



Africa-Europe Alliance for Sustainable Investment and Jobs

#AUEU #AfricaEuropeAlliance

February 2020

The Africa-Europe Alliance for Sustainable Investment and Jobs was launched in 2018 to deliver on the commitments taken at the 5th African Union-EU Summit in Abidjan, calling for strengthened economic and trade relations, through sustainable investment and job creation.



Strategic investment and job creation



Investment in education and matching skills and jobs



Economic integration and trade



Business environment and investment climate

The Alliance allows both sides to work together to boost sustainable investment, attract private investors, support education and skills, as well as trade and the private sector. The Alliance aims to support the creation of 10 million jobs by 2023, particularly for women and young people.

The EU is already Africa's first partner in trade, in foreign investment and in development.



Boosting strategic investment and strengthening private sector participation

The private sector holds the greatest potential for generating jobs and growth, and it is therefore essential to boost responsible private and public investments — both domestic and foreign — in Africa. The main EU tool to encourage investment in Africa is the **EU External Investment Plan (EIP)**.

COMMITMENT



Launch of the Africa-Europe Alliance (State of the Union)

Allocate **€4.5 bn** under the EIP to leverage **€44 bn** by 2020

COMMITMENT EXCEEDED: The EU has already allocated €4.6 billion in funds for blending projects and financial guarantees

COMMITMENT EXCEEDED: These funds are expected to leverage €47 billion of public and private investment

Recent EU Investment Initiatives under the External Investment Plan

FMO Ventures Programme

This €40 million guarantee agreement is a partnership with the **Dutch development bank (FMO)**. It targets Sub-Saharan Africa and the EU Neighbourhood. It will guarantee venture capital provided by FMO to start-up companies, in particular led by young entrepreneurs. The guarantee will target companies offering digital solutions in a wide range of areas, from agriculture, energy access and financial services to education, healthcare, transport and logistics. It will support up to **125,000 jobs**, directly and indirectly.

Archipelagos One4A – One Platform for Africa

The €30 million Archipelagos guarantee agreement is a partnership with **Cassa Depositi e Prestiti (CDP)**, the Italian Development Bank, and the **African Development Bank (AfDB)**. It will support access to finance across Africa for high potential small businesses. It will also enable financing partners to share the risk of investing in projects. By doing so it will generate up to **50,000 jobs**, many for young people, and benefit about **1,500 small businesses** in 10 African countries.



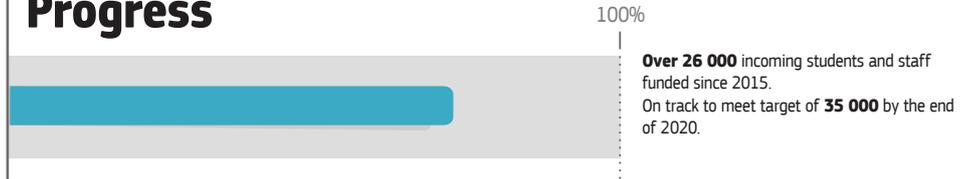
Investing in people by investing in education and skills



Africa has the youngest population in the world and continues to experience strong demographic growth. An economic partnership seeking to boost investments and create jobs must advance cooperation on education and skills, including digital skills, to improve employability and provide youth with opportunities. To this aim, the Alliance seeks to further enhance the mobility of students, staff and academics, and expand vocational education and training with a focus on the sectors with the highest potential for job creation.

Launch of the Africa-Europe Alliance (State of the Union)
COMMITMENT
Mobility of **35 000** Erasmus+ by the end of 2020

Progress



Additionally, 450 000 Africans have benefitted from vocational education and training supported by the EU since 2014.



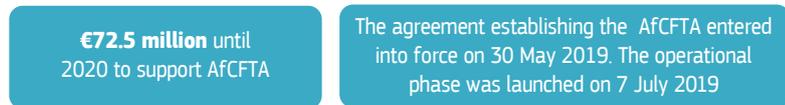
Tapping the full potential of economic integration and trade: AfCFTA

Investments in value-adding and labour intensive sectors require markets for the products and services. Advancing the economic integration process at regional and continental level in Africa and boosting sustainable trade relations with the EU are therefore essential. Building on the African Continental Free Trade Area (AfCFTA) implementation, the long-term perspective is to create a comprehensive continent-to-continent free trade area between both continents.

Economic Partnership Agreements, Free Trade Agreements, including the Deep and Comprehensive Free Trade Areas for North Africa, and other trade regimes with the EU should be promoted to benefit the AfCFTA.

Launch of the Africa-Europe Alliance (State of the Union)
COMMITMENT
Support **African Continental Free Trade Area**

Progress



Strengthening business environment and investment climate

Boosting private sector investment requires an enabling investment climate and business environment, including macro-economic stability, open trade, financial systems and increased private sector credit. To this aim, the Alliance seeks to facilitate structured dialogues and cooperation with African partners, and to implement conducive policy and regulatory reforms.

Launch of the Africa-Europe Alliance (State of the Union)
COMMITMENT
€300-350 million committed per year

Progress



The EU is also facilitating structured public-private dialogue in 32 African countries, as part of the Sustainable Business for Africa platform of the EIP, and there are currently 21 EU Chambers of Commerce across the continent.

Working together in strategic areas

Joint Task Forces were set up in the following areas to produce reports and recommendations which will inform future policies.

Task Forces on

Rural Africa

Digital Economy

Energy

Transport

