



Mrs Ursula von der Leyen

President
European Commission
Rue de la Loi 200
BE - 1049 Brussels
BELGIUM

11 February 2020

Dear President,

The comprehensive strategy with Africa that the Commission plans to publish in March presents a major opportunity to build on the positive momentum created by the announcement of the Africa-Europe Alliance and truly turn EU-Africa relations into a partnership of equals. Closer economic relations between the EU and Africa are an important priority for the European business community and we can look back upon a long track record of fruitful cooperation with the EU Institutions in this area. Building on our past engagement, we believe that the strategy needs to consider the following issues to truly lead to a paradigm shift in EU-Africa relations and deliver on growth, jobs and sustainable development:

- **Economic Partnership Agreements (EPAs)** as drivers of change are important instruments to boost economic relations between Africa and Europe. If implemented properly, they will remove tariff and non-tariff barriers to regional and international trade and prepare the ground for deeper disciplines that encourage investment in value-adding sectors. Boosting trade and investment and encouraging the creation of regional value chains, EPAs should be used as building blocks to continental free trade in Africa. Broadening the existing EPAs to include deeper disciplines, such as services trade, investment, intellectual property rights or competition, will play a critical role in this regard.
- European companies lead in providing sustainable long-term solutions, but they face increasing pressure from state-owned companies from emerging actors, with which they cannot compete on a price basis in third markets. Therefore, the strategy needs to be underpinned with more **flexible financing instruments to leverage EU private investment** by mitigating risk. To achieve this, the focus of EU funding instruments must shift from budget support to **support for private sector development**. Moreover, relevant EU funding instruments must become more transparent and application and selection processes faster and less burdensome for them to be accessible to companies of all sizes. In this respect, the discussions around the reform of the European development finance architecture as well the new Multiannual Financial Framework are key.
- **Education and professional training** that provide people with the skills required by the labour market are key factors for development. Cooperation between universities, research institutions and vocational education and training (VET) programmes from both continents need to be strengthened, including under the EU Erasmus+ programme. Moreover, private sector-driven initiatives on VET as well as entrepreneurship in Africa should be supported and better coordinated.

- A closer **dialogue between the public and the private sector** in African countries at all levels can be a strong catalyst for reforms, helping to identify problems, find solutions and create an enabling and inclusive business and investment climate. The EU delegations as well as European private-sector organisations should help to foster dialogue. In this regard, industrial partnerships should be stressed as key tool to deliver growth and seize opportunities deriving from the complementarities between the companies involved on a co-development basis.

Our views are set out in detail in our position paper "[A better investment climate in Africa - Business views](#)" from June 2019.

We will continue to cooperate proactively with the European Institutions to ensure that EU-Africa relations will deliver the best possible results for development, trade and investment and remain at your disposal for any questions regarding our views.

Yours sincerely,


Pierre Gattaz
President


Markus J. Beyrer
Director General