

High-Level Forum Africa-Europe 2018, Vienna, Austria, 18 December 2018

## **Towards an Africa Europe partnership for sustainable development and jobs in rural Africa**

### **Priority Areas for Action and Key Recommendations of the Task Force Rural Africa**

The EU Commission established the Task Force Rural Africa to advise on how best to contribute to sustainable development and job creation in Africa's agriculture and food sectors and rural economy. It was asked to focus on better coordination of existing initiatives, on boosting investments, sharing knowledge, prioritizing policy and regulatory reforms, and strategies to support youth.

The Task Force now presents its key areas for action and recommendations, situating them in the context of the new Africa-Europe Alliance for Sustainable Investment and Jobs which aims to deepen the EU's economic and trade partnership with Africa through investment and job creation.

Creating enough jobs for the rapidly increasing labour force will be the greatest challenge facing African societies and political leaders in the years and decades ahead. In 2020, 20 million African women and men will enter the labour force: this number will rise to 30 million per year by 2030. Between 2015 and 2050, Africa will account for 70% of the increase in global workforce. Africa's governments, business communities and its people need to take action to answer this unique challenge, together with the EU and in line with the AU's Agenda 2063.

These realities explain the Task Force's focus on jobs and income creation: specifically, what policies and actions are required to generate the maximum possible number of sustainable jobs in the agriculture and food sectors and in the rural economy. These have a key role to play in African strategy for economic development and in the new Africa-Europe Alliance. If job creation is to be maximised, African leaders together with their people and businesses must resolve wider challenges, including building political and macroeconomic stability, improving governance and reducing conflict, investing in Africa's people through better nutrition, education and health, and addressing environmental degradation and climate change.

The Task Force's central recommendation is that Africa and the EU should implement an innovative partnership for the inclusive and sustainable development of Africa's agriculture and food sectors and its rural economy, taking into account a gender approach. This partnership would operate at three levels: people to people, business to business, and government to government. It would facilitate a multi-stakeholder dialogue and enable a broad connection between African and European societies, business communities, and governments to build on development experiences. It would be genuinely innovative, going beyond the formal government relationships which have operated between Africa and Europe since the 1960s. The launch of this partnership would involve both existing and innovative political, economic and social structures. There is scope for improved coordination between the EU Institutions and its Member States, and for Africa and Europe to learn lessons from the past and build on the progress made in recent years through their respective Commissions, Joint Ministerial meetings and other fora.

Within the partnership, **four priority strategic areas for action** are proposed, with African political and policy leadership over the medium to long term, supported by European finance, knowledge and implementation capacity:

**1. A territorial development strategy for income and job creation**

Pursue a territorial approach towards rural development, highlighting the benefit of increased public and private investment and the provision of basic services in medium sized and small towns and rural areas. The aim of this approach is to unlock the potential of rural areas and strengthen the capacity of rural people, notably women and youth, and to empower local, regional and national institutions. This includes European support for gender sensitive regional and local initiatives and innovation hubs.

**2. Sustainable land and natural resources management and climate action**

Sustainably manage Africa's land and natural resources and use opportunities for climate action as part of a strategy of systematically building resilience against the impacts of climate change. Adopt a food systems approach to agri-food policies and investments, simultaneously targeting economic, environmental and social sustainability.

**3. Sustainable transformation of African agriculture**

Acknowledging the wide diversity in agricultural situations among African countries, seek to achieve rapid inclusive agricultural growth, using and preserving the full potential of ecological resources to co-design with local actors a new development paradigm. Adopt a specific focus on family farming, building capacity in farmers' organisations, sustainable agricultural intensification, appropriate mechanisation and agri-food systems, backed up by increased commitment to the creation of an enabling economic and institutional environment for the sector.

**4. Development of the African food industry and food markets**

Support the African food industry in doing business, by local and regional value chain development, better access to finance and by the creation of an enabling environment. Improve value addition through increased private sector investments, enhance resource efficiency and food safety standards, and promote intra-Africa trade for agricultural and food products.

To implement the proposed Africa EU partnership for the development of the African agriculture and food sectors and its rural economy, we propose an Action Plan to be fast tracked within the Alliance and other instruments/frameworks of Africa EU cooperation. Integral to this Action Plan would be the building of capacity, particularly of African women and youth; of participatory governance mechanisms; and of education and research institutions. The EU needs to progress in policy coherence for development (PCD) in agriculture, trade, environment and migration policies. We support the involvement of African stakeholders in PCD assessments and the use of joint platforms where PCD issues can be raised.

The EU and its Member States can complement each other in supporting the different elements of the Action Plan. We see a need for assigning clear responsibilities and timeframes for the implementation and monitoring of these policies to be agreed, including follow-up mechanisms, such as the biannual Joint AU-EU Agricultural Ministerial conference, and involvement of all stakeholders concerned.

In advance of completing the final report, we have selected **six main recommendations to the EU Commission for short to medium term action** which we believe the EU should discuss, support and implement with their African partners:

1. Support rural governance and an innovative **local action programme**, based on a **territorial approach**

A **territorial approach** to economic development and job creation is a powerful - and increasingly recognised - tool for improving development outcomes. A policy dialogue should be established at AU, EU and African national and local authority levels to enhance a common understanding of how territorial approaches can be used to improve policy and programme design and implementation. European financial support should be provided for place-based innovative local action programmes, adapted to African economic, social and environmental realities, and drawing on European experience in this area. It will particularly include **participatory territorial diagnoses and multi-stakeholder dialogue** for the identification of opportunities, constraints and priorities for action, with a particular focus to the **provision of public goods** (infrastructure, electricity, internet) indispensable for agri-food value chain development and rural diversification.

2. Mainstream **environmental sustainability** and promote **climate action**

Support African governments **to enforce guidelines for sustainable land and natural resources management**, promote the integration of climate action, including resilience, into agricultural policies at various levels, including CAADP investment plans, and enhance coherence between Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs) and National Agricultural Investment Plans (NAIPs). Actions in these key areas would require a nexus approach that integrates water, food and energy as well as an inclusive approach that ensures the co-management of conservation areas and natural resources with local communities and smallholder farmers.

The above actions would require **dedicated finance by fast-tracking the co-financing of the food-related parts** of NAPs and NDCs of African countries under the Paris Climate Agreement, dedicating adequate and predictable funding from climate finance including the Green Climate Fund to foster environmental stewardship and increase benefits of REDD+ (Reducing Emissions from Deforestation and Forest Degradation), and the payment for environmental services to people and rural communities.

3. Start a **knowledge, innovation and networking** initiative for transformation of agriculture and rural areas

The initiative will include two components: (i) the creation of **knowledge platforms** and (ii) the creation of **regional innovation hubs**. The knowledge platforms will be implemented with the support of the AU at the national and/or Regional Economic Communities level for: the strategic capitalization of the existing knowledge on natural resources and agricultural best practices; the stocktaking of available cropland, soil and water resources; the identification of the labour content (number and quality of jobs) in agriculture and value chains. These platforms will develop and manage databases feeding national and local dialogue on agriculture transformation and the regional innovation hubs. The innovation hubs will create synergies between national research, higher education systems and the private sector and provide practical knowledge to 'agripreneurs', with a particular focus on women and youth, through **digital innovations and vocational training**.

4. Improve **access to private finance** and to **EU cooperation instruments** for small and medium size agriculture and food businesses

Support the African rural economy by **prioritizing European investments** towards small and medium-size agriculture and food businesses. Ensure the European Investment Plan (**EIP**) works for Africa's agriculture and food sectors and its rural economy. This requires allocating sufficient resources to the EIP investment window on Sustainable Agriculture, Rural Entrepreneurs and Agribusiness (Pillar I of EIP); supporting smallholders producer associations, SMEs and local financial intermediaries (including cooperative banks and linking financial instruments to insurance solutions) via technical assistance (Pillar II); designing and enforcing policies for agricultural transformation via an enabling environment (Pillar III); and ensuring close coordination between these three EIP Pillars.

5. Scale up **sustainable value chain** development, **regional integration** and **intra-regional trade**

The AU, the EU and their Member States must scale up support to Regional Economic Communities and value chain operators to **harness local and regional markets**. Acceleration of the development of intra-African trade, in accordance with the Malabo Declaration, should be facilitated through: better coordination and alignment of regional exchanges, trade corridors and stronger governance of food quality and safety infrastructure; working on regulatory harmonisation and investing in infrastructures; enhancing coordination between stakeholders in the value chain and financing bodies to establishing funds to address technological bottlenecks and shortcomings; scaling up successful innovations to improve producers' benefits, resource efficiency and increase market shares. Lessons from the EU's unique experience of building a common agricultural market could help in establishing regulations to ensure fair competition and fiscal obligations, or developing specific activities.

6. Bring together **European and African expertise** for agriculture and rural development

Africa and Europe should scale up existing initiatives and implement a comprehensive and innovative partnership, enabling a broad connection and collective action between African and European societies, business communities and governments.

Areas of the partnership include rural service delivery, accountability and sector dialogue. At the core of this are scaled-up programmes, such as a **Europe - Africa Twinning programmes and joint programming**, which will bring together sector expertise from EU Member States and African countries with the aim of achieving concrete results through peer-to-peer learning. It would not be limited to public administrations, but give emphasis on linking agricultural, rural and natural resources management bodies (collective action groups, associations, public bodies). Complementary exchange programmes would support the development of functioning institutional arrangements. Enhanced capacities of public service providers and empowerment of local self-governance bodies will directly contribute to accountable governance systems – a prerequisite of sustainable rural development.

At the heart of our report is the idea that EU and Africa build a new and deeper partnership, involving people, business and governments. We believe that this partnership can make agricultural and rural transformation a reality in Africa contributing to sustainable development and employment.

## Priority Areas for Action

*long-term perspective and orientations*

Territorial development strategy  
for income and job creation

Sustainable land and natural resources  
management and climate action

Sustainable transformation of African  
agriculture

Development of the African food industry  
and food markets

## Key Recommendations

*short to medium actions*

1. Support rural governance and an innovative **local action programme**, based on **territorial approach**
2. Mainstream **environmental sustainability** and promote **climate action**
3. Start a **knowledge, innovation and networking** initiative for transformation of agriculture and rural areas
4. Improve **access to private finance** and to **EU cooperation instruments** for small and medium-size agriculture and food businesses
5. Scale up **sustainable value chain development, regional integration** and **intra-regional trade**
6. Bring together **European and African expertise** for agriculture and rural development