means that approximately 17% of people in sub-Saharan Africa now have mobile phones, compared with no more than 1% in the 1990s. The total revenue generated by the information and communication technology sector is equivalent to 5-7% of a country's total GDP. This is higher than in any other region in the world.

However, there is a massive need for private investment, which is crucial to success in information and communication technology. Here are four examples of projects on which Europe intends to cooperate with Africa:

- the East-Africa Submarine Cable System (EASSy), cofinanced by the European Trust Fund for Infrastructure in Africa: this project to lay 9 900 kilometres of underwater fibre optic cable will link South Africa to Sudan. Expected result: Africa will get modern technology to handle new applications (for example: remote medical diagnosis, international call centres, high speed Internet, etc). It should be operational in time for the 2010 Football World Cup in South Africa.

- Global Monitoring for Environment and Security (GMES), to be cofinanced from the regional allocations: space technologies for earth observation will help monitor climate change, desertification, fires and water and food resources.
- Internet applications: thanks to the Internet, first-hand information can be circulated directly to a very large public. For example, the European Commission is discussing telemedicine applications in the NEPAD forum. The ESA is also conducting a pilot project with the African Union Commission in this area.
- African Monitoring of the Environment for Sustainable Development (AMESD): the Commission is providing EUR 21 million for this initiative, which enables space technology to be tapped for development purposes. It guarantees 53 African countries satellite statistics for early warning of natural disasters, to improve food security and to promote more efficient use of water and energy.

A partnership which engages Europe and Africa at all organisational levels

The implementation of the EU Africa Strategy is not and cannot be confined to the European Commission and the AU Commission. In no way can this strategy serve as a "Trojan horse" for a centralising agenda. That reflects neither its objective nor our understanding of EU-Africa partnership.

Indeed, any attempt to manage this strategy in a strictly centralised manner would be doomed to failure, since the needs are immense and all efforts, all financial and human resources must be harnessed in an organised manner in order to implement the commitments made in the action plan and its eight partnerships.

The EU Member States and African countries are invited to assume leadership, alone or with others, for the implementation of some of the partnerships proposed in this first action plan.

It is important that the EU and African partners get their act together so that all decision making levels can be mobilised in a coherent manner.

• **Organisational coherence on the EU side**

Our challenge is to develop a more integrated approach to our relations with Africa, both at political level and at institutional level. The joint agenda for our partnership goes well beyond development. Europe must therefore give its cooperation and dialogue with all the African countries a stronger interregional and pan African dimension. It must adapt its political framework, its institutional framework and its internal instruments.

Instruments: we must now start implementing continental actions financed by the various instruments available to us for external action (European Development Fund, the Neighbourhood Instrument, for

which the North African countries are eligible, thematic budget lines for external action (including those for food security, migration, the environment, health)). It is increasingly clear that the North African countries, which are important members of the African Union, are pushing us to take practical initiatives in this direction. We must therefore create the synergies necessary to make these separate frameworks work together and so enhance the quality of our action.

To illustrate the synergies needed, let us use the examples of migration and infrastructure:

(a) Migration: This is an area where we must make sure our policies and our actions in North Africa and sub Saharan Africa are coherent. The network of migration observatories needs to be extended to the entire continent. There is no point analysing and responding to the issues of African migration in a piecemeal manner, by artificially separating the countries of sub Saharan Africa (often the starting point for migration) from those of North Africa (increasingly used as transit countries).

(b) Infrastructure: we should make more coherent use of the sum available to us through the Infrastructure Trust Fund created by the European Commission with the European Investment Bank and the Neighbourhood Policy's Investment Facility. A practical example is the Nile Basin Initiative, which brings together ten countries from North and sub-Saharan Africa in an effort to manage the Nile's water resources more effectively.

Only such synergy will enable us to cope with the immense challenge facing us, namely financing the missing links in the infrastructure chain between sub-Saharan and North Africa.

We have to be realistic about financing: the funds available under the Community budget and the European Development Fund are not commensurate with our ambitions.

Sticking with the example of infrastructure, ten Member States are currently involved in the Infrastructure Trust Fund. Their contributions amount to EUR 97 million in grants in addition to EUR 290 million in loans from the European Investment Bank. We are also counting on EUR 20 to 40 million from the 9th EDF before the end of the year. We have already committed EUR 16 million in grants for four projects in all parts of Africa. The list of projects to be financed will grow in the months and years ahead. Without additional financing, we will be unable to meet all requests from our African partners.

Our institutional framework must also reflect this coherent and multidisciplinary new strategy. This is a precondition for effective monitoring and steering of the enhanced political dialogue and the priority actions resulting from the Joint Strategy and Action Plan.

Under the current set up of the Council of the European Union, issues relating to Africa have to go through an average of six different working parties. The

consequences of the system are clear: lack of coherence, fragmentation and red tape.

We should therefore establish a coherent structure for the Member States and the Commission to monitor the implementation of the Joint Strategy and the Action Plan. In the short term, the solution would have to be pragmatic: it would involve proposing the extension of the mandate of the ad hoc group set up by the Council to monitor the negotiation of the Joint Strategy. In the longer term, however, thought will have to be given to setting up a standing crosspillar group on Africa.

The EU has already taken a symbolically and politically strong initiative by appointing a Commission Head of Delegation to the African Union who is also the European Union's Special Representative to that organisation. By covering both cooperation and development (1st pillar) and security (2nd pillar), this "two-pronged" structure, which in some ways foreshadows the future European external action service, will enable relations with the African Union to be steered much more coherently.

To a certain extent, Africa is becoming a testing ground for modern external action by the EU, an external action that can be reduced neither to foreign policy issues (diplomacy, security, defence) nor development issues. Africa is already the scene of emergency operations that combine the crisis management instruments of the CFSP and the ESPD with the Community assistance

instruments of humanitarian aid, the stability instrument, aid for reconstruction and development.

One stage for various European Union operations has been the Democratic Republic of the Congo: Operation Artémis to stabilise the East in 2003, the EUFOR operation during the 2006 elections, the EUSEC and EUPOL operations currently under way to reform the army and police force. Another example is the stabilisation operation soon to begin in eastern Chad and the North-East of the Central African Republic.

• **Organisational coherence on the African side**

The African Union is a promising and irreplaceable organisation, which has been assigned a noble and difficult task. It was, through its Commission, the driving force behind Africa's preparations for the joint strategy and the action plan.

This structure still needs to strengthen its human and physical resources. Under the 9th EDF the European Commission allocated EUR 55 million for an institutional support programme in the priority fields identified in the Africa Strategy. This support will continue under the 10th EDF.

The African Union cannot carry through the joint strategy unaided. The implementation of the strategy involves all African subregional organisations.

These economic and/or political regional organisations are crucial to a number of the partnerships envisaged in the action plan, be it peace and security architecture, trade and economic integration or infrastructure.

4.3 A new and modern approach to development in Africa

This involves a new development approach that is more modern, more dynamic, more in tune with the needs and the principles of ownership and partnership.

Development aid is all too often seen as money given away, as the tiny price to be paid for a clean conscience.

However, growth, because it creates wealth, is the only effective and lasting way to tackle poverty.

The spectacular success of countries like Rwanda or Tanzania makes this clear. These countries have succeeded in combining a clear, long-term national vision of equitable economic development with good governance and structured, optimised development aid. It is these virtuous circles that we need to multiply in Africa.

The European Union has radically reviewed its development policy since 2005 and the adoption of the European Consensus on Development. Today we are at the cutting edge not only in terms of international assistance efforts but in terms of a modern understanding of development aid.

Quantitatively, the EU has taken the unprecedented decision of allocating 0.56% of its GNP to development aid by 2010 and 0.7% by 2015. It has also pledged that half of the additional EUR 20 billion generated from 2010 will go to Africa. And we are on track to achieve these objectives.

Qualitatively, the European Commission's proposals for greater aid effectiveness have been warmly welcomed by both the Member States and our African partners.

We have made major pledges on coherence, a concept identified as a key component of our action. Indeed, over and above development aid in the narrow sense, all EU policies (trade, agriculture, research, health, environment, safety, fishing, energy, etc.) can have an impact – whether adverse or beneficial - on the development of our partner countries. Every decision we take must therefore take account of its impact on development objectives.

We have given major pledges in terms of the division of labour, which we must strengthen at all costs, to avoid piecemeal aid or aid orphans. Does it make sense for an African finance minister to have to host an average of 200 missions from donors every year? Does it make sense that Kenya should have 20 donors purchasing medicines through 13 different procurement agencies? Does it makes sense that Tanzania - in the health sector alone – should have no fewer than 600 projects with a budget lower than EUR 1 million being implemented under over 20 different legislations? We have to avoid the

proliferation of different approaches, the dispersal of resources, the overlapping of models, tools and conditions, the needless increase in the administrative overheads.

We have made major pledges in terms of promoting good governance, understood in the broadest sense of the term, not just as tackling corruption.

Good governance is first and foremost a matter of a "just state". Such a state is capable of performing its essential functions (such as guaranteeing access to health, education, justice and the administration), of promoting and protecting individual rights and fundamental freedoms, and of managing wealth in a responsible and impartial way in order to ensure its equitable redistribution.

With this in mind, the European Commission has placed good governance at the heart of the programming exercise for the 10th EDF. Governance is an integral part of the programming dialogue with our partners, including the highly sensitive and often controversial issues of respect for human rights, democratic principles and the rule of law, economic and financial aspects, the management of natural resources and issues relating to social governance. Each state is free to decide for itself whether it wants to embark on these reforms. We offer additional financial resources to those which take this route. The EDF earmarks EUR 3 billion in incentives for good governance.

We have made major pledges in terms of the way we deliver our aid. Under the 10th EDF, almost 50% of our aid will be delivered in the form of general or sectoral budget support.

Budget aid reflects our wish to place our trust in our partner countries' institutions. It is also a more credible means of promoting ownership and, therefore, a guarantee of greater effectiveness.

As the funds are part of the national budget, implementation is governed by the country's own priorities and procedures. It is, when all is said and done, a mechanism that increases the effectiveness, absorption and transparency of aid.

We have made major pledges to harness development aid to **our partners' integration into world trade**. World trade is the principal motor for the growth that will bring hundreds of millions of people out of poverty and drive progress towards the achievement of the Millennium Development Goals. The examples of China and India, and South Korea, Singapore and Malaysia before them, show this every day.

Conclusions

In conclusion, I cannot but recall the brilliantly lucid and invigoratingly optimistic words spoken by Desmond Tutu, that great African and holder of the Nobel Peace Prize, at the closing session of the 2006 European Development Days. What he said was this:

"Even most recently Europe had a thoroughly unprepossessing antecedent. And yet, this West was able to emerge to be the giant it has become. [...]"

Just in the 20th century Europe had two World Wars. Two! There was a Holocaust, which saw the death of six million Jews. There were the several millions who died in Stalin's gulags. Europe was devastated by the excesses of fascism, Nazism and communism. There were dictatorships in Spain and Portugal; even Greece, the birthplace of democracy, was just a few years ago ruled by a military dictatorship. There was a time when one was not sure who was the government of Italy, for they changed so rapidly, so often. There has been also a new phenomenon, so-called "ethnic cleansing", which happened in Europe. There is still the running sore of Northern Ireland. You can imagine that, if someone wants to describe Europe, they could quite easily have said you have the ingredients here to cause Euro pessimism.

So Africa should take heart. That the West that was some time reduced to dust and ashes, rose like the proverbial phoenix to soar to its present heights. This West, so

prosperous and so powerful, knows a time when suspected witches and heretics were burned at the stake; when many of the citizens of these states, as a result of the industrial revolution, were victims of grinding poverty. The march to the modern democracies that we see was characterised by excesses, the excesses of the powerful and considerable bloodletting. It has not been a smooth and uneventful journey. We in Africa can draw much encouragement and inspiration from your ultimate triumph, considering what preceded it all.

You triumphed because you invested in democracy, freedom and peace because development and prosperity require peace and good governance. You showed near zero tolerance of corruption. You upheld the fundamental rights of all, the freedom of expression, the freedom of movement. You helped to establish the rule of law. You had accountable and transparent governance, A vibrant and free press. And you had an engaged and lively civil society, vigilant watchdogs; for they say the price of freedom is eternal vigilance. [...]

Hey, Africa, you have notched up significant victories. You overcame colonialism, inspired by C.L.R. James and Kwame Nkrumah and other African giants. You helped to overcome Apartheid. Yes, the international community assisted considerably. But I, as a South African, take my hat off to our African sisters and brothers who placed very considerable pressure on few resources to help us, who gave refuge to our exiles. You ran the gauntlet of Apartheid's defence force, you in the frontline states. And on behalf of

our people I say thank you. [...]

Africa, you have produced some great personalities : Nyerere, Sadat, Mandela. Go anywhere in the world today and ask who is the most admired statesperson? Almost universally it is an African, Nelson Mandela. But these African leaders were men, mainly, who were leaders of governments. They were altruistic, they were people who said: I am in this not for what I can get for myself, not for self-aggrandisement. I am in this for the sake of those I lead. They upheld high standards of morality. Yes, we have the capacity to be born again, we who were the cradle of humankind; we have the capacity to bring a wonderful contribution to the community of nations.

Again, it is we in Africa, who have given the world an extraordinary example of how we deal with post conflict situations. For where people expected that a Black-led government would be hungry for revenge and retribution, they saw instead the Truth and Reconciliation Commission processes in South Africa. That no, there is another way, the way of forgiveness of reconciliation. The gift we can give the world is our concept of Ubuntu, where you say, my humanity is bound up in your humanity. I need you in order for me to be me. I need you to be you. And, dear friends, you must know, that there is no way in which we are going to be able to win wars against terror, as long as there are conditions in so many parts of the world that make people feel desperate. And so, we say, there is no way in which we can be free, except together. [...]"

This essay is in no way intended to provide an exhaustive and definitive analysis of the principles that should guide the recasting of a new and special relationship between Africa and Europe.

My aim is to provide a more up to date political reading of the nature of a partnership all too often inhibited by taboos, the baggage of history, suspicion and even humiliations.

My aim is to raise awareness of the uncertainties and promises of tomorrow's world.

Europeans and Africans are natural allies. A vital, strong and wholehearted alliance between these two large and beautiful continents can shape a peaceful and prosperous future. Together they can play a determining role in shaping a new world order characterised by greater justice, solidarity and freedom.

We must turn the page on the Congress of Berlin once and for all. This does not mean erasing the maps and borders that resulted from it. That would be irresponsible, dangerous and futile.

It means leaving behind the mindset and methods that have shaped relations between Europe and Africa for too long.

Turning this page of our shared history means offering the men and women of Africa every means of shaping their own future ... and choosing freely which pages of their future History they wish to write with us.