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**REPORT OF THE SUB-COMMITTEE ON
MULTILATERAL COOPERATION
January to June 2017**

REPORT OF THE SUB-COMMITTEE ON MULTILATERAL COOPERATION January to June 2017

Introduction

1. During the period under review, the Sub-Committee on Multilateral Cooperation under the Chairmanship of the Arab Republic of Egypt, up to April 2017, when the Republic of Djibouti assumed the chairpersonship of the PRC Sub Committee on Multilateral Cooperation for the next two years, focused on the consideration of the implementation of Executive Council Decisions that ranged from preparation for the upcoming African Union-European Union Strategic Partnerships Summit, the finalization of the Action Plans of the Africa Arab Strategic Partnership and the Africa-Korea Strategic Partnerships to engagement in several other partnerships activities.
2. Based on the submission of the Report on the Evaluation of Africa's Strategic Partnerships to the January 2017 Executive Council Session, the PRC was requested by the Council to devote sessions to consider the submitted report and revert during the June 2017 Ordinary Session of the Executive Council.
3. The Sub Committee also considered the issue pertaining to the future of the relationship between the ACP Group and Europe beyond 2020 when ACP will come to an end. The Commission was requested to submit a Concept Note to be initiated by the AU Brussels Office, for consideration by the Sub Committee. However, while the Concept Note has been received from Brussels Office, the Commission has not been able to present it to the Sub Committee for consideration.
4. This Report summarizes the issues discussed and conclusions reached at these meetings. It is divided into two parts: the first part addresses general issues related to Strategic Partnerships, while the second part summarizes the deliberations regarding each Strategic Partnership.

PART I. Evaluation of Strategic Partnerships

5. It could be recalled that the Sub Committee finalized its Report on Evaluation of Strategic Partnership that reviewed the nine (9) Strategic Partnerships¹ entered into by Africa through the African Union, to determine their continued relevance, as well as their benefits and value addition to the Africa Union and more specifically, to its Member States, as well as to the region as a whole.
6. Although the Report was submitted to the PRC prior to the Kigali Summit it was not however thoroughly reviewed by the PRC. Based on that, the 26th Ordinary Session

¹ Africa-Arab Partnership, Africa-India Partnership, Tokyo International Conference on African Development (TICAD), Forum on China-Africa Cooperation (FOCAC), Africa-Korea Forum, Africa-South America Cooperation Forum (ASA), Africa-EU Partnership, Africa-Turkey Partnership and Africa-US Partnership.

of the Executive Council of January 2017, through Decision EX.CL/Dec.942 (XXX), Paragraph A1-6 of directed the PRC in collaboration with the Commission and the RECs, to hold special sessions within the next six months (February-July) to allow for an in-depth discussion and analysis of all aspects of Strategic Partnership in order to formulate appropriate proposals and recommendations to be submitted to the July 2017 Summit.

7. Also, EX.CL/Dec.942 (XXX), Paragraph A2 called for the strengthening of the institutional capacity of the Commission (Partnerships Management and Coordination Division).

8. In addition, EX.CL/Dec.942 (XXX), Paragraph A 5 (vi) directed the Commission to convey a correspondence to the Group of African Ambassadors in capitals where Africa has strategic partnerships, including those of New York and Geneva, to abide by all the relevant AU Policy Organs' decisions and common positions relating to Africa's Strategic Partnerships and REQUESTS Member States to instruct their Ambassadors in these countries to abide by AU decisions. This directive has been carried out.

Recommendation on the Evaluation of Strategic Partnerships:

9. The PRC Sub-Committee on Multilateral Cooperation proposes that the PRC recommends to the Executive Council to:

- i) **REITERATE** Decision EX.CL/Dec.942 (XXX) of the 30th Ordinary Session of the Executive Council, 25 - 27 January 2017, Addis Ababa, which DIRECTED the PRC, in collaboration with the Commission and the RECs, to hold special sessions within six months to allow for an in-depth discussion and analysis of all aspects of Strategic Partnership in order to formulate appropriate proposals and recommendations.

Recommendation on the Institutional capacity of the Commission

- i) **REAFFIRM** its Decision, EX.CL/Dec.942 (XXX), Paragraph A2, which called for the strengthening of the institutional capacity of the Commission (Partnerships Management and Coordination Division), and Request the PRC in collaboration with the Commission to expedite action in this regard

PART II. Partnerships Specific Issues

2.1 Africa-Arab Partnership

10. In compliance with Dec. EX.CL/Dec. 4(XXX) requesting the African side and the League of Arab States to develop a Plan of Action 2017-2019 based on Resolution 7 of the 4th Africa-Arab Summit held in Malabo, Equatorial Guinea in November, 2016, the Commission, in collaboration with the Sub-Committee on Multilateral Cooperation is in

the process of finalizing the draft Action-Plan based on the priorities of Agenda 2063 to be considered by the PRC for clearance.

2.2 Tokyo International Conference on Africa Development (TICAD)

TICAD Joint Monitoring Committee (JMC)

Presentation of AU Common Principles on Strategic Partnerships

11. The TICAD Joint Secretariat (JS)/Co-organizers Meeting and the first Joint Monitoring Committee (JMC) Meeting since TICAD VI Summit in Nairobi, Kenya, in August 2016, were held in Tokyo, Japan, on 5 June, 2017. The African Union under the leadership of the Chair of PRC participated in the meeting.

12. The objective of the meeting was to review the progress made since TICAD VI and discuss preparations for the upcoming Ministerial Follow-up Meeting to be held in Maputo, in Mozambique on 23-25 August 2017.

13. Prior to the Joint Monitoring Committee Meeting, the AU delegation met with the African Diplomatic Corps (ADC), in Tokyo and agreed on common strategic partnership principles.

14. The AU delegation while underscoring the importance of taking into account the new developments, opportunities and challenges that exist within the TICAD process, submitted to Japan an African Union common Principles, in line with the position of the PRC during the visit of Japanese high delegation to PRC on 22 April 2016, that include but not limited to the following: (*see annex –the AU Common Principles*)

- i) The African Union wants Japan to be a Strong Strategic Partner, and one based on principles of equality, mutual respect, accountability and ownership, and more importantly focus on few concrete projects that would deliver results;
- ii) Decisions on matters relating to the TICAD process, and as affecting the African side, would be made by the African Union, and going forward, a Joint Monitoring and Evaluation mechanism should be established to implement the outcome of TICAD Action Plans;
- iii) Co-Chairing of meetings and Summits within TICAD would be the joint responsibility of the African Union and Japan and not host countries.

On preparation for the upcoming TICAD Ministerial Follow-Up Meeting

- i) The TICAD Ministerial Follow-Up Meeting will take place in Maputo, Mozambique, from 23-25 August 2017. The Senior Officials Meeting (SOM) will hold on the 23 August, while the Ministerial Meeting will hold on 24 and

25 August 2017, back-to-back with the side event on the 'Dialogue with the Private Sector;

- ii) In addition to the date of the Ministerial Meeting, the Meetings considered the zero draft of the implementation of both the TICAD V Action Plan (2013-2017) and the TICAD VI Implementation Plan (2016-2019) as well as the draft programme for the upcoming Ministerial Meeting;
- iii) On invitation, the AU delegation reiterated the importance of ensuring that all AU Member States participate TICAD meetings, and that the Host country, Mozambique as well the Chairperson of the African Union Commission would extend invitation to all Member States.

On holding of Japan-Africa Public-Private Sector Economic Forum, in Africa, in 2018

- i) The Japanese Prime Minister announced, that the First Africa-Japan Public Private Sector Economic Forum, will be held in Africa, in 2018, during the TICAD VI Summit held in Nairobi, in August 2016. *However, the Japanese side informed that the organization and holding of the Forum would be the sole responsibility of Japan and not the African Union. While the African Union welcomed the great initiative of the Prime Minister, it clearly stated that both sides would work together to ensure the success of the initiative, and that Africa shall determine the host country for the Forum. Both sides will invite their respective business communities for a wide participation;*
- ii) While noting that Burkina Faso has expressed its interest to host the Forum, AUC will first inform all Member States of the opportunity to host the Forum.

Recommendations:

15. The PRC Sub-Committee on Multilateral Cooperation proposes that the PRC recommends to the Executive Council to:

- i) **ENDORSE** the date of 23-25 August 2017 for the holding of the TICAD VI Ministerial Follow up Meeting, in Maputo, Mozambique.

2.3 AU – EU Partnership

16. The Subcommittee in preparation for the 5th AU – EU Summit to be held in Abidjan, Cote d'Ivoire, from 29 to 30 November 2017 reviewed the Draft Concept Note developed by the Commission and provided substantive amendments and propositions.

17. The Subcommittee considered among others, the draft theme proposed by the Commission, the new nomenclature of the partnership with EU as well as the proposal to hold Senior Officials and Ministerial Meetings ahead of the Summit of Heads of States and Governments.

Recommendations:

18. The PRC Subcommittee on Multilateral Cooperation proposes that the PRC recommends to the Executive Council to:

- i) **APPROVE:**
 - a) The Theme of the 5th AU – EU Summit namely: “Investment in Youth for Accelerated Inclusive growth and sustainable development”;
 - b) The nomenclature for the partnership with the European Union to be: “African Union (AU) – European Union (EU) Partnership” instead of “Africa – EU partnership”;
 - c) The holding of a Senior Officials meeting and a Ministerial meeting that will precede the 5th AU – EU Summit and **REQUEST** the PRC in close collaboration with the Commission to agree with the European side on the final dates for the above-mentioned meeting to be communicated in due course.
- ii) **REQUEST** the PRC in close collaboration with the Commission to prepare and negotiate with the European side, the outcome documents of the 5th AU – EU Summit.

2.4 Africa-Korea Forum

19. Following the holding of the 4th Africa – Korea Forum, in Addis Ababa, Ethiopia, from 6 to 7 December 2016, the Executive Council through Decision No. EX.CL/Dec. 4(XXX), taken at its thirtieth Ordinary Session held on 25 – 27 January 2017 in Addis Ababa, Ethiopia, Requested the Commission in close collaboration with the PRC and the Partner to implement the Addis Ababa Declaration and to determine the content of the Africa-Korea Framework of Cooperation 2017 – 2021 that both sides agree to implement within a period of six months from the date of adoption of the Addis Ababa Declaration.

20. In accordance with the above-mentioned decision, the Commission developed a set of regional and continental concrete projects in line with Agenda 2063 priority goals and targets.

21. The Subcommittee of the PRC on Multilateral Cooperation reviewed the proposals submitted by the Commission and expressed its readiness to the Korean side to have consultative meetings to agree on the projects and programs to be implemented.

22. However, after the presidential election held in Korea on the 9th May 2017, the Korean side informed the Commission that due to the change in the leadership of the country, it would be better to hold all partnership meeting and negotiation until the new foreign policy leadership takes office and are fully reported on the Africa-Korea partnership process. Korea proposed to the Commission that all activities related to the finalization of the 4th Africa – Korea Framework of Cooperation be postponed to a later date after the AU July Summit.

2.5 Africa-Turkey Partnership

23. In line with the follow up of the implementation plan for 2015-2019, the first Agriculture Ministers Meeting was held in Antalya, Turkey, on 27th 28th April 2017. The Meeting discussed the mechanisms and instruments that would assist in promoting investments in Agriculture and agro-industries aimed at achieving higher productivity, inclusive growth, poverty reduction and improved food security and nutrition.

24. Also, the 7th Africa-Turkey Senior Officials Meeting (SOM) took place on 19 June 2017 at the Headquarters of the African Union Commission. The meeting took stock of the activities being undertaken in the implementation of the 2015-2019 Implementation Plan. The African Union informed Turkey of the ongoing reform and evaluation of all African Union strategic Partnerships, and reiterated its stand that Africa wants Turkey to be a **Strong Strategic Partner** and promote cooperation at the multilateral level, on concrete projects without diminishing the importance of bilateral relationship with AU Member States.

25. Both sides have been consulting on the date to hold the Ministerial Review Conference that will take place in Turkey.

2.6 Africa South America

26. Following the directive of the Sub Committee on Multilateral Cooperation, to engage the South American side on the possibility of holding the 4th Africa-South America Partnership Summit, a meeting between the African side Coordinator (Nigeria), Ambassador of Ecuador and the Commission was held on 10 February 2017 at the Commission.

27. It was agreed on the need to convene a meeting that would involve the Brazilian Ambassador, being the Coordinator of the South American side, to pronounce on the readiness on the South Americans to hold the Summit.

2.7 Africa-India Partnership

28. The main activity carried out during the period under review was to agree on the format of the implementation matrix of projects embedded in the Framework for Cooperation and to develop these projects accordingly. To this end, relevant technical

Departments of the Commission provided project profiles for projects featuring in the Framework for Cooperation.

29. The India side carried out the same activity and both sides consolidated all project profiles into a final document providing full information for each project in terms of project location, beneficiaries, timeline, goals and objectives, estimated budget, etc.

30. Upon approval by the decision making organs, the implementation process will start. However, it is worth recalling that the Government of India has been carrying out some of the agreed projects through bilateral procedure.



AU-EU Summit
Sommet **UA-UE**
Abidjan 2017

Concept Note

Under the theme:
**"Investment in Youth for Accelerated Inclusive growth and
sustainable development"**

I. BACKGROUND ON AFRICA'S DEVELOPMENT

1. Africa has an enormous economic potential. From 2005 to 2015, the African Continent recorded an average annual growth rate of about 5%. But since 2016 this growth dynamic has slowed down, to around 3%, partly as a result of falling commodity prices, particularly oil prices. This figure is still above world average growth rate in general and the euro zone average growth rate in particular. Therefore, Africa's economy is relatively more resilient as it maintained such level of growth despite the economic impacts of Ebola and the falling oil prices experienced in 2015/16.

2. It must also be recognized that in addition to the immensity and diversity of its natural resources, Africa is the only continent where population growth has not stalled, and will soon be the world's largest labour force. Currently, Africa is the continent with the world's youngest population overall. 40% of Africans are 14 years old or younger, and 34 percent of Africans are 25 to 29. Africa will have over 40% of the world's labour force in 2100, compared to the current 12% (18-45) years old. The current discourse on the demographic dividend estimates that by 2050 the majority of the world population will be composed of young people, the largest segment of which will be African.

3. Africa can also be the privileged place where capital flows for medium-term investments and especially long-term in agriculture and agro-industry, basic industrialisation, infrastructure and energy, health, tourism, housing.. The enormous potentialities already mentioned are considerable assets to guarantee strong and inclusive growth as well as sustainable development and structural transformation of the Africa's economies.

4. On the less bright side, Africa is challenged with a series of vulnerabilities, including economic, social, food, energy, financial and climate insecurity. Africa has not yet reached its full potential in terms of beneficiation of abundant natural resources. Attainment of such potential would boost Africa's competitive advantage that could attract foreign investments Africa also needs to reorient its economic policy towards rational consumption, in order to develop its manufacturing activities at low costs and promote its industrialization.

5. Some of the African Union's programs under Agenda 2063 are geared to support Africa and Africans to realize their growth potential through regional integration. To cite a few examples:

- a) The Continental Commodities Strategy guides African plans to beneficiate the Continent's natural resources through value addition, integration into the Global Value chains, and promotion of vertical and horizontal diversification anchored in local content development.

- b) Establishment of the Continental Free Trade Area (CFTA) in 2017 seeks to double growth of Intra-African trade as an engine of growth by 2022. It aims to strengthen Africa's common voice and policy space in global trade negotiations and facilitate establishment of financial institutions within agreed upon timeframes. It is imperative that Africa's integration is accelerated through the CFTA, allowing free movement of goods and people throughout the continent. Africa's future lies in an African Common Market;
- c) Transforming Africa's laws to be more favourable towards free movement of people.
- d) Operationalization of the African Peace and Security Architecture and Silencing the Guns;
- e) Strategy for Harmonization of Statistics in Africa (SHASA);
- f) System for National Accounts (SNA 2008);
- g) Yamoussoukro Decision on Liberalisation of Air Transport Markets in Africa;
- h) Establishment of the African Monetary Union.

6. The European experience positions it well to be a strategic partner for the African Union, which faces similar issues associated with its efforts to sustain regional integration. It will be recalled that the advent of the 2007 Lisbon Treaty, aimed at deepening European integration with major structural changes, could not live up to its promises after the 2007-2008 economic and financial crises along with the Greek debt crisis made it necessary for structural arrangements to be put in place to protect Europe from potential stock market shocks and other crises of a systemic nature."

7. In 2016, the European Union was marked by a turning point in the building of the European integration project following the decision of Britain to exit (Brexit) from the European Union that will undoubtedly have a significant impact on the European Union. Meanwhile, the European Union is also facing big challenges with migratory flows from all regions of the world, particularly Asia, the Middle and Near East and Africa; threat from populism and terrorism due in part to religious extremism. Finally, the election of a nationalist government in the United States poses a threat to the future of the Transatlantic Trade and Investment Partnership (TTIP), Canada – EU trade agreement (CETA), as well as raises concerns in Europe as regards its commercial future with the United States and reflections on European defence.

8. Meanwhile, being young, skilled, well-educated and yet being jobless are characteristics of the "lost generation" of Europe. The challenges young people in

Europe face today are many, and vary from country to country, region to region and from person to person.

II. BACKGROUND ON THE AU-EU COOPERATION

9. The Africa-EU dialogue was embodied by the first Africa-EU Summit held in Cairo in 2000. The implementation of the Cairo declaration led to the elaboration of the Joint Africa-EU Strategy (JAES) which was adopted at the Lisbon Summit in 2007. The purpose of the Joint Strategy was to take the Africa-EU partnership to a new, strategic level with a strengthened political partnership and enhanced cooperation at all levels. The partnership was based on a Euro-African consensus on values, common interests and common strategic objectives. The partnership should strive to bridge the development divide between Africa and Europe through the promotion of sustainable development in both continents, living side by side in peace, security, prosperity, solidarity and dignity.

10. The Strategy puts Africa-EU relations on a new footing, based on the pursuit of shared values, common interests and strategic objectives. Both sides are determined to overcome the traditional donor-recipient relationship, and aim at strengthening their strategic cooperation as equal partners. Both continents have a shared long-term vision for EU-Africa relations in a globalized world, where they play a major role on themes such as migration, climate change and global security.

11. The Joint Strategy, which provided an overarching long-term framework for Africa-EU relations, is implemented through successive short-term Action Plans and was supposed to enhance political dialogue at all levels, resulting in concrete and measurable outcomes in all areas of the partnership, including peace and security, democratic governance and human rights, trade and regional integration, and other key development issues.

12. The first Action Plan was adopted at the Lisbon Summit and was implemented during a three year period (2008-2010). In November 2010, Heads of State and Government of the two sides met in Tripoli, Libya in November 2010 where the second Action Plan 2011-2013 was adopted. During the last Africa-EU Summit held in April 2014 in Brussels, the 2014-2017 Road Map was adopted and constitutes the framework of Africa-EU relations.

13. The 2014-2017 Roadmap sets out the following joint priorities:

- i) Peace and Security;
- ii) Democracy, Good Governance and Human Rights;
- iii) Human Development;
- iv) Sustainable and inclusive development and growth and Continental Integration;
- v) Global and emerging issues.

III. The Way Forward for AU-EU Cooperation

14. The two partners share similar priorities as they adopt regional integration as their vehicle for peace and prosperity. They share geographical proximity and a long history of partnership. They share perceptions of the opportunities of Africa from an economic and social perspective. They also share perceptions of challenges on the Continent. The economic and social prospects of the Continent are often limited by acts and risks of terrorism. The two partners also jointly recognize that effective counterterrorism cannot be achieved by security and military intervention alone, but largely depends on successful efforts to address root causes. Therefore, the AU-EU collaboration will address issues of youth unemployment and the associated skills gap; environmental and natural resource risks especially drought, which leads to famine and is often a cause of conflict. The partnership will also address management of migration, associated with free movement of people across African borders. This is with the conviction that improving the lives and opportunities of young people on the Continent is the best counterterrorism strategy. Social stability on the continent is the most effective catalyst for development and the best shield against instability and armed conflict.

15. The 5th Africa – EU Summit takes place against the backdrop of the African Union reform, which calls for the need to ensure sustainable funding and African ownership of its programs and interventions on the Continent, as well as carry out efficient and effective operations to link the AU to African citizens and deliver on regional and continental integration priorities. In addition, the African Union is reviewing its strategic partnerships, of which the European Union is one. The review recommended that such partnerships need to be more results-based and driven by African needs, priorities and circumstances. It also recommended that partnerships capitalize on the comparative advantage of each partner, with Africa taking ownership of its own agenda.. It emphasizes that they should be people-centered and demonstrate tangible and measurable outcomes on the ground. In that respect, the African Union is approaching its partnership with the EU from the perspectives of (1) strengthening the two-way learning between organizations that have similar mandates and challenges; (2) political cooperation to support Africa to play its rightful role in world affairs; and (3) cooperation on peace, governance and development with a view to significantly enhancing collective impact on the Continent. This section proposes thematic areas of focus as well as mechanisms and strategies through which those priorities could be achieved.

16. In accordance with progress made under the JAES so far, and with the priorities of the AU for the next phase, below are suggested concrete initiatives for a potential follow-up on JAES Roadmap:

1. Internally and Externally sourced investment for African structural transformation:

17. Agenda 2063 aspires for a prosperous Africa based on inclusive growth and sustainable development. By 2023, it targets that every African should see an improvement in his or her standard of living, manifested by increases in real incomes by at least 30%. This will be fuelled by sustained inclusive economic growth and transformation that expands job opportunities to at least one in four persons looking for work coupled with state income support to the vulnerable, the marginalized and the disabled in the society. The proportion of the labour force not receiving living wages would have declined by at least 25%. Incidences of hunger and malnutrition would have been reduced by at least 80% and hunger by at least 30% with accent on women.

18. This aspiration can be partly fulfilled by encouraging investment, both African and foreign (European). Europe has been the largest source of foreign direct investment to Africa, and Africa's largest trading partner. The EU, through the African Union, will support the Continental Free Trade Area process through advocacy, building capacity of negotiators in member states (for goods and services negotiations) as well as support to trade facilitation, including customs facilitation.

19. Under this cooperation, investment on the Continent will be increased by billions of USD, leading to creation of millions of new jobs for youth. Investments will yield generation of an additional 5GW of renewable energy, and will facilitate off-grid power generation and distribution in peri-urban and rural areas, reaching millions of Africans. Millions of USD of investments will be made in fisheries, sustainable agriculture, and agribusiness, thereby creating jobs and entrepreneurship opportunities for hundreds of thousands of young people. This result will be realized through a mix of technical assistance and innovative finance from the European Union and from African financial institutions.

2. Resilience, Peace, Security, Governance and Emerging Issues:

20. Agenda 2063 aspires for a peaceful and secure Africa such that by 2023, all inter and intra national conflicts would have ceased and the target of silencing of all guns on the continent would have been attained. Local and national mechanisms for conflict prevention and resolution would be entrenched and functioning for the cause of peace. The African Stand by Force, the Defense and Security Policy and the African Peace and Security Architecture in general will all be in place and be contributing towards the preservation and maintenance of peace in the continent and around the world.

21. It is proposed that collaboration with the European Union would enable: 1) joint efforts to mobilise other partners to ensure appropriate and sustainable financial support to peace and security in Africa; 2) operationalization of the African Peace and Security Architecture; and 3) building capacity at the local and regional levels to enable

management of maritime security. Capacity includes both training, systems development, and technology/ tools.

22. In its collaboration with the AU, the EU should support Africa to find “African solutions to African problems.” It is, therefore, further proposed that through collaboration with the EU, the African Union would enhance political and economic governance on the Continent. On the political front, continued support of the EU to building elections monitoring capacity is needed, and transfer of its own experience in this field. On the economic governance front, the EU would support AU member states – upon demand - in simplification and enhancement of their tax administration system at the national level, and work with the AU to set continental standards and best practices in this area. The EU could also support the efforts of the AU and the UN in supporting member states with their domestic resource mobilization initiatives as a means to fund their obligations towards Agenda 2063 and Agenda 2030.

23. The EU could support the AU in its efforts to strengthen early warning systems for disasters on the Continent and to enhance resilience through systems development, training, national and cross-border field projects, as well as technology transfer.

24. Migration from Africa to Europe although higher than before, the intra-African migration still counts for about 70% of all African migration. The EU will strengthen AU capacity to manage intra-African migration through supporting programs to enable free movement of people, including border security programs. This could be tackled by addressing the root causes by promoting development.

25. Since livelihoods, education and economic opportunity are effective counterterrorism strategies, under this component, the AU jointly with the EU will pilot integrated development interventions on the Continent in conflict-prone zones. This will involve improving investments in those areas coupled with skills development programs for young people that are responsive to market demand in their regions. It will involve also educating young people about their African heritage and the opportunity that the Continent offers them. This approach will sharpen the AU’s capacity to plan for effective integrated programs to counter-terrorism on the Continent.

3. Investing in people – education and skills building:

26. Agenda 2063 aspires for the chances of every child having access to education, with at least seven out of ten secondary school students who do not proceed to tertiary educational institutions would have the opportunity for technical, vocation and training programmes (TVET). The African Union has set continental standards for TVET and partnered with dozens of TVET centres that serve as model centres for others. Those centres are specialized in different fields, such as agro-processing, ICT, handicrafts and others. The EU will build on the African Union’s efforts in this area by providing technical support to TVET centres to modernize their educational programs, and linking

them to the continental program to enable them to abide by the standards, as well as providing access to qualified and capable students through scholarships.

27. The EU will work with the AU to expand African programs for science, technology and innovation.

28. The EU will support the African Union aspiration of unleashing the potentials of its Youth through development and empowerment initiatives as espoused in Agenda 2063. Especially, the EU will work with the African Union to achieve the target of ensuring that, by 2023, 15% of all new business startups emanate from the ingenuity and talent acquired by the Youth in part from the fruits of the skills revolution driven by science, technology and innovation that will be taking place all over the continent. The cooperation should ensure that at least the proportion of 2013 youth unemployment will be reduced by a quarter by 2023.

29. In addition, the European Union will support some initiatives of the African Union including mainstreaming of the African Union Youth Volunteer Corps (AU-YVC) and opening up opportunities for hundreds of young people to gain hands-on experience in the various fields of this cooperation. The AU and EU will collaborate on devising innovative ways to expand the AU-YVC to bring greater value addition to continental programs and to connect the AU to its citizens, especially young women. Through this collaboration, efforts will be made to enhance and support youth exchanges, mentorship and apprenticeship programmes to foster employability and entrepreneurial prospects. Additionally, programmes on youth health and well-being to reduce youth vulnerability will be enhanced.

4. Political dialogue and institutional cooperation:

30. The EU and AU both share the overarching objective of spreading regional integration on the Continent. The two partners will hold political dialogue on key issues. The partners will cooperate on giving voice to the imperative of regional integration in world forums. The two partners will engage with the UN to enhance and strengthen delivery on results.

31. The two partners will collaborate institutionally to share lessons learned through exchanges between the Commissions, Parliaments, and other bodies.

IV. 5th AU – EU SUMMIT

The Theme **"Investment in Youth for Accelerated Inclusive growth and sustainable development"**

32. In Africa and Europe, growing inequality and unemployment of youth create a feeling of indignation and a profound sense of injustice, that make young people feel that they especially have always been left behind.

33. In Africa, despite the fact that young people are an enormous resource for the continent's developments, youth unemployment remains one of the major challenges. In light of that assumption, and with the ultimate goal and achieving the Africa we want, and in the context of the Africa Union Agenda 2063 and its First Ten Year implementation, African Union Heads of State and Government declared the theme for 2017 as 'Harnessing the Demographic Dividend through Investments in Youth'.

34. According to relevant sources, Africa will account for 80% of the projected 4 billion increase in the global population by 2100. The increase in its working young population creates a window of opportunity, which if properly harnessed, can translate into higher economic growth and yield a demographic dividend. The magnitude of these demographic developments will be transformational for Africa and will also have major implications for the economy of Europe.

35. In Europe likewise, youth unemployment is one of Europe's biggest challenges. And without urgent action for smart investment to turn jobseeker into a skilled and experienced workforce, Europe's viability as an innovative and competitive market is at risk.

36. Furthermore, the non-inclusion of young people in the political arena and decision making remains a debatable topic on both continents. Even though both continents allow for the right to vote and the right to stand as candidate for individuals aged 18 and above, in terms of implementation, there is a still room for improvement. It is undisputable that in order to have the principle of democratic governance prevailing, it is primordial to have youth inclusion, representation and participation.

37. In light of aforementioned that reflects the upheavals in the world, the 5th Africa-Europe Summit will therefore give an opportunity to lay the foundations for an innovative cooperation approach around the design and implementation of major projects, as well as smart investments in education and job creation for youth for inclusive growth and sustainable development that comply with environment standards; the economic and social demands for job-enriching growth on both continent, reducing the inequalities that absorb unemployment and sustainable peace and security in Africa and Europe, and creating a platform that allows for the political representation and participation of the youth to enable them to have a say in decision making.

1. Overall Rational

38. Over the past ten years after its adoption, the implementation of the JAES has recorded a significant impact on both continents. Nevertheless, with the advent of emerging challenges, which Africa and EU are still facing, the JAES is at a turning point to take the relationship to a new strategic level through enhanced cooperation in all spheres in a spirit of shared responsibility, win-win partnership, and active solidarity enabling the two areas to reinforce their resilience to the multifaceted shocks of diverse

and varied origins arising from profound changes that characterize the contemporary world.

39. With the advent of the exit of Britain (Brexit) from the European Union, the resurgence of insecurity and extremism, the turbulence of the globalized economic system, which sometimes lead to systemic crises, the stakes linked to the instability of commodity prices, climate change and its many induced effects, and issues related to global political, economic and financial governance, it is time for these two neighbours, with their rich and complex history, to forge a new and stronger partnership that builds on their specific identities and renewed institutions, capitalises on the lessons of the past ten years of partnership and provides a solid framework for long-term, systematic and well integrated cooperation.

40. In this regard, ten years after the adoption of JAES in 2007 and in preparation for the forthcoming fifth Africa-EU Summit scheduled to take place on 29-30 November 2017 in Abidjan, Republic of Côte d'Ivoire, time has also come for both sides to honestly reflect thoroughly together on where their partnership stands so far, its content, relevance to both partners' realities and priorities, achievements, coordination and architectural deficiencies and implementation bottlenecks, including those pertaining to finance and stakeholder engagement, the role of the growing population of youth on both continent and the future of the partnership as a whole.

41. Meanwhile, the European Union is celebrating its 60th anniversary this year, and the forthcoming 5th Africa-Europe Summit, will be joining the celebration.

2. Main objective:

42. Considering the new global challenges, the Fifth Africa-EU Summit will aim at developing a common roadmap 2018-2021/23 to achieve substantial increase in European and African Diaspora investment in order to create a more cohesive society that can lead to shared prosperity and destiny between Africa and Europe.

3. Specific objectives:

43. The specific objectives of the Summit will be to:

- Invest in human capital to enable Africa to benefit from the demographic dividend;
- Strengthen academic cooperation and scientific research between Europe and Africa;
- Support the financing of socio-economic infrastructure in Africa as well as regional and continental integration;
- Promote diversification and value addition in various sectors within the two regions and strengthen trade links;

- Encourage, facilitate and enable investment by European SME/SMI and mid-cap companies in Africa through intensified periodic sectorial interaction in economic, social and political dialogue between the two areas;
- Promote democratic governance and human rights with a focus on the AU shared values instruments including the African Youth Charter;
- Promote peace and security in Africa and Europe;
- Design and implement major joint projects in various and diverse areas in the spirit of shared responsibility and prosperity;
- Jointly validate identified investment opportunities in both regions and promote meaningful investment strategies.

4. Meetings Format

44. In addition to the opening session, the Fifth Africa-EU Summit will consist of four plenary sessions and many parallel sessions or Summit pre-events.

a) Opening Session

45. It will set the tone for the Summit of Heads of State and Government of the two continents. It consists of a series of opening speeches by the Chairperson of the African Union Commission and the President of the European Commission, the President of Côte d'Ivoire, the current Chairperson of the Assembly of Heads of State and Government of the African Union and the current President of the European Council.

b) Plenary Sessions

46. The four (4) plenary sessions will address issues of common interest, such as those related to the summit theme, democratic governance, peace and security, and global and emerging issues.

i) Plenary Session 1: Education and Training towards skills revolution

47. In recent years, the confluence of rapid technical change, globalization and financial crisis has prompted governments in Africa and Europe to, amongst others, prioritize skills development as a key strategy for enhanced productivity, economic competitiveness and growth. In most African countries and in some European countries significant numbers of those with high levels of formal qualifications still end up unemployed, working in jobs that underutilize their skills or migrate to other countries.

48. Skills affect people's lives and economic and social development in many ways. Skills improve labour market outcomes both in terms of employment rates and earnings. Investing in human capital is the single most effective way of not just promoting growth but also of distributing its benefits more fairly. Human capital and economic growth have a strong relationship. Human capital affects economic growth and can help to develop

an economy through the knowledge and skills of people. Development of human capital is directly related to economic growth.

49. During this plenary session, Heads of States of the two Unions will discuss the urgent need of new strategies and approaches that focus more explicitly on the links and coherence between investments in skills development and employment and productivity and economic growth.

ii) Plenary Session 2: Internally and Externally sourced investment for African structural transformation

50. This session is intended to be more pragmatic and is a continuation of the first plenary session. It will enable Summit participants to identify opportunities for mobilizing internal and external resources to facilitate Africa's transformation. In this regard, the Summit will address issues of domestic resource mobilization (taxation and tax revenue, formalization and taxation of the informal system), illegal financial flows, the establishment of transparent environments to leverage African diaspora remittances, mobilize foreign direct investment (FDI), portfolio investment, export credits and all other forms of innovative financing. It will discuss more broadly the issue of private sector development and all the hurdles to be crossed in a bid to attract domestic and foreign investment. The key issue regarding external investment will be to implement policies that make the most of FDI and official development assistance (ODA). Special emphasis will be placed on portfolio investment and new innovative forms of financing such as social impact investments.

51. It is undoubted that trade can provide significant impetus and drive to Africa's Structural transformation Agenda. The EU continues to be Africa's major trading partner wherein AU Member States are currently trading with the EU under, Bilateral Trade Arrangements, Everything but Arms (EBAs), Generalized System of Preferences (GSP) and/or Economic Partnership Agreements (EPAs), even though negotiations are still ongoing in some of the EPA negotiating configurations with the EU. The United Kingdom's (UK) decision (Brexit) to leave the European Union (EU) is of interest to African economies, especially given that it remains a key source of FDI for Africa that amounted to £42.5Bn in 2014. Whilst Africa formal trade relationships are secured by the respective bilateral trade agreements and signed EPAs among others, the future trade negotiations and Trade preferences like EBAs and GSP post Brexit remain a concern for African countries as the terms of Brexit are likely to determine whether the UK can continue to grant these preferences to African countries and hence may impact the future of Africa-UK trade relations. In addition, there is need to ensure that Africa - EU Trade arrangements alluded to earlier, are complimenting and supportive to Africa's own trade agenda especially now as it gears towards establishing a Continental Free Trade Area. (CFTA). In this regard, in addition to the issue of investments, this session will assist to review on how the Economic Partnership Agreements can complement Africa's Continental Integration.

iii) Plenary Session 3: Resilience Building, Peace Security, Governance and Migration issues.

52. This plenary session will enable constructive discussions on common issues related to peace, security and other emerging issues such as climate change, illegal migration, environmental issues, terrorism, transnational crime and cybercrime, as well as illicit financial flows. This session will point to ways of combining efforts between Africa and Europe to stem all these scourges.

iv) Plenary Session 4: Adoption of mechanisms for joint planning, financing, implementation as well as monitoring and evaluation

53. This session will focus on the adoption of the planning and implementation mechanism to ensure that concrete projects will be designed to contribute towards continental priorities and Agenda 2063 targets. Financing modalities will be jointly agreed, as well as roles and responsibilities for implementation. Commitments of member states to facilitate implementation will be agreed upon in this session.

54. Finally, this last session will adopt the new roadmap, which will mainly focus on the major Africa-European projects for the next two decades. This roadmap will be accompanied by a monitoring/evaluation mechanism and a project financing plan.

5. Pre-summit events

55. These events will include:

- i) The Sixth Africa-Europe Private Sector Business Forum;
- ii) The Fourth Summit between the Pan-African Parliament and the European Parliament;
- iii) The Fourth Africa-Europe Youth Summit;
- iv) The Meeting of African-European Economic and Social Actors.
- v) AU – EU – OECD: “Employment of Youth in Africa”
- vi) AU - EU – ECDPM: Fridays of the Commission, “AU – EU Cooperation: Achievements, Perspective and Challenges”

56. The Summit will also include cultural and promotional events organized by actors from both regions.

6. Expected outcomes

57. The Fifth Africa-EU Summit will adopt a declaration that will cover concretely defined priority joint initiatives that reflect the will and commitment of political leaders on both continents to strengthen cooperation and partnership. It will therefore highlight the

major flagship initiatives identified by the Fifth Summit, as well as the joint planning, monitoring, evaluation and financing mechanisms under these initiatives.

58. Separate thematic declarations on specific topics may also be adopted, as needed.

59. An appraisal of the implementation of the 2014-2017 Joint Roadmap will be conducted and its findings will be put in a document that will highlight the progress made, challenges and opportunities available to the partnership. The appraisal will contribute to the development of the new Joint Roadmap for the next three/five years (2018-2021/23), focusing mainly on major projects that will symbolize the prosperity, responsibility, and shared destiny of both continents in a constantly changing world.

60. In this regard, the Summit will adopt a 2018-2021 Joint Roadmap.

DRAFT
DECISION ON MULTILATERAL COOPERATION
Doc. EX.CL/1016(XXXI)ii

The Executive Council,

I. Evaluation of Strategic Partnerships

1. **REITERATES** EX.CL/Dec.942 (XXX) of the 30th Ordinary Session of the Executive Council, 25 - 27 January 2017, Addis Ababa, which DIRECTED the PRC, in collaboration with the Commission and the RECs, to hold special sessions within six months to allow for an in-depth discussion and analysis of all aspects of Strategic Partnership in order to formulate appropriate proposals and recommendations;

II. Tokyo International Conference on Africa Development (TICAD)

2. **ENDORSES** the date of 23-25 August 2017 for the holding of the TICAD VI Ministerial Follow up Meeting, in Maputo, Mozambique;

III. AU – EU Partnership

3. **APPROVES:**

- i) the Theme of the 5th AU – EU Summit namely: “Investment in Youth for Accelerated Inclusive growth and sustainable development”;
- ii) the nomenclature for the partnership with the European Union to be: “African Union (AU) – European Union (EU) Partnership” instead of “Africa – EU partnership”;
- iii) the holding of a Senior Officials meeting and a Ministerial meeting that will precede the 5th AU–EU Summit and **REQUEST** the PRC in close collaboration with the Commission to agree with the European side on the final dates for the above-mentioned meeting to be communicated in due course;

4. **REQUESTS** the PRC in close collaboration with the Commission to prepare and negotiate with the European side, the outcome documents of the 5th AU–EU Summit;

IV. Strengthening of the Institutional Capacity of the Commission (Partnerships Management and Coordination Division)

5. **REAFFIRMS** its Decision, EX.CL/Dec.942 (XXX), Paragraph A2, which called for the strengthening of the institutional capacity of the Commission (Partnerships Management and Coordination Division), and **REQUESTS** the PRC in collaboration with the Commission to expedite action in this regard.

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