



Agenda of the Spanish Presidency of the Council of the European Union

Saturday SUNYMEU 2023 4 November

For Discussion by the European Council

Two Unions with a Joint Vision: Proposal to further strengthen African Union and European Union Relations

Background

We are strengthening our strategic links with the other major regions of the world. In particular with Africa, whose development and green transition are vital, the EU has redefined the paradigm of our cooperation. The EU welcomes the admission of the AU in the G-20 (now G-21) at its September 2023 summit in Delhi. The AU and the EU recognize the importance of continent-wide cooperation and efforts to speak as one region in international fora.

The continent of Africa, with over 50 sovereign countries, is experiencing a 'demographic dividend' (2 of every 5 children will be born in Africa by 2050). The African continent has a population of 1.3 billion, which is expected to double by 2050 and make up a quarter of the global population. Africa has one-third of the world's mineral reserve and 60% of the world's uncultivated arable land.

Africa and Europe have a deep and wide-ranging relationship. At its narrowest point, only 15 kilometres separate Europe and Africa in the Strait of Gibraltar and Italy's island of Lampedusa at about 113 kilometres from Tunisia is closer to North Africa than to the Italian mainland.

Europeans also have a special relationship and obligation related to European colonialism that have continued since mid-20th century independence of African countries from colonial rule. The EU continues to be the most important donor of official development aid (ODA). The EU is heavily invested in Africa, with European companies accounting for approximately 50% of foreign direct investment (FDI). However, European FDI Europe has not kept pace with economic growth on the African continent. So, too, Europe's focus has been on the extractive industries and lower-value industries, rather than the industries the governments of African countries seek, particularly textiles, vehicle manufacturing, finance, technology, and pharmaceuticals.

Irregular migration from African countries to the EU has become increasingly controversial and strained domestic politics in almost every EU member state. But migration pressures will not end given the population imbalances between the two continents. In the EU, the share of the population aged 65 and over is projected to reach 30 per cent by 2060, compared to 19 per cent

in 2017, with the median ages highest in Germany and Italy (Eurostat, 2019). Irregular African migration to Europe will continue so long as Europe's ageing population requires more labour (pull) and so long as there are limited economic opportunities for a relatively youthful population in African countries (push).

The EU's regional relationships with African countries take place bilaterally and through two international governmental organisations: the 79-member Organisation of African, Caribbean, and Pacific (OACP) and with the African Union (AU) (founded in 2002, 55 Member States). Since the AU's establishment, the AU and the EU have focused on agreeing a comprehensive strategic partnership. Over the past decades, the AU-EU strategic partnership has become the most comprehensive partnership the AU has with any non-African actor.

EU funding to support the AU-EU partnership is through two facilities: the Pan-African Programme and the European Peace Facility (EPF). The EU also provides funding to ACP countries through the European Development Fund (EDF) to finance immediate humanitarian food aid and food production and resilience of food systems. Another EU programme, The Global Gateway, is a partnership between EU Member States, the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) focusing on the digital sector, climate and energy, transport, health, and education and research. The fund is authorised to invest up to EUR 300 billion until 2027.

AU-EU relations also need to be reinvigorated and reshaped in a post-Brexit world. France and the UK have been the major voices advocating closer engagement in Africa. With the UK's exit from the EU, there have been questions as to whether the EU Member States collectively appreciate the importance of African-European relations. The rethinking of AU-EU relations in the post-Brexit era is still in its early stages, with major dialogue delayed by the unsettled nature of post-Brexit EU-British trade relations, the aftermath of the COVID-19 pandemic, China's 'no-strings attached' approach to relations with African countries, and Russia's invasion of Ukraine. Despite these challenges, in its February 2022 AU-EU summit, African and European 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 AU and EU citizens.

Recommendations

1. The AU and EU need to work together to ensure more sustainable farming practices in African countries and provide an outlet for sustainable products in the EU market. The EU should also phase out import tariffs on foodstuffs from African countries. Finally, the EU should work with the AU in supporting efforts to strengthen regional supply chains to increase intra-Africa trade in foodstuffs and fertilisers. The Commission is asked to develop a plan to build a permanent EU corps of sustainable farming experts to be situated in EU and Member State offices/embassies throughout Africa.

2. At the 27th Conference of the Parties to the UN Framework Convention on Climate Change (COP 27), the EU led the way for agreement to a 'loss and damage' (L&D) fund to compensate developing countries suffering from climate change damage. The EU now needs to take leadership in the UN to ensure that this fund is developed and that the developed countries pay their fair share into this fund. Agreement within the EU must be reached prior to the <u>COP 28</u>, which will take place in Dubai, United Arab Emirates, from 30 November to 12 December 2023. Therefore, we expect EU environment ministers (Environmental Council) and EU finance ministers (EcoFin) to present a plan for establish a financial mechanism with the AU to assist AU member states with meeting targets for reducing GHG emissions.

3. Debt cancellation. The multiple crises African countries have faced in recent years has created untenable debt in many countries. The EU should work with the IMF to arrange debt cancellation. Furthermore, the EU should ensure that the World Bank should work with AU Member States to lower interest rates paid by Member State treasuries/central banks that borrow funds from the World Bank.

4. Most of the funds from The European Peace Facility (EPF) have been expended to support Ukraine's repulsion of Russia's aggression, leaving minimal funds to assist African countries to deal with conflicts on their continent. The FAC should raise the EPF ceiling from 5.69 billion (2021-2027 period) to 10 billion, with annual ceilings raised accordingly. The FAC will reserve the additional funds for distribution to the AU.

5. Global Gateway Programme. The EU needs to find creative ways to increase its Global Gateway Africa-Europe Investment Package and the EU-Africa Green Energy Initiative. The GGP is inadequate compared to China's Belt and Road initiative, which is investing tens of billions of euros in Africa. The Commission is requested to consider options for increasing financing for Global Gateway Projects, working directly with the AU in full partnership.

6. There have been occasional Africa-Europe Youth Summits planned as part of the AU-EU efforts to build people-to-people links. This summit should become an annual event that is hosted alternatively in an EU and AU city. Funding can be allocated from an existing EU programme to provide scholarships for youth participation. The Education, Audiovisual and

Culture Executive Agency (EACEA) is asked to issue a Call for Proposals (CFP) for an INGO to develop and manage this event.

7. Establish a 'diversity lottery' for AU Member States. This lottery will include nationals of those AU Member States that have negotiated return agreements with the EU to accept the return of irregular migrants. The first year of the lottery will permit 50,000 randomly selected people from a list of AU countries to obtain permanent residency in an EU Member State. Each EU Member State will accommodate a fixed percentage of new residents based on a population key. The Commission is asked to deliver a White Paper (no later than 1 September 2024) outlining how the Diversity Lottery will function.

8. The EU should support the removal of tariffs on textiles and garments manufactured in the African Continental Free Trade Area (AfCFTA). The factories must be under either African or European ownership to qualify for tariff-free importing into the EU. The Commission is directed to deliver a White Paper assessing whether this is doable within WTO rules for developing countries and provide a schedule for decreasing tariffs over a ten-year period.

9. The EU should support providing the AU its own voice in the UN system, including AU observer status in the UN General Assembly, the UN Security Council, and the World Trade Organization (WTO). The High Representative is directed to prepare a report to the UN advocating for AU's recognition in the UN system.

For Discussion by the Foreign Affairs Council of the European Union

1. Israel-Hamas Conflict

Background

No substantial progress has been made in achieving the Two-State Solution, including a viable sovereign independent and contiguous Palestinian state based on the 4 June 1967 lines. Signed agreements, including the 1993 Oslo Peace Accords – which itself was anticipated as a temporary measure to provide space for negotiations for a permanent agreement – have not been honoured. On 18 September 2023, the EU, Saudi Arabia, the League of Arab States, Republic of Egypt, and the Hashemite Kingdom of Jordan launched a 'Peace Day Effort' on the sidelines of the UN General Assembly. 'Peace Day' refers to the day when the parties reach a peace agreement based on the Two-State Solution. This represents a new and promising approach to encouraging Israel and Palestine to agree to a permanent Two-State solution. Considering the attack by Hamas on Israel that took place in October 2023, the European Council directs the High Representative for Foreign Affairs and Security Policy/VP of the Commission and the EEAS's Special Envoy for the Middle East Peace Process to act urgently to prepare a proposal for an EU incentive package to encourage the Palestinian Authority and Israel to re-engage in the peace process.

EU Condemns Hamas Attack on Israel

The EU condemns in the strongest possible terms the multiple and indiscriminate attacks across Israel by Hamas and deeply deplores the loss of lives.

The EU calls for an immediate cessation of these senseless attacks and violence, which will only further increase tensions on the ground and seriously undermine Palestinian people's aspirations for peace.

The EU stands in solidarity with Israel, which has the right to defend itself in line with international law, in the face of such violent and indiscriminate attacks.

The EU reiterates its condemnation of acts of terrorism and its unwavering commitment to Israel's security, as well as to the protection of civilians in the Occupied Palestinian Territories.

The EU recalls the importance of working towards a lasting and sustainable peace through reinvigorated efforts in the Middle East Peace Process.

The EU reiterates that we live in a multipolar world and the EU has a special responsibility, a special role to play in this new global order.

Recommendations

1. Considering recent hostilities between Hamas and Israel, the European Council urges the parties to act urgently to accelerate negotiations for the 'Peace Supporting Package', which the parties agreed to be presented no later than September 2024.

2. The EU has pledged an unprecedented package of political, security, and economic support to both Israel and Palestine upon reaching a peace deal. The European Council hereby directs the European Commission, led by the High Representative/VP of the Commission, to present a detailed package to both parties, including liberalizing trade, visa normalization, and financial packages that would come into immediate effect after 'Peace Day'.

3. Because achieving peace between the two parties is predicated on accepting the Two-State Solution with Jerusalem the capital of both Israel and Palestine, the European Council urges Israel to end immediately its illegal settlement activities, land confiscation, and house evictions in the Occupied Palestinian Territories. Failure to act fuels violence and casualties.

4. The European Commission should engage in a program to better educate the European public about the need for a Two-State Solution. As part of this process, the EU should create a programme to improve European/Israeli/Palestinian people-to-people links among students, business leaders, journalists, and government officials.

5. The EU should strengthen its efforts at combating antisemitism and fostering Jewish life in Europe. To this end, the European Commission is asked to continue progress in meeting the goals of the Working Groups on the Implementation of the EU Strategy on Combating Antisemitism and Fostering Jewish Life. EU member states are urged to adopt national strategies for combating antisemitism.

6. The EU has been very generous in its support of Palestinians. The EU will cut off all development aid to Palestinians unless two conditions are met: a) all hostages taken by Hamas in its October 2023 attack on Israel are freed, and b) it can be determined that no EU funding indirectly enables any terrorist organization to carry out attacks against Israel.

7. The European Council urges all EU member states to suspend their development aid to Palestinian organizations until the EU can ascertain there is no leakage to terrorist organisations.

2. Laying the Foundations for EU Enlargement: Ukraine

Background

Within the framework of the Spanish presidency of the Council of the EU, the heads of government met on 6 October 2023 in Granada, Spain to discuss the prospect of a possible enlargement of the EU. Enlargement is a geo-strategic investment in peace, security, stability and prosperity. It is a driver for improving the economic and social conditions of European citizens, reducing disparities between countries, and must foster the values on which the Union is founded. Looking ahead to the prospect of a further enlarged Union, both the EU and future Member States, need to be ready.

On 28 February 2022, Ukraine applied for EU membership. On <u>17 June 2022</u>, the European Commission issued its opinion on the application for EU membership. On 23 June 2022, the European Council granted candidate status to Ukraine. The European Council invited the European Commission to report to the Council on the fulfilment of the conditions specified in the <u>Commission's opinion on the membership application</u> as part of the Commission's regular enlargement package. At the <u>9 February 2023 special meeting of the European Council</u>, we acknowledged the considerable efforts that Ukraine has demonstrated in recent months towards meeting the objectives underpinning its candidate status for EU membership. The European Council reiterates that Ukraine's future lies within the European Union.

Ukraine has made substantial progress toward meeting the requirements as laid out in the <u>Commission's Opinion on Ukraine's application for members of the European Union</u>.

Recommendations

1. A precondition for opening negotiations with Ukraine will be the conduct of a free and fair presidential election in spring 2024.

2. International monitors must be welcomed into Ukraine and certify that elections were free, fair, and inclusive.

3. Ukraine should explore online voting to ensure Ukrainian citizens living in Russian occupied territories can vote without retribution from the Russian occupying forces. The European Commission will provide funding to ensure the necessary infrastructure for safe and secure online voting.

4. The winner of the presidential election should form a national unity government in their cabinet, which would ideally include members of the principal opposition parties.

5. The Commission is charged with monitoring these conditions.

6. The Commission is charged with submitting a report to the European Council no later than one month after spring 2024 elections with a recommendation whether to open candidacy talks. The Commission should be specific as to which of the <u>35 chapters</u> should be prioritized before opening negotiations.

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