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PROMOTING EXCELLENCE, POLITICAL INNOVATION AND LEADERSHIP IN EUROPE

STUDY GUIDE

Topic: The EU's Future Trade Relations with the African Union

Table of Contents

Table of Contents	2
Greeting of the Board	3
Introduction to INTA Committee	4
Key Terms and Definitions	5
Introduction to the topic	6
Historical background	7
Legal Framework	9
Discussion of the topic	14
I. Displacement	14
II. Black market	17
III. Unfair Competition Practices	19
IV. Protection of Agricultural Products	20
V. Strengthening the AfCFTA	22
VI. EU's strategic advantages	24
VII. Intelectual Property	25
European Parties' positions	26
European People's Party	26
Progressive Alliance of Democrats & Socials	27
Renew Europe	28
The left in the European Parliament/Nordic Green Left	28
European Conservative Reformists	29
Greens-European Free Alliance	30
Conclusion	30
Questions Raised	31
Bibliography	31
Further Reading	35

Study Guide

Greeting of the Board

Distinguished Member of the European Parliament,

It is a great honor and utmost pleasure to officially welcome you to EUropa.S 2023 Conference and precisely to the Committee on International Trade of the European Parliament, a legislative institution of foremost importance in the definition of the Union's Trade Policy and its democratic conscience. Primarily, we would like to express our heartfelt gratitude for choosing our committee and at the same time reassure you, that our position, apart from responsibility, comes with great devotion and willing both to ensure the preservation of the conference's renowned quality and most importantly the provision of effective quidelines for your simulation journey. We sincerely hope this conference to be an enormous opportunity for you to challenge yourself, grow your personal skills and eventually excel both academically and socially.

Our topic "The EU'S future trade relations with the African Union," is a matter that accelerates fertile discussions both on national and international level, focused on an unpredictable, fragile as well as uncertain aspect; the future. We aspire that you find the topic as appealing, current, and captivating as we do, and we are looking forward to accepting your stances in person. The following study guide, provides you with substantial information regarding our topic, focused on fundamental factors hoping to assist you through your preparation and further comprehension of the topic. However, please keep in mind that in order to form a more spherical and informed opinion and at the same time be aware of any potential updates, since our topic is considered to be very contemporary, we highly encourage you to use this information as a starting point of your own research so as to be as prepared as possible until the conference.

Beyond any doubt, we are thrilled to meet you in person and become a part of your significant debate experience this April. We are looking forward to seeing you in our committee!

Best Regards, The Board of INTA Committee

Introduction to INTA Committee

The European Parliament is one of the seven basic EU's institutional bodies with legislative, supervisory, and budgetary authority. With 705 active members, representing the interests of the people of the EU, consists one of the largest democratic electorates in the world. The Parliament acts as co-legislator sharing with the Council the power to adopt and amend legislative proposals and to decide on the EU budget. It also supervises the work of the Commission and other EU bodies and cooperates with national parliaments of EU countries to get their input.¹

The Committee of International Trade (INTA) evaluates all EU trade and investment agreements, scrutinize the Commission's work before the start of and during negotiations and co-decide on the legal framework in which trade takes place. The Committee also leads the debate about the future shape of international trade and stands up for a rules-based trading order.²

In General, The Committee is responsible for matters relating to the establishment, implementation and monitoring of the Union's common commercial policy and its external economic relations, in particular;

- 1. financial, economic and trade relations with third countries and regional organizations;
- 2. the common external tariff and trade facilitation as well as the external aspects of customs provisions and management;
- 3. the opening, monitoring, conclusion and follow-up of bilateral, multilateral and plurilateral trade agreements governing economic, trade and investment relations with third countries and regional organizations;
- 4. measures of technical harmonization or standardization in fields covered by instruments of international law;
- 5. relations with the relevant international organizations and international fora on trade-related matters, and with organizations promoting regional economic and commercial integration outside the Union;
- 6. relations with the WTO, including its parliamentary dimension.

¹ European Parliament. *How plenary works*. [Online] Available from: <u>https://www.europarl.europa.eu/about-parliament/en</u> [Accessed 21st November 2022]

² European Parliament. *About INTA Committee*. [Online] Available from: <u>https://www.europarl.europa.eu/committees/en/inta/about</u> [Accessed 21st November 2022]

Study Guide

The committee liaises with the relevant interparliamentary and ad hoc delegations for the economic and trade aspects of relations with third countries.³

Key Terms and Definitions

Black Market: A black market is any market where the exchange of goods and services takes place in order to facilitate the transaction of illegal goods or to avoid government oversight and taxes, or both.

Capital Investment: Capital investment is the acquisition of physical assets by a company for use in furthering its long-term business goals and objectives.

Climate Change: A change in global or regional climate patterns.

Decolonization: The action or process of a state withdrawing from a former colony.

Entrepreneur: A person who sets up a business or businesses, taking on financial risks in the hope of profit.

Intellectual property: intangible property that is the result of creativity, such as patents, copyrights, etc.

Legislation gap: The absence of a necessary concrete norm for regulation of a relation that is in the sphere of legal regulation

Migration: The movement of a person or people from one country, locality, place of residence, etc., to settle in another.

Sustainability: Meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Trade Barriers: The obstacles that are put in place by governments to limit free trade between national economies.

Free Trade Agreement: A free trade agreement is a treaty between two or more countries designed to reduce or eliminate certain barriers to trade and

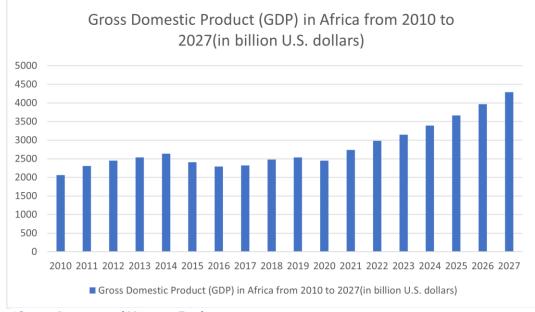
³ European Parliament. (2022) *Rules of Procedure of the European Parliament*. [Online] Available from: <u>https://www.europarl.europa.eu/doceo/document/RULES-9-2022-07-11-RESP-INTA_EN.html</u> [Accessed 21st November 2022]

Study Guide

investment, and to facilitate stronger trade and commercial ties between participating countries.

Introduction to the topic

The African continent is set to become the most populous continent by the year 2100, making it the largest market in the world and with a huge working aged population, that will be the driving force for both the European enterprises' exports and the African economy. According to IMF projections, Africa will become the fastest growing economy in terms of GDP growth in the upcoming years.





The European Union is Africa's largest trade partner and largest investor, based on the FDI and balance of payments figures.⁴ This relation is derived from numerous multilateral and bilateral agreements such as the Economic Partnership Agreements (EPAs), Association Agreements, JAES and Cotonou Agreement, signed between the EU and African countries. This legal framework, apart from creating a mutual beneficiary relationship, has also contributed to the fragmentation and overlapping of many initiatives that could prove more effective if combined and clarified.

The road ahead seems very challenging as we are faced with problems arising from climate change, displacement and migration, economic sustainability,

⁴ European Commission. (2020) The European Union and Africa: Partners in Trade. [Online] Available from: https://trade.ec.europa.eu/doclib/docs/2022/february/tradoc_160053.pdf [Accessed 27th November 2022]

Study Guide

conflicts and health related issues. In this new reality it is believed that trade can play a crucial role in resolving some of the aforementioned problems. Nevertheless, trade is a key component for economic integration, one of the foundation stones of the European Union, and has helped in the development of the Union.

The trade policy that defines the European Union is the creation of a common market area for its member-states and the subsequent creation of the customs union, thus making the member-states a single trade area with common external tariffs and customs. Free trade between countries enables enterprises to trade goods and services without excessive restrictions, with common standards and with lower costs for suppliers and consumers. This in return creates investment opportunities, the creation of businesses, reduction of unemployment and an increase in general stability.

To conclude, equal, free and fair trade between the European Union and the African Union could be the defining component for the future of Africa, for it could alleviate many major issues that both continents struggle with, as detailed below. Approaching Africa could definitely be far more challenging than expected, especially if we take into consideration the legislative, cultural and moral differences and the various barriers that will have to be overcome to achieve desired goals.

Historical background

Trade has always been an inextricable part of European history. Considering that one of the first maritime trade encounters took place in the bronze age between Greek and Egyptian civilizations,⁵ we understand the importance of trade throughout history. Although, relations among European and African countries haven't always been on favorable terms for both parties. As the 16th century commenced, the early European empires sought after new trade routes and valuable materials, thus they tried to expand and establish trade networks in Africa, marking the start of European colonialism.

The networks established by the European powers evolved and became global trade routes. West Africa, the Gulf of Guinea and Cape of Good Hope were amongst the most prominent at the time. At first the Portuguese traded good such as gold and maize, then the Dutch efforts to undermine the Portuguese

⁵ Prudence J. Jones. (2016) *Africa: Greek and Roman Perspectives from Homer to Apuleius* [Online] Harvard Center of Hellenic Studies. Available from: <u>http://nrs.harvard.edu/urn-3:hul.ebook:CHS_JonesP.Africa.2016</u> [Accessed 22nd November 2022]

Study Guide

trade monopoly started and other trade companies and empires followed suit.⁶ While trade of goods between Europe, Africa and the newly found American continent was mostly beneficial for all parties involved, an inhumane form of trade had started taking place in the form of slave trading. Millions of people of African origin were forcefully taken, and they were sold to work in plantations in the New World.

As the centuries progressed, the grip of the European empires on the African continent only grew tighter and tighter. Several colonies and mandates were established, the African continent was almost split in half by the French and the British empires, the trading that took place in this period of time was mostly between the colonized nations and the colonizers and it was mainly focused on raw materials such as palm oil, cotton and a variety of ores. The economic model upon which the colonies were based dictated that no advanced industry or manufacturing could take place in colonial lands nor significant infrastructure investments and developments. The local economies should only provide the raw materials needed by the colonizers. This rudimentary economic system left its long-lasting impact on the African continent that struggles to this day to evolve its primary and secondary sectors of the economy.

Following the African liberation and subsequent decolonization, regional integration was seen as a remedy to the economic dependence African countries had to the European ones. Organizations, economic unions and free trade areas came to exist shortly after the first countries became independent. Although, most of those initiatives were instigated by the European countries in order to keep their control and influence in the region, as the years progressed, past manipulative practices were abandoned to some extent and gave the necessary freedom to African countries to pursue their own economic, trade and monetary policies.⁷ Currently the African Union, a continental organization similar to the European Union, created in 2002 has been vested with the objectives to develop and promote common policies on trade, coordinate and harmonise the policies between the existing and future Regional Economic Communities and establish the necessary conditions which enable the continent to play its rightful role in the global economy.⁸

⁶ McCaskie T.C., Fage J. D. (2016) Western Africa [Online] Britannica. Available from: <u>https://www.britannica.com/place/western-Africa/The-beginnings-of-European-activity</u> [Accessed 22nd November 2022] ⁷ Akyeampong E. (2017) *History of African Trade*. [Online] Harvard University, African Export-Import Bank. Available from: <u>https://elibrary.acbfpact.org/acbf/collect/acbf/index/assoc/HASH0100/039e055d/606b9c4a/9550.dir/History-of-African-Trade.pdf</u> [Accessed 22nd November 2022]

⁸ African Union. (2000) *Constitutive act of the African Union*. [Online] Available from: <u>https://au.int/sites/default/files/pages/34873-file-constitutiveact_en.pdf</u> [Accessed 28th November 2022]

Study Guide

Legal Framework

In this part of the Document is examined the legal basis where the strategical steps that have already been made are structured on. While emphasis is given to EU legislation and strategy, international reaction has also been included for the furthest comprehension of the topic.

The Fundamental Legal Basis include first and foremost; **The articles 217-218 of the Functioning of the European Union (TFEU)**, and the **Regulation (EU)2021/947 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe.**

The Cotonou Agreement

Relations between the EU and sub-Saharan Africa are governed by the Cotonou Agreement, which sets out the basis for relations between the EU and 78 countries in the ACP (African, Caribbean and Pacific Group of States). South Sudan is not a signatory to the agreement.

EU-ACP relations date back to the Lomé Conventions I-IV (1975-2000) laying down development cooperation and trade provisions, which allowed 99.5% of products from ACP countries free access to the European market. Lomé was succeeded by the Cotonou Agreement, signed in 2000, initially due to expire in 2020 and then extended until the end of 2021. The goal of the Cotonou Agreement is to eradicate poverty and to integrate the ACP countries fully into the world economy. Based on mutual commitment and shared responsibility, it emphasises political dialogue, human rights, democracy and good governance. The Agreement is implemented by joint ACP-EU institutions, including a Council of Ministers, a Committee of Ambassadors and a Joint Parliamentary Assembly.

The negotiations on the post-Cotonou agreement between the EU and the Organization of the ACP States (OACPS) began in 2018 and have been concluded, but signature of the agreement is still pending. The current Cotonou Partnership Agreement is expected to remain in force until the post-Cotonou Agreement kicks in. The new agreement sets out strategic priority areas for cooperation, including human rights, democracy and governance; peace and security; human and social development; environmental sustainability and climate change; inclusive sustainable economic growth and development; and migration and mobility. The post-Cotonou agreement also stresses the relevance of cooperation in international forums, the UN 2030 Agenda and the Sustainable Development Goals. Cooperation is structured in regional protocols reflecting the different

Study Guide

priorities of the African, Caribbean and Pacific regions. The EU-Africa Protocol is the legal framework for relations between the EU and sub-Saharan Africa. The protocol assigns a greater role to dialogue with the African Union. The regional priority areas encompass inclusive and sustainable economic growth; human and social development; environment and natural resources; peace and security; the rule of law, justice, democracy and governance; human rights and gender equality; and migration and mobility.⁹

Trade relations

The Cotonou Agreement allows the EU and ACP countries to negotiate development-oriented free trade agreements called Economic Partnership Agreements (EPAs). Trade between the EU and African countries – together with regional and continental economic integration – is considered a fundamental element to promote sustainable development in Africa. In addition, unilateral schemes allow preferential market access to the EU for most sub-Saharan countries (see separate fact sheet 5.2.3 'Trade regimes applicable to developing countries'). The principal instruments promoting trade between the EU and African regions are the World Trade Organization-compatible trade arrangements EPAs. However, the negotiation of these agreements, which started in 2002, proved more difficult than expected. As a result, for the moment only the EU-South Africa Development Community (SADC) EPA has been provisionally applied since October 2016.¹⁰

The Joint Africa-EU Strategy (JAES)

The Joint Africa-EU Strategy (JAES) was adopted by European and African leaders at the second EU-Africa Summit (in Lisbon in 2007) and defines the political vision for the Africa-EU partnership. Its goals are:

- To move beyond donor-recipient cooperation, opening Africa-EU relations to issues of joint political concern;
- To expand cooperation by addressing global common challenges such as migration, climate change, peace and security and to reinforce cooperation in international forums;
- To support Africa's aspirations to encourage trans-regional and continental responses to these important challenges;

⁹ European Commission. (2022) *EU-Africa: Global Gateway Investment Package*. [Online] Available from: <u>https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/global-gateway/eu-africa-global-gateway-investment-package en [Accessed 28th November 2022]</u>

¹⁰ European Parliament. (2021) *Factsheets on Africa*. [Online] Available from: <u>https://www.europarl.europa.eu/factsheets/en/sheet/180/africa#:~:text=The%20EU-</u>

Africa%20Protocol%20is%20the%20legal%20framework%20for,greater%20role%20to%20dialogue%20with%20the%20 Africa%20Union [Accessed 28th November 2022]

- Study Guide
- To work towards a people-centered partnership, ensuring better participation of African and European citizens.

The fifth EU-African Union (AU) summit took place in Côte d'Ivoire in November 2017, focusing on 'Investing in Youth'. This is a key issue for both partners, as 60% of the African population is aged under 25. At the summit, EU and African leaders adopted a joint declaration on the common priorities for an EU-African partnership in four areas: (i) economic opportunities for youth; (ii) peace and security; (iii) mobility and migration; and (iv) cooperation and governance. They also condemned the inhuman treatment of migrants and refugees in Libya, adopting a joint statement on the issue.

The sixth AU-EU Summit was scheduled to take place in 2020 but was postponed. It is currently expected to be held in the first half of 2022. The summit will define a new comprehensive common strategy that will replace and upgrade the existing Joint Africa-EU Strategy.¹¹

European Union - African Union 6th Summit

The heads of state or government of the member states of the African Union (AU) and the European Union (EU) met for the sixth European Union - African Union summit in Brussels on 17 and 18 February 2022.

<u>Two Unions, a joint vision</u>

EU and AU leaders agreed on a joint vision for a renewed partnership.

The aims of the partnership are solidarity, security, peace and sustainable and sustained economic development and prosperity for the citizens of the two Unions today and in the future, bringing together people, regions and organisations.

It aims to promote common priorities, shared values, and international law, and preserve interests and common public goods. This includes the protection of human rights for all, gender equality and women's empowerment in all spheres of life, the rule of law, actions to preserve the climate, environment and biodiversity, but also sustainable and inclusive economic growth and the fight against inequalities.

A prosperous and sustainable Africa and Europe

The leaders announced an Africa-Europe Investment Package of EUR 150 billion that will support a common ambition for 2030 and AU Agenda 2063. The

¹¹ European Parliament. (2021) *Factsheets on Africa*. [Online] Available from: <u>https://www.europarl.europa.eu/factsheets/en/sheet/180/africa#:~:text=The%20EU-</u> <u>Africa%20Protocol%20is%20the%20legal%20framework%20for,greater%20role%20to%20dialogu</u> <u>e%20with%20the%20African%20Union</u> [Accessed 28th November 2022]

Study Guide

investment package will help build more diversified, inclusive, sustainable and resilient economies.

Our two continents aim to demonstrate and share with the rest of the world the success of an agenda of prosperity respectful of our people and our planet.

<u>Joint Declaration</u>

The investment package aims to boost public and private investment in a number of areas:

- energy, transport and digital infrastructure
- energy transition that is fair, just and equitable, taking into account the specific and diverse orientations of the African countries with regards to access to electricity
- green transition, including supporting the implementation of the national plans of African countries under the Paris Agreement
- digital transformation that supports connectivity and affordable and better access to the digital and data economy
- sustainable growth and decent job creation, including by investing in the creation of businesses owned by young people in Africa
- transport facilitation and efficiency of connected transport networks
- mobility and employability of students, young graduates and skilled workers

In addition, the package will be complemented with specific instruments supporting:

- the health sector: support for initiatives related to pandemic preparedness, health security and equitable access to essential health services
- the education system: investment in inclusive and equitable quality education, including by promoting vocational education and training, also at regional level.

To implement the package, the EU and the AU will leverage public funds to stimulate private investments by mobilising innovative financing instruments. They also aim to improve the business and investment climate by reforming governance, supporting African entrepreneurship. To achieve this, international and national financial institutions, such as the European Investment Bank, and the African Development Bank as well as public/private partnerships will also be mobilised.

The EU and the AU will also work to leverage and facilitate transparent remittances, notably by reducing the transaction costs.

EU an AU leaders will also boost regional and continental economic integration, particularly through the African Continental Free Trade Area. The existing trade

Study Guide

agreements between the EU and some African countries have contributed to the strengthening and deepening of trade and economic development between the two continents.¹²

Development cooperation

The EU remains Africa's biggest donor. Development cooperation is channelled through different financial instruments. Until very recently, the most important of these was the European Development Fund (EDF), which was based on the Cotonou Agreement and was not part of the common EU budget. The 11th EDF (2014-2020) had a budget of EUR 29.1 billion: EUR 24.3 billion for national and regional cooperation programmes, EUR 3.6 billion for intra-ACP cooperation, and EUR 1.1 billion for the ACP Investment Facility, run by the European Investment Bank.

As a result of the negotiations on the new EU multiannual financial framework (MFF) 2021-2027, development cooperation will be covered by the comprehensive 'Global Europe' financial instrument, fully incorporated into the EU budget. Global Europe brings together 10 separate instruments and funds from the 2014-2020 MFF, as well as the EDF. It has an overall budget of EUR 79.5 billion and is made up of three main components: geographical, thematic and rapid response. The largest share, reserved for the geographical component, is worth EUR 60.4 billion and almost half of it, EUR 29.1 billion, is earmarked for sub-Saharan Africa.

A number of African countries situated in the north of Africa, the Horn of Africa and the Sahel and Lake Chad regions also benefit from the recently created EU Emergency Trust Fund for Africa, set up in 2015. Since the fund was launched, the total amount of funding made available for the three regional 'windows' has increased and now amounts to almost EUR 5 billion, of which EUR 4.4 billion comes from the EDF.¹³

A great example of assistance is noticeable in Sudan. The EU's Emergency Trust for Africa, initiatives seek to address the underlying causes of displacement in the country such as the programme "Strengthening resilience of refugees, IDPs and host communities in Eastern Sudan" introduced in 28/04/2016, aimed also at the improvement of the living conditions of refugees, IDPs and host communities.

 ¹² Council of the European Union. (2022) *European Union - African Union summit, 17-18 February 2022.* [Online] Available from: <u>https://www.consilium.europa.eu/en/meetings/international-summit/2022/02/17-18/</u> [Accessed 29th November 2022]
¹³ European Parliament. (2021) *Factsheets on Africa.* [Online] Available from: <u>https://www.europarl.europa.eu/factsheets/en/sheet/180/africa#:~:text=The%20EU-</u>

Africa%20Protocol%20is%20the%20legal%20framework%20for,greater%20role%20to%20dialogue%20with%20the%20 Africa%20Union [Accessed 28th November 2022]

Study Guide

Moreover, through programs on education, health, nutrition, it has managed to target the most vulnerable groups in rural and urban locations.¹⁴

Another case is the country of Cameroon, which mainly suffers from a high poverty index, causing a mass exodus of population (181,000 internally displaced persons are registered), and a major refugee flow problem from the Central African Republic and Nigeria. In this context, the actions of the Emergency Trust Fund for Africa aim to strengthen access to basic services and food for the most vulnerable populations and to support local economic development with initiatives such as the Employment Promotion and Resilience Building Project in Northern Cameroon (Far North, North and Adamaoua), introduced in 01/10/2016, In order to promote stability and peace in the northern regions of the country, activities will be carried out to prevent radicalisation, improve the living conditions of vulnerable social groups, and promote social cohesion.¹⁵

Discussion of the topic

I. Displacement

In recent years, the migration crisis in the Mediterranean has sadly become the poster child for African migration. The desperation that characterizes migration across the Mediterranean has reinforced the perception that African migration is a south-to-north movement, with African migrants taking extreme measures, often at the risk of life and limb, to harvest the promise of Europe. It goes without saying that African migration goes beyond images of the rickety boats on the Mediterranean or conflict-induced displacements that we see in the media. While these certainly have a place in the narrative, the larger frame of the story is as complex and diverse as the people of the continent itself. It is a story that includes subregional, regional and cross-regional aspirations for enhanced integration, and with it, the recognition that migration in Africa today has the potential to drive continental development and transformation. Contrary to conventional belief, the data clearly demonstrates that far more Africans migrate across land borders than cross seas and oceans.¹⁶

¹⁴ European Commission. *Strengthening resilience of refugees, IDPs and host communities in Eastern Sudan.* [Online] Available from: <u>https://ec.europa.eu/trustfundforafrica/region/horn-africa/sudan/strengthening-resilience-refugees-idps-and-host-communities-eastern-sudan en</u> (Accessed 28th December 2022)

¹⁵ European Commission. *Employment Promotion and Resilience Building Project in Northern Cameroon (Far North, North and Adamaoua).* [Online] Available from: <u>https://ec.europa.eu/trustfundforafrica/region/sahel-lake-chad/cameroun/projet-de-promotion-de-lemploi-et-renforcement-de-la-resilience-au en</u>. (Accessed 28th December 2022)

¹⁶ International Organization for Migration. (2019) *Africa Migration Report*. [Online] Available from: <u>https://au.int/sites/default/files/documents/39408-doc-africa-migration-report.pdf</u> [Accessed 29th November 2022]

Study Guide

In 2017, the United Nations Conference on Trade and Development reported that there were about 41 million international migrants moving within, from or to Africa where 5 million were immigrants from the rest of the world, 17 million were residents outside the continent and 19 million found to be residing within the continent. Reports on African migration have focused on displacement and irregular migration, especially to Europe, and yet recent findings indicate that 80 percent of Africans thinking about migration have no interest in leaving the continent (IOM, 2017), and they have no intention of moving permanently. Although Africa hosts a quarter of the refugee population, only two thirds are nationals of 5 countries out of 54 on the continent. There is a call for a new narrative on contemporary African migration that focuses largely on intra-African migration, as demonstrated in the endless daily border crossings by traders, many of them market women who are simply trying to eke out a living.

Africans have always and will continue to migrate, and this seems only set to increase as current mobility trends emanating from national border posts demonstrate. They move in search of opportunity and sometimes safety. Their movement brings advantages to their families and communities, and therefore to their nations. What these migrants need to keep them safe and productive is less bureaucracy. Some reports have suggested that 94 percent of African migration across oceans takes on a regular form. Looking more closely at voluntary migration, the focus is always on the economic impact and/or role migrants play in their countries of origin and/or host countries. Trade, especially within African States, is motivated by economic opportunities available in each country. Hence, within regions and between countries, there is a lot of cross-border migration on the continent.

The existing reality of African migration is that Eurocentric approaches to managing migration currently dominate domestic and regional policymaking on human mobility in Africa. The securitization of borders in the Sahel, for example, appears to respond mostly to European security imperatives and not nearly enough to the reality of thousands of years of itinerant trade across the Sahara Desert. However, recent discussions and debates in Europe show a shift in understanding the African migration reality. Bjarnesen (2020) argued that political debates were selective and misleading in terms of the information they had on African migration, which has contributed to the distorted narrative of African migration to Europe. The reality is that African migration in Europe has been constant for over a decade, and the number of arrivals through the Mediterranean has dropped since 2015 and not increased.

In order to remedy the situation, The AU Migration Policy Framework (MPFA) Plan of Action (2018 – 2030) was introduces providing document activities that will be

Study Guide

undertaken by the AU Commission during the plan period in an effort to facilitate the coherent management of migration on the Continent within the framework of the revised AU-MPFA. It does this by focusing on specific topics or aspects of the themes that are identified in the AU-MPFA and takes into consideration work that is already underway on the continent and seeks to forge synergies with institutions that are working on the identified activities. To a large extent, the activities of the Plan of Action seek to provide local government authorities, Member States and RECs with conducive conditions and elements for the management of migration.¹⁷

The vision of the AU-MPFA Plan of Action (2018 - 2030) is a Continent that is aware of its migration challenges and opportunities, and is willing and capable to address the challenges, and take advantage of the opportunities.¹⁸

EU initiatives on African Ground

The European Union as a strategic AU partner, with a clear migration policy and goal to achieve closer cooperation, monitors closely African displacement through various initiatives, funds and tools it has adopted. The EU's migration policy in Africa includes a variety of initiatives, projects and agreements that set the phenomenon on a more structured basis. Among those, and apart from the references in the "EU-AU Joint Declaration", the most important include the "EU Emergency Trust Fund for Africa" (EUTF for Africa), which was created to address the root causes of instability, forced displacement and irregular migration and to contribute to better migration management. Other economic measures have been established with the European External Investment Plan, to fight the root causes of migration in countries of origin and transit on the African continent. Along with these economic initiatives, the EU has launched new Migration Partnerships with some priority countries identified by a Commission report in October, including Senegal, Mali, Nigeria, Niger and Ethiopia.¹⁹

On the Contrary, it is believed that the EU should increase efforts and strengthen its presence through the renewal of its priorities in the African Continent. It's no secret that discussions should emphasize on two major aspects. On the one hand, how the intra-African mobility and support of local absorption capacity can be increased and on the other hand, how the EU can effectively promote

¹⁷ African Union Commission. (2018) *Migration Policy Framework for Africa and Plan of Action (2018-2030)*. [Online] Available from: <u>https://au.int/sites/default/files/documents/35956-doc-2018 mpfa english version.pdf</u> [Accessed 29th November 2022]

¹⁸ African Union Commission. (2018) *Migration Policy Framework for Africa and Plan of Action (2018-2030)*. [Online] Available from: <u>https://au.int/sites/default/files/documents/35956-doc-2018 mpfa english version.pdf</u> [Accessed 29th November 2022]

¹⁹ European Commission. (2015) *EU Emergency Trust Fund for Africa*. [Online] Available from: <u>https://ec.europa.eu/trustfundforafrica/index_en</u> [Accessed 30th November 2022]

Study Guide

development in Africa, either through the usage of remittances or/and through investments. Nevertheless, there's also the view that the encouragement of trade between the EU and the African partners, could effectively promote development, as an answer to displacement, and at the same time benefit both sides. Strong criticism regarding this view occurs and finds great acceptance by some EU parties, which view what is characterized "opportunity" as "exploitation". What is for sure, is that African Displacement in relation to EU's overall approach and strategy in Africa on the table of EU discussions, is a hot topic of fruitful debate.

II. Black market

The Informal Economy, or the "Shadow" or "Grey" Economy, is typically the term used to refer to the portion of a country's economy that transact exclusively in cash, thus making it infinitely more difficult to include these economic activities in any form of official statistics, oversight, taxation and regulation. By and large, it's an issue created by the lack of inclusion, and the lack of access to formal financial infrastructure, especially in economies where wealth and assets are not distributed equitably. Folding the informal sector in with the formal sector is probably one of the most significant policy-making challenges 21st century governments face worldwide.²⁰

The shadow economy can range from seemingly innocuous activities, such as babysitting and cash for services such as home maintenance of building work, to larger scale illicit drinks and cigarettes markets.²¹ What is important to note though, is that citizens' engagement in such activities is very much by-product of their need for survival, providing for themselves and their families.

Underground economy is a phenomenon that is not limited to Africa or just the Third-World Countries; its presence is dynamic all around the globe, even in the most advanced industrialized countries of the West. First coined in the 1970s, it was thought to be a temporary phenomenon which would shrink, even disappear, once countries achieved sufficient levels of economic growth, and modern industrial development. Today, more than 40 years after its characterization, the Grey Economy can no longer be considered a "temporary phenomenon"; if economic growth is not accompanied by equitable income

²⁰ Mastercard. (2017) Shedding Light on the African Shadow Economy. [Online] Available from: <u>https://newsroom.mastercard.com/mea/press-releases/shedding-light-on-the-african-shadow-economy/</u> [Accessed 30th November 2022]

²¹ CNBC. (2013) *Europe's Black-Market Economy is Booming*. [Online] Available from: <u>https://www.cnbc.com/id/100787222</u> [Accessed 30th November 2022]

Study Guide

distribution, or an equal rise in employment levels, then we see an increase in the growth of the Grey Economy.²²

Although official data, statistics and figures from the IMF, official Governments or data collected by the World Bank, might provide a general perspective of the situation in Africa regarding Black Market and Economy estimating that the continent's official economy represents only between half and two-thirds of total economic activities, it's believed that are irrelevant to what is actually going on in African Economies.

In Europe, the situation might be better, but doubtlessly, there's a long road to state that the Black Market and the Grey economy is under control. Taking that into consideration, the EU is directed mostly towards combatting illicit trading with cooperative border controls (mostly through Schengen) and at the same time, putting in the center of discussions the limitation of "undeclared work" which is defined by the union itself as "any paid activities that are lawful as regards their nature, but not declared to public authorities, taking into account differences in the regulatory systems of the Member States".²³ Nonetheless, the Union understands that the problem occurs today and that's why discussions are still heated on European level.

To Conclude, the EU in an attempt to approach Africa, should take into consideration two major factors. Firstly, it's of course the nature of the problem. It's a fact that the elimination of all black markets and economies around the globe is certainly a wild dream, next to impossible, due to various reasons. An example is the fact that there are many of these markets for legal goods where people seek to avoid taxes.²⁴ Secondly and most importantly, Eu should comprehend the social impact of this phenomenon in Africa today. It's no secret that at the opposite the legal but inefficient Economy, stands the Black Economy, which in comparison with the latter, is indeed responsible for keeping the goods and services in African societies available for most of the population. Moreover, Black Economy has also an important political function; The provision of millions of jobs and upward mobility for those who cannot be integrated into the official job market, thereby representing an invaluable safety valve for the often-inept

²² Mastercard. (2017) *Shedding Light on the African Shadow Economy*. [Online] Available from: <u>https://newsroom.mastercard.com/mea/press-releases/shedding-light-on-the-african-shadow-economy/</u> [Accessed 30th November 2022]

²³ European Labour Authority. (2021) *European Platform tackling undeclared work*. [Online] Available from: <u>https://www.ela.europa.eu/en/undeclared-work</u> [Accessed 1st December 2022]

²⁴ Point Park University. (2021) *How Illegal Black Markets and the Underground Economy Continue to Grow Worldwide*. [Online] Available from: <u>https://online.pointpark.edu/criminal-justice/underground-economy/</u> [Accessed 1st December 2022]

Study Guide

ruling classes.²⁵ All these are important aspects the EU has to comprehend before accelerating discussions regarding its further expansion to the African market.

III. Unfair Competition Practices

Under the EU's terminology, the term "competition" has a positive meaning. When the union refers to its competition policy, it refers to a fair, controlled and well-structured policy that regulates the competitive relations between businesses and terms of entrepreneurship, which constitutes of one of the foundations of the EU. In general, the efficient functioning of the norms derived by the competition policy ensures the integration of the internal market.

One of the fundamental goals of the competition policy and the integral market as well, is the benefit of the consumer. This is the main reason why monopolies within European ground are highly discouraged and attempted to be combatted effectively by the rules set by the Union. Among others, fair competition is also responsible for the constant improvement of overall production and distribution as well as the promotion of technological advancement and innovation.

Fair competition belongs to the exclusive competences of the EU, which means that the Union has supernational authority on the issue. On this basis the supernational body that has taken over the arbitration regarding competition is the European Commission.

Precisely, according to the union; The EU's rules on competition are designed to ensure fair and equal conditions for businesses, while leaving space for innovation, unified standards, and the development of small businesses.²⁶ A market where there is free and fair competition is a market in which mutually independent businesses engage in the same activity and contend to attract consumers. In other words, each business is subject to competitive pressure from the others. Effective competition thus gives businesses a level playing field but also confers many benefits on consumers (lower prices, better quality, wider choice, etc.).²⁷

Approaching Africa:

²⁵ Schissel H. (1989) *Africa's Underground Economy* [Online] Available from: <u>https://www.proquest.com/openview/2f40152c7ab0bf6dcbb9ddd383e964a3/1?pq-origsite=gscholar&cbl=1820943</u> [Accessed 1st December 2022]

²⁶ European Union. *Competition* [Online] Available from: <u>https://european-union.europa.eu/priorities-and-actions/actions-topic/competition_en</u> [Accessed 2nd December 2022]

²⁷ EUR-Lex. *Competition* [Online] Available from: <u>https://eur-lex.europa.eu/legal-</u> <u>content/EN/TXT/?uri=LEGISSUM:competition</u> [Accessed 2nd December 2022]

Study Guide

Despite the EU's will to potentially strengthen trade ties with the AU, this practice could prove to be rather challenging. Beyond any doubt the EU, having adopted crucial legislation regarding fair competition protecting the consumer and businesses, appears far more confident in negotiations with AU, as many African countries are yet to fully embrace the concept of fair trade and competition rights. Such countries, despite the steps they have taken forward, have neither managed to successfully ensure the survival of small businesses nor the quality and authenticity of products that reach the consumers.

Adding to that, skepticism around EPAs (Economic Partnership Agreements) as a following of the Cotonou Agreement, remains present until today in many African countries, making negotiations a challenging matter. These agreements required the lowering, both by the EU and the African partners, of tariffs on imports and exports, allowing African products to be exported "duty-free" to the European Market, while gradually allowing EU imports for over 15 to 25 years. However, the African countries don't seem to embrace the agreements, being in fear that big European companies might flood the continent with cheap products that the African businesses won't be able to compete, harming local industries. Nevertheless, the EU gives great significance to the EPAs as a way for the ACP countries to open their markets to EU exports.

The Union, in order to achieve substantial trade relations with its African partners should find ways to overcome these barriers. On the one hand, the legislation gap in Africa regarding competition that seems very far from the Union's well-structured policy, and on the other hand the African scepticism around EPAs and the fear of loss, both require a balanced European approach in order to alleviate African concerns and encourage cooperation in the area of competition policies to the ultimate benefit of consumers and companies both in the EU and in Africa.²⁸

IV. Protection of Agricultural Products

The climate change and catastrophe happening in recent decades, is affecting economic growth and employment and primarily the agricultural sector. Generally, food supply chains are the ones more vulnerable to environmental changes, thus protecting the production of agricultural goods is essential to both

²⁸ Ighobor K. (2014) *Trade between two unequal partners* [Online] Available from: <u>https://www.un.org/africarenewal/magazine/august-2014/trade-between-two-unequal-partners</u> [Accessed 2nd December 2022]

Study Guide

ensuring income for farmers and rural areas and ensuring sufficient supply to markets in order to avoid famine and health issues.²⁹

The EU has enacted a comprehensive legal framework that protects such products, namely EU Regulation no. 1151/2012 (article 5) stating that;

"The label PDO (Protected Designation of Origin) identifies a product that originates in a specific place, region or country, the quality or characteristics of which are essentially or exclusively due to a particular geographical environment with its inherent natural factors (raw materials, environmental characteristics, location) and human factors (traditional and craft production) and the production, transformation and elaboration phases of which all take place in the defined geographical area, in respect of rigid production regulations established in the procedural guidelines of production."

And;

"The label PGI (Protected Geographical Indication) indicates a product that originates in a specific place, region or country, whose given quality, reputation or other characteristics are essentially attributable to its geographical origin, and for which at least one of the production steps takes place in the defined geographical area."³⁰

Protection of geographical indications ensures the product's quality, characteristics and reputation. The EU firmly implements and observes through the relevant institutions, the proper execution of the aforementioned law.³¹

Law abidance and enforcement guarantee a higher level of protection for products and benefit rural communities throughout the Union. Geographical indication (GI) provides security for products sold via online platforms, with having access to anti-counterfeiting authorities and customs in all EU countries, thus empowering producers' groups to manage, enforce and develop their products under the GI schemes. GI schemes assist in more sustainable agriculture production by allowing producers to valorise their actions relating to social, environmental and economic sustainability in their product specifications.

Also, GI are legally protected against imitation and misuse within the EU and go as far as protecting against bad faith registrations and use of GIs in the domain

²⁹ Kappel R. (2021) *Redefining Europe-Africa relations*. [Online] Available from: <u>https://library.fes.de/pdf-files/bueros/bruessel/17306.pdf</u> [Accessed 2nd December 2022]

³⁰ Association des producteurs fruits et légumes du Sud-Ouest IVA/TVA. *European Certification System*. [Online] Available from: <u>https://www.pdopgi.eu/european-certification-system/</u> [Accessed 2nd December 2022]

³¹ European Commission. *Protecting EU creations, inventions and designs.* [Online] Available from: <u>https://policy.trade.ec.europa.eu/enforcement-and-protection/protecting-eu-creations-inventions-and-designs_en</u> [Accessed 3rd December 2022]

Study Guide

name system. For all quality schemes, each EU country's competent national authorities prevent and stop the unlawful production or marketing of products using such a name. Non-European product names can also register as GIs if their country of origin has a bilateral or regional agreement with the EU that includes the mutual protection of such names.³²

The AU and the EU have forged partnerships that allow the sharing of good practises and knowledge transfer without hurdles, concerning farming and food processing. Those partnerships contribute to sustainable farming, job creation, rural regions' growth and at the same time to the protection of European farming goods.³³ Both parties work towards the establishment of an agribusiness platform for dialogue between the EU and African public authorities and private sectors in order to enact law concerning food safety governance structures in African countries. Another approach to this issue could be by strengthening African farmers' organisations integration into value chains and strengthening their influence on policies.³⁴

V. Strengthening the AfCFTA

"The AfCFTA is the world's largest free trade area bringing together the 55 countries of the African Union (AU) and eight (8) Regional Economic Communities (RECs). The overall mandate of the AfCFTA is to create a single continental market with a population of about 1.3 billion people and a combined GDP of approximately US\$ 3.4 trillion. The AfCFTA is one of the flagship projects of Agenda 2063".³⁵

The creation of a free trade area within the African continent will consolidate economic growth and regional integration amongst the participating countries. Particularly, the AfCFTA has the potential of creating a single market area with common external tariffs similar to the EU's. A concern that the EU could assist in combating is that the members-states of the treaty haven't created a new supernational authority to supervise the implementation, nor have they given the African Union new mandate to oversee the actualization of the project.

³⁴ European Commission. Africa-Europe rural transformation action agenda. [Online] Available from: <u>https://agriculture.ec.europa.eu/international/international-cooperation/africa/africa-europe-rural-transformation-action-agenda_en</u> [Accessed 3rd December]

³² European Commission. *Geographical indications and quality schemes explained*. [Online] Available from: <u>https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained_en</u> [Accessed 3rd December 2022]

³³ European Commission. *International cooperation and agreements: Africa*. [Online] Available from: <u>https://agriculture.ec.europa.eu/international/international-cooperation/africa_en</u> [Accessed 3rd December]

³⁵ AfCFTA. *About the AfCFTA* [Online] Available from: <u>https://au-afcfta.org/about/</u> [Accessed 4th December 2022]

Study Guide

Strengthening the political will and providing support on technical and logistical issues throughout the implementation process is a key precondition to the success of the AfCFTA. Although the long-term strategic goal of the EU is continent to continent FTA, there several conflicting trade interests within the African Union that pose a great threat to the AfCFTA. Countries classified by the EU as Least Developed Countries (LDCs) are part of the EBA (Everything But Arms) scheme and face more favourable trade conditions as opposed to developing countries such as Kenya and Nigeria. It is in the EU's interests to ensure that a single entity is acting on the behalf of those countries with the African Union's Commission to be the more suitable candidate, that said it could prove to be especially challenging to persuade African leadership to move towards a more supernational approach on the matter.³⁶

The AfCFTA creates space for the EU to move beyond the traditional development cooperation niche. It offers a strategic opportunity for both African and European actors to meet on equal terms, enhance political partnership based on mutual experience sharing, and strengthen links between businesses in Africa and Europe. However, the AfCFTA, on its own, is unlikely to achieve the overarching goals set in the agreement. In reality, considerable accompanying measures along with reforms and strategic investments, are the key factors that could accelerate potential progress.

Under such conditions, the EU could definitely play a great diplomatic role in Africa, encouraging African Union (AU) member states to pursue the complementary economic reforms that will yield the biggest gains. Beyond any doubt, the EU's development cooperation support for the AfCFTA can only be effective if it is well coordinated and aligned to African needs and priorities. On the contrary, development cooperation that does not meet these requirements, risks detracting from or offsetting efforts to establish the AfCFTA and realise its Pan-African integration ambitions.

One way to achieve a prosperous development cooperation is through Joint programming. This could be proved a key tool for aligning European support to African priorities. With that being said, it's becoming clear that the EU should play the role of a mentor in Africa, with respect to the continents' policies, in order to make a difference in various fields of trade and economy. One great example of

³⁶ Woolfrey S. (2021) *What does the AfCFTA mean for an EU-Africa trade agreement?*. [Online] Available from: <u>https://ecdpm.org/application/files/8416/5538/7686/What-does-AfCFTA-mean-EU-Africa-trade-agreement-ECDPM-briefing-note-140-2021.pdf</u> [Accessed 27th December 2022]

Study Guide

Africa's interest, where EU support could be greatly efficient, is the strengthening of the continent's business environment and private sector.³⁷

VI. EU's strategic advantages

Following the recent crisis that has tormented both continents, it is visible that there still is a prevailing asymmetry between the partners. Moving forward there is a need to address this issue and both parties have to come together to resolve it, while taking into consideration the particularities of each continent.

The European Union is Africa's biggest trade partner. European exports to Africa in 2019 were mainly comprised of industrial and capital goods, representing 68 per cent of total trade, while the rest were agricultural and primary products. On the contrary, African exports to the European Union were predominantly unprocessed raw materials and agricultural goods.

This trade asymmetry corresponds with Africa's high dependency on the EU for capital goods essential for industrial and agricultural development, which gives the EU a favoured position over other countries. This strategic advantage can be used for securing European interests in the region, while also ensuring the upholding of human rights.³⁸

Foreign direct investments in Africa in 2017, came predominantly from three major economic powers, the USA, China and the European Union. The latter having invested over 222 billion euros in capital investment, exceeding the other two by a large margin. European investments unlike the ones from the United States and China, where not only in the primary sector such as mining and agriculture but also in the manufacturing and service sectors.

German investments where focused on automotive manufacturing, providing multiplicative effect on the GDP and the employment. French investments where mostly represented in the raw materials sector and the financial services one. Although European investments in the region are constant and supply the necessary technology and know-how, China and India have an increasing presence in the region too. Infrastructure projects and laxed investment terms have increased their involvement in Africa along with their influence, even though such investments have weak links with local businesses and do not generate a

³⁷European Think Tanks Group. (2020) Advancing EU-Africa cooperation in light of the African Continental Free Trade Area. [Online] Available from: <u>https://ettg.eu/wp-content/uploads/2020/09/ETTG-EU-Africa-Cooperation.pdf</u> [Accessed 4th December 2022]

³⁸ Kappel R. (2021) *Redefining Europe-Africa relations*. [Online] Available from: <u>https://library.fes.de/pdf-files/bueros/bruessel/17306.pdf</u> [Accessed 2nd December 2022]

Study Guide

significant amount of jobs or technology transfers to the countries involved in the projects.

The EU's advantage in this case is threatened and a more comprehensive investment policy should be considered with more involvement of the countries that benefit from the investments and perhaps a more extensive plan that includes more sectors of the economy, such as the energy and advanced technology sectors.

The EU has contributed to the battle against terrorism and corruption in Africa more than any other global power. Peace and security schemes have been implemented numerous times along with partnerships to combat trafficking and smuggling, that cost human lives and development. Moreover, the EU has also put forward many initiatives concerning health and vaccinations across the continent and is constantly assisting in the fight against climate change. All the aforementioned comprise the strategic advantages that the European Union holds and makes it the most important partner of Africa.³⁹

VII. Intelectual Property

"Intellectual property rights are the rights given to persons over the creations of their minds. They usually give the creator an exclusive right over the use of his/her creation for a certain period of time." This is the definition of IPRs as given by the WTO.⁴⁰

Intellectual property rights (such as patents, trademarks, designs, copyrights or geographical indications) guarantee that intellectual property whether created by people or businesses can only be exploited explicitly by them. IPRs if implemented accordingly create a stable and trustworthy legal environment where innovation takes place and further investment and trade can grow without infringement and unauthorized use of their property and where proper compensation mechanisms are in place.

Furthermore, IRPs ensure the identity, the geographical origin or even the production method applied to goods and assist users or consumers in their market search for genuine products. Counterfeit goods can put at risk consumer safety and health and can cause harm to the environment.

 ³⁹ Council of the European Union. (2022) *European Union - African Union summit, 17-18 February 2022*. [Online] Available from: <u>https://www.consilium.europa.eu/en/meetings/international-summit/2022/02/17-18/</u> [Accessed 29th November 2022]
⁴⁰ World Trade Organization. *What are intellectual property rights?* [Online] Available from: <u>https://www.wto.org/english/tratop_e/trips_e/intel1_e.htm</u> [Accessed 4th December]

Study Guide

Selling and distributing counterfeited goods within a market is not only common practice in the least developed countries but also in some countries in the EU. This practice harms the sales of export-driven companies and their reputation as well. Although it seems like a business only problem, low sales affect jobs and the prospect of creating new ones. Enforcing IPRs within the EU and abroad protects jobs, supports creativity and innovation. The EU and AU need to protect these intangible assets for growth and competitiveness.⁴¹

The EU supports policy is focused on implementing strong intellectual property rights standards that impact businesses and consumers alike. Rights holders require a consolidated legal framework on IPR that promotes better intellectual property standards in non-EU countries and stops trade in IPR-infringing goods. Institutions charged with the enforcement of fines when the law is violated are also important for businesses and this environment attracts technology transfers, foreign investment, research and innovation for the benefit of developing countries.

The EU works to promote technology transfer, particularly to least-developed countries (LDCs). The EU has consistently led efforts to facilitate access to medicines in developing countries and to strike the right balance between the IP rights of pharmaceutical companies and the need to ensure that medicines are available for populations in need in the developing world. The EU is providing a range of instruments and technical assistance programs in order to support developing countries and to enhance intellectual property rights.⁴²

European Parties' positions

European People's Party

The EPP is the oldest and largest political group of the European Parliament serving Centre-right policies and beliefs. Between its fundamental goals is the creation of a more democratic, competitive, stronger and self-assured Europe, built at the service of its people.⁴³

To a large extent, the EPP appears warmly welcoming towards the EU Trade Strategy which gives great emphasis to Africa and the strengthening of the trade

⁴¹ European Commission. *Protecting EU creations, inventions and designs.* [Online] Available from: <u>https://policy.trade.ec.europa.eu/enforcement-and-protection/protecting-eu-creations-inventions-and-designs en</u> [Accessed 4th December 2022]

⁴² European Commission. *Intellectual property rights and geographical indications*. [Online] Available from: <u>https://trade.ec.europa.eu/access-to-markets/en/content/intellectual-property-rights-and-geographical-indications</u> [Accessed 4th December 2022]

⁴³ European People's Party [Online] Available from: <u>https://www.eppgroup.eu/ [Accessed 5th December 2022]</u>

Study Guide

and economic links between the two continents. However, it argues that European companies fail to yet make full use of the investment and business opportunities offered and highlights that non-tariff barriers to EU-Africa trade in goods and services should be significantly reduced. At the same time, the group views as top priority the achievement of large-scale investments while maintaining EU support for smaller scale local projects.

On this basis, the EPP underlines the role of the EU in the effective implementation of the AfCFTA. In General, the EPP Group adheres to the long-term vision of a continent-to-continent free trade agreement and believes that the conclusion of a free trade agreement, covering not only goods but also services, would not only improve economic development in the Southern Neighborhood but facilitate European investments in the continent as well.⁴⁴

Progressive Alliance of Democrats & Socials

The Social & Democrats is the second largest and the leading center-left political group of the European parliament. The S&D's vision is an inclusive European Society based on the principles of freedom, equality, solidarity, diversity and fairness. Their daily work is inspired by their main goal which is to give people back trust in the EU and hope for their future, by promoting social, financial and trade fairness.⁴⁵

Africa has been and will continue to be a priority for the Socialists and Democrats in the European Parliament. Prioritizing the people, inequality in Africa and its consequences, compounded by the old challenges of extreme poverty, hunger and unemployment, are the party's main concerns. Under these conditions, the S&D, continues to emphasise the need to further strengthen the partnership between Africa and the EU as part of the solution to these challenges.

The party views trade as a great tool to support its development and humanitarian goals. Precisely they believe it can and should create economic growth to reduce poverty; help combat discrimination and improve the situation of women and children; strengthen respect for the environment and for social and safety standards; reinforce the rule of law, labour standards and human rights; involve trade unions and civil society; and boost regional integration. As a result, the party appears fully committed to the strengthening of intercontinental trade and we envision expanding the EPA between our two continents of course

⁴⁴ European People's Party. (2022) *EPP Group Position Paper on AFRICA*. [Online] Available from:

https://www.eppgroup.eu/newsroom/publications/epp-group-position-paper-on-africa [Accessed 5th December 2022] ⁴⁵ Socialists and Democrats. *Who are we*. [Online] Available from: <u>https://www.socialistsanddemocrats.eu/who-we-are</u> [Accessed 6th December 2022]

Study Guide

in a mutually beneficial manner, which includes the mutual exchange of innovation, appellation of origin including farming products, fair management of tariffs and combating unfair competition.⁴⁶

Renew Europe

The Renew Europe group is the pro-European political party in the European Parliament. Freedom, Civil Rights, the security of economic growth and jobs are its three fundamental pillars it operates on.⁴⁷ The liberal Renew Europe party believes that reuniting the continent through a genuine and deep process of integration of all European countries, from East to West and from North to South, must remain a key element of our Europe of the future.⁴⁸

Regarding Africa, the Renew Europe group, has been highly supportive of the EPAs, negotiated by the EU and the African Countries and supports that the EU should pursue to make them even more attractive and effective. In general, the Renew Europe Party argues that the deepening of EPAs by including trade in services, e-commerce and other areas of trade should be offered to the African countries and of course, be set top priority. Furthermore, the group highlights the importance of an equal competition between both sides in the European Market. Their view is that in EU-Africa trade relations, specific attention needs to be given to small and medium-sized enterprises on both sides, facilitating development. Lastly, they appear highly supportive of the AfCFTA, as they support that the agreement could also pave the way for a continent-to-continent free trade area. Nonetheless, they underline that the creation of a free trade area between the European Union and Africa must ensure adherence to the principles of sustainability and should never undermine food security, food safety and food quality nor drive deforestation, degradation of the environment and biodiversity.⁴⁹

The left in the European Parliament/Nordic Green Left

The Left of the European Parliament, is a political group that puts at the center of its policy a socially equitable and sustainable Europe, based on international solidarity. The GUE-NGL, stands up for workers, environment, feminism, peace & human rights and constantly supports the idea that the EU policy is too frequently based on a radically market-oriented logic of competition both within the EU and

⁴⁶Socialists and Democrats. (2022) *With Africa*. [Online] Available from: https://www.socialistsanddemocrats.eu/withafrica [Accessed 6th December 2022]

⁴⁷ Renew Europe Group. [Online] Available from: <u>https://www.reneweuropegroup.eu/</u> [Accessed 7th December 2022]

⁴⁸ Renew Europe Group. *Europe is our future and is well worth fighting for*. [Online] Available from: <u>https://www.reneweuropegroup.eu/what-we-stand-for [Accessed 7th December 2022]</u>

⁴⁹ Renew Europe Group. (2021) *Policy Paper on Africa*. [Online] Available from:

https://reneweuropegroup.app.box.com/s/6ihqzbrufphcl8o6k58zf92943d6helc [Accessed 7th December 2022]

Study Guide

towards the rest of the world and that's why the EU fails to reflect to the party's major vision of solidarity and equity.⁵⁰

Regarding the Future of EU-ACP relations, the GUE party appears very skeptical towards the agreements that have been negotiated. The group, doubts that a difference can be achieved with the existing strategic plans and often talk about how free trade agreements tend to the exploitation of the African Countries, undermining local economies in the favor of tax heavens and the EU.

Generally speaking, the GUE-NGL party states the association agreements had a negative impact to the ACP economies and that's the main reason why there's urgent need for new a new fair association among equals respecting national sovereignty and seeking to fulfil basic needs as well as respect for human rights. All in all, they believe that the goal of trade liberalization of these agreements serves the interests of northern economies and powers and not the sustainable development goals of people in the South. The group highlights that any relations with the ACP countries, must come with respect towards their sovereignty, their policy choices, and aspirations.⁵¹

European Conservative Reformists

The European Conservatives and Reformists Group is a center-right political group in the European Parliament, with its core values revolving around liberalism and conservatism. Their fundamental belief is that at the heart of every decision made by the EU, should be the consideration of whether or not it is adding value for hard-working taxpayers across the union.⁵²

The party appears greatly supportive of a strong European economy, Free trade and investments with great impact all around the globe. The political group encourages the Union's extroversion and supports that by using EU money to encourage private enterprise and economic growth within developing nations around the world, the EU is reducing poverty, creating future trading partners, and helping to support democratic stability and human rights in the process.⁵³

⁵² European Conservative Reformists. [Online] Available from: <u>https://ecrgroup.eu/ecr</u> [Accessed 9th December 2022]

⁵³ European Conservative Reformists. *Visions for Europe*. [Online] Available from:

⁵⁰ The left. [Online] Available from: <u>https://left.eu/</u> [Accessed 8th December 2022]

⁵¹ The left. (2016) *GUE/NGL Rejects inequality and subordination in EU relations with ACP countries.* [Online] Available from: <u>https://left.eu/gue-ngl-rejects-inequality-and-subordination-in-eu-relations-with-acp-count/</u> [Accessed 8th December 2022]

https://ecrgroup.eu/vision/cooperating_global_partners [Accessed 9th December 2022]

Study Guide

Greens-European Free Alliance

The Greens-EFA is the fourth largest group in the European Parliament and represents green politics. Regarding Africa, on the one hand the Greens strongly criticize EU's current approach of negotiating Economic Partnership Agreements stating that they go against regional integration and put undue pressure on African partners towards trade liberalisation, which can have a detrimental impact on their economic development.⁵⁴

On the other hand, the group has appeared very supportive towards the new EU's strategy in Africa when it comes to the fact that it places greater emphasis on the importance of the transition to a decarbonised economy, digitalisation and solidarity in the field of migration. However, the party criticizes to a serious extent, that the "business as usual" strategy of and mechanisms introduces, are incoherent and unsustainable and that it promotes commercial relations that benefit large Western companies. The party, prioritizing the environment and putting at the center of its policy the people, has also strongly criticized the impact of some "unethical" European exports, to the detriment of local production, the environment and health. In General, the Greens-EFA believe that the Union could become a real player in African's development, provided it grabs the opportunity to balance the rights of the private sector with social and environmental duties.⁵⁵

Conclusion

Addressing all the aforementioned issues is a key component in setting the tone for the future negotiations between the African Union and the European Union. Doubtlessly the EU has various obstacles to overcome due to differences in approaches and policies that exist in the African continent and the European Parliament. The European Parliament has to comprehend that in order to achieve an effective approach in Africa, finding common ground and taking into consideration the concerns both of its African partners and its parties is crucial and substantial requirement.

⁵⁴ Greens-EFA. (2020) Input of Green/EFA to the Trade Policy Review. [Online] Available from: <u>https://www.annacavazzini.eu/wp-content/uploads/2020 Positionspapier Handelspolitik Greens EFA.pdf</u> [Accessed 10th December 2022]

⁵⁵ Greens-EFA. (2020) *Africa strategy must move beyond business as usual.* [Online] Available from: <u>https://www.greens-</u> efa.eu/en/article/press/africa-strategy-must-move-beyond-business-as-usual [Accessed 10th December 2022]

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Questions Raised

- 1. What instruments could be mobilized to underpin this revival of trade relations?
- 2. What areas of cooperation over mutual interest could be identified to strengthen EU-AU trade relations?
- 3. How can trade policy be an incentive for sustainable development?
- 4. How could trade relations between the EU and the AU could be an effective tool to combat displacement in Africa?
- 5. How to adress Africa's shodow economy in order not to become a hurdle to european investments in the region?
- 6. In which way can the EU strike a balance between ensuring fair competition and adressing African Union's concerns regarding equal treatment as a partner?
- 7. How can the EU use its strategic advantages so as to incorporate the African shodow economy and its effects into the formal one?
- 8. Is it possible for the EU to effectivly assist the African Union to intergrate its standards regarding agricultural goods?
- 9. In which way can the EU aid the African Union to the realatisation of the AfCFTA?
- 10. How can the EU ensure that IPRs are protected and aliviate concerns over the enforcement gap that exists in the African Union?

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