



## THE INCLUSIVENESS AND CONNECTIVITY DIMENSIONS OF EU-ACP TRADE AND DEVELOPMENT COOPERATION

Since decades, structured EU-ACP trade and development cooperation arrangements have contributed to trade growth and development. Examples are:

- ▶ Enhancing the Productivity Agenda for industrialization, trade expansion, diversification, and effective integration into the global economy;
- ▶ Addressing effectively the key determinants of trade competitiveness and connectivity;
- ▶ Promoting macro-economic policies for inclusive growth, value addition and trade expansion; and
- ▶ Harnessing the blue economy.

Like the EU Enlargement, the ACP Group's membership has grown over the four decades of its existence to 79, and with the imminent accession of South Sudan, will soon be 80 strong, representing a population of almost 1 billion people—a potential transformational and demographic dividend.

ACP Group's development agenda is in pursuit of sustainable development through economic diversification and enhanced exports as well as participation in the regional and global value chains.

ACP countries' beneficial integration into the global economy remains a key objective, achievable through effective negotiation, conclusion and implementation of regional and multilateral trade agreements. Aid for trade has in the past significantly contributed to the efforts to meet these objectives. For the future, greater focus will be on Aid for Trade and Investments.

The new focus of Aid for Trade is towards enhancing its effectiveness and impact by linking it to investment and leveraging trade drivers. Examples are the External Investment Plan and new Free Trade Agreements which address new realities of international trade.

Going forward, political commitment will be required to translate these trade and cooperation agendas into sound policy and modalities for effective implementation of the aid-for-trade commitments. As the ACP-EU partnerships demonstrate the huge gains attainable, ACP countries would, with the continued structured partnership with the European Union, endeavour to accelerate the pace of integration into the regional and global economies.

11 JULY 2017

13:00 – 14:30, Geneva, WTO, Room S1

## EU EXTERNAL INVESTMENT PLAN

The EC proposed on 14 September 2016 an ambitious European External Investment Plan (EIP) to encourage investment in partner countries in Africa and the EU Neighbourhood region and contribute to strengthen partnerships, promote a new model of participation of the private sector, contribute to the achievement of the Sustainable Development Goals (SDGs), and help addressing some root causes of migration.

The Plan offers an integrated and coherent framework along three pillars:



**European Fund  
for Sustainable  
Development  
(ESFD)**



**Technical  
Assistance**



**Promoting a  
Conducive  
Investment  
Climate**

With the integration of these three pillars, the EIP marks a paradigm shift towards leverage-based ODA delivery. The new EU guarantee mechanism will enable investments that would otherwise not be forthcoming. Through technical assistance interventions, bankable investment projects with a strong sustainability dimension, both environmentally and socially, would be designed. Through typical aid for trade projects and policy dialogue, the business enabling environment would be improved, and the conditions for increased investment would be created. The plan is expected to leverage more than EUR 44 billion of investments until 2020.

The approach is coherent with the G20 initiative launched by the German presidency aiming at intensifying the partnership with Africa by strengthening sustainable private sector initiatives and investments in infrastructure and renewable energies and supporting overall sustainable economic development for growth.

The EIP builds on the European Commission's experience in implementing eight regional investment facilities. From the creation of the first EU blending facilities in 2007, EUR 3.4 billion of EU grants have leveraged EUR 26 billion of loans with a total investment volume in partner countries of around EUR 57 billion.

## MAINSTREAMING DIGITAL TECHNOLOGIES AND SERVICES INTO EU DEVELOPMENT POLICY

For the last two decades, the EU has been active in the promotion of digital technologies and services in partner countries, but has lacked an appropriate framework for mainstreaming digital technologies, contributing to the achievement of the SDGs and ensuring an effective delivery. "Digital4Development" should enable EU development policy interventions to have a greater transformative potential along four key priorities:



### Priority Area 1

Access to open, affordable and secure broadband connectivity and digital infrastructure including the necessary regulatory framework



### Priority Area 2

Digital literacy and digital skills



### Priority Area 3

Digital for growth, entrepreneurship and job creation



### Priority Area 4

Digital technologies as an enabler

## ROUNDTABLE FOCUS:

To bolster the inclusiveness and connectivity dimensions, the EU-ACP stakeholders are looking forward to boost effective implementation of the aid-for-trade commitments.

To that end, the panellists will address, *inter alia*, the following key issues:

- ▶ What are good practices and lessons learned of EU ACP cooperation modalities on trade inclusiveness and connectivity?
- ▶ What can be the future of EU-ACP aid for trade interventions, in particular in enhancing the connectivity of ACP private sector actors to regional and international markets?