

# For a comprehensive G20 partnership with Africa to implement the United Nations 2030 Agenda for Sustainable Development

# Recommendations of the German Council for Sustainable Development to the German Government

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# 1. Key points

The transformative and global aspirations of the United Nations 2030 Agenda for Sustainable Development require a reorientation of multilateral cooperation as a whole. In the context of Germany's G20 Presidency<sup>1</sup>, the German Council for Sustainable Development advocates the creation of a comprehensive G20 partnership with Africa, based on the values of the 2030 Agenda. The yardstick for this partnership – including for the G20 – should be the African Union's 2063 Agenda. The African Union has put forward a plan for the next 10 years, and intends to press ahead with its agenda for democracy, the rule of law, respect for human rights, economic reforms and scaled up value addition in its member countries.

<sup>&</sup>lt;sup>1</sup> <u>https://www.g20.org/Webs/G20/DE/Home/home\_node.html</u>

Consequently this partnership should not be designed unilaterally by the G20, but jointly with the African partners, so that responsibility rests on both sides. The African side themselves must decide which platform they wish to use for this partnership. As a first step, the German Council for Sustainable Development suggests granting the African Union (represented by its Presidency and Secretariat) a permanent seat at the G20 meetings (as it does with the EU), and continuously involving the Secretariat of the New Partnership for Africa's Development (NEPAD). In the 2030 Agenda the United Nations underline the multi-stakeholder approach; this should be reflected in the G20 partnership with Africa. Thematically, the G20 partnership with Africa should encompass the goals of the United Nations 2030 Agenda and the goals of the African Union's 2063 Agenda.

In these recommendations the German Council for Sustainable Development focuses on trade, agriculture, energy, infrastructure and health, and emphasises the need to tackle these key areas in order to achieve sustainable development. Doing so will require the actors involved in all areas to create enabling frameworks, and design measures such that sustainability can be both promoted under local conditions, and achieved at the global level.

With regard to trade policy, the World Trade Organization (WTO) also needs to embrace the principles of the 2030 Agenda and help implement the Sustainable Development Goals (SDGs). The German Council for Sustainable Development views this as an important task for the G20 countries, which account for about three quarters of the world's trade. Trade policy must not thwart the objectives of reducing poverty and hunger. We need simple and generous rules of origin for African countries. All G20 countries should put an immediate and permanent stop to export refunds or measures that have similar effects. The G20 countries should support the realisation of Africa's Continental Free Trade Area (CFTA).

In the agricultural sector the prime objective is for Africa to be able to feed itself, and do so on a sustainable basis. This will also boost opportunities for employment and development in rural areas, and counteract rural flight.

With regard to energy issues we continue to support the Sustainable Energy for All initiative, and emphasise access to affordable sustainable energy as a key element for developing energy supply in Africa, as also articulated in the African Renewable Energy Initiative. Not least the German energy transition has led to a breakthrough in price trends in the renewable energy sector, making renewables a competitive proposition.

Modern infrastructure is key to Africa's accelerated development (particularly in the energy, transport, agriculture and industrial sectors), and the German Council for Sustainable Development believes this must be planned systematically and with sustainability in mind. Concerning funding, the German Council for Sustainable Development advocates diversification: traditional development cooperation funds, funding on preferential terms, private investment, mobilisation of national resources and the halting of illegal financial flows from Africa.

With regard to the health sector, the key points recommended by the German Council for Sustainable Development are the creation of universal health coverage and infrastructure

development, in addition to needed investment in the fight against diseases and pandemics. Fundamentally important for achieving the global SDGs are the elimination of discrimination against girls and women, and free access to family planning.

In the aforementioned areas, many of the hopes placed in the energising effect of digitalisation are well founded. These effects will not come about automatically, however. They will only emerge if the right education, reliable online access and transboundary trade are in place.

#### 2. Introduction

With the publication of its revised version of the Sustainable Development Strategy in January 2017, the German Government laid the cornerstone for the strategic alignment of German policy with the goals of the United Nations 2030 Agenda for Sustainable Development. As recommended by the German Council for Sustainable Development in its statement of May 2015, this strategy sets out to implement the 2030 Agenda through measures in Germany, with Germany and through Germany. Consequently, this aim must also determine the priorities of multilateral cooperation.

The transformative and global aspirations of the 2030 Agenda for Sustainable Development require a reorientation of multilateral cooperation as a whole. In the context of Germany's G20 Presidency, the German Council for Sustainable Development advocates the creation of a comprehensive G20 partnership with Africa, based on the values of the 2030 Agenda. The yardstick for this partnership – including for the G20 – should be the African Union's 2063 Agenda. The African Union has put forward a plan for the next 10 years, and intends to press ahead with its agenda for democracy, the rule of law, respect for human rights, economic reforms and scaled up value addition in its member countries.

While preparing its recommendations, the German Council for Sustainable Development also received responses from African participants of the Open SDGclub.Berlin. These enriched the debate and are reflected in the comments and proposals put forward here.

As an association of the leading industrialised countries and emerging economies, the G20 have set themselves the goal of promoting and managing the reform of global economic frameworks and rules so as to enable global prosperity and stability. In 2016 the G20 also committed to an Action Plan for implementing the 2030 Agenda for Sustainable Development, thus broadening the objectives of their own work processes. The German G20 Presidency has reaffirmed this link to the 2030 Agenda.

Many African countries have experienced strong economic growth in recent years. Nonetheless, unlike in Asia or Latin America, the number of absolute poor in Africa as a whole has risen. Tackling this is not only a responsibility of African governments themselves. It is also in the interests of their G20 partners. Moreover, Africa faces major risks if national economic, social and environmental policies do not deliver the results expected, and if international agreements are implemented in ways that are neither appropriate to conditions in Africa, nor aligned with African priorities. This applies particularly to protection of the climate and biodiversity, agriculture and food, energy, infrastructure, trade and investment, and taxes. At the same time, productive and successful cooperation with Africa will offer the G20 countries huge opportunities to involve Africa more closely in processes of global governance. This will foster peaceful international relations and promote economic development in ways that are conducive to social integration, the reduction of poverty and inequality, and environmental and climate protection.

One important goal for the German G20 Presidency should be to agree on a working process to establish a comprehensive G20 partnership with Africa that satisfies the requirements of sustainable development (the Hamburg G20-Africa process for sustainable development).

#### 3. Implementing the 2030 Agenda in sustainable partnership with Africa

A G20 partnership with the entire continent of Africa should be designed such that it learns from past approaches. One obvious point of reference is the lessons learned by the G8 with the African Partnership Forum (APF). Between 2003 and 2009, the APF brought together up to 60 high-ranking political representatives from Africa and the G8 countries twice a year. The purpose of the forum was to generate and monitor joint activities, and make policy recommendations to take regional and global processes forward. An evaluation of the lessons learned in this context showed that a partnership of this kind that aims to involve Africa in global economic governance, and strengthen the agency and proactive management capacities of African governments and societal actors, can only work when the partnership

- is African-owned, and
- includes all the strategic partners in Africa.

This means that the agenda of systematic dialogue between the G20 and Africa must also be defined on the African side. At the same time it also means that this dialogue must include all partners in order to create a joint framework for the bilateral relationships that often compete with each other. This new partnership with Africa would then leave behind the traditional division between North-South and South-South cooperation, and make it easier to address all key policy fields for cooperation. On the G20 side, all strands of work should be involved in the partnership with Africa, i.e. not just the Development Working Group.

A joint framework would be important first of all for policy coherence between the various work strands of the G20, in order to support comprehensive sustainable development. Secondly, it would also guarantee that cooperation would not be confined to bilateral initiatives between individual African and G20 countries. Regional integration and cooperation with fragile states would then also be promoted.

The African side themselves should decide which platform they would like to use for this. It could be the Africa Global Partnership Platform, which met for the first time in Senegal in 2015. Or it might be the African Union in cooperation with NEPAD, as its founding members convinced the G8 to establish and support the **African Peace Facility** in 2004. At the last African Union Summit in January 2017, the member states decided in the future to place stronger emphasis on common African interests when cooperating with China, India, Japan and other countries. Presumably this will also apply to cooperation with the G20.

As a first step, the German Council for Sustainable Development suggests granting the African Union (represented by its Presidency and Secretariat) a permanent seat at the G20 meetings, and involving the NEPAD Secretariat on a continuous basis. This would mirror the approach taken with the European Union.

The 2030 Agenda underlines the multi-stakeholder approach to implementation, and emphasises the importance of 'open and inclusive societies'. These principles should be reflected in the G20 partnership with Africa.

We support the proposal made by the T20 Africa conference in Johannesburg on drawing up a Joint Code of Conduct describing standards and criteria for joint G20-Africa policies for prosperity and sustainability, and for governance of the partnership. This Code of Conduct should apply to all work strands and working groups of the G20, and guide the engagement of the G20 countries in Africa. It should be based on existing standards in Africa, which in some cases go beyond those of the 2030 Agenda.

# 4. Trade policy for inclusive globalisation

Trade policy needs to be redefined under the conditions of the 2030 Agenda. Interactions between trade policy and other fields of sustainable development must be discussed and clarified in a new light. These discussions must also take into account the sustainability of production processes. To achieve this, the World Trade Organization must also embrace the principles of the 2030 Agenda and contribute to implementing the universal SDGs.

A new G20 partnership with Africa must in particular also help achieve SDG 10, which concerns reducing inequalities between countries, as well as targets 17.10 to 17.12, which concern international trade. To do so it must create enabling frameworks for reducing poverty and hunger, establishing food and nutrition security, and supporting sustainable agriculture.

# Excerpt from the 2030 Agenda for Sustainable Development concerning trade<sup>2</sup>

17.10 Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda.

17.11 Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020.

<sup>2</sup> 

https://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf

17.12 Realize timely implementation of duty-free market access on a lasting basis for all least developed countries, consistent with World Trade Organization decisions, including by ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access.

The 'Marshall Plan with Africa' proposed by the German Federal Ministry for Economic Cooperation and Development (BMZ) calls for a move 'from free trade to fair trade' and new rules of cooperation. It proposes putting an 'end to harmful exports to Africa'; promoting economic structures and establishing local value chains; complying with international environmental and social standards; eliminating international tax havens; and stopping illicit financial flows from Africa. It also points out that the 'Post-Cotonou process presents the EU with the unique opportunity to overhaul its policy for Africa as of 2020 in terms of both institutions and agreements. It also offers the potential to ambitiously drive forward the agenda of trade agreements with Africa'.<sup>3</sup>

We believe that this ambitious approach of further developing trade agreements with Africa is the right one. Based on that, we also believe that a new position should be adopted with regard to the European Union's European Partnership Agreements (EPAs) with African countries. Alongside all the justified criticisms of these agreements, it is also notable that in virtually all regions of Africa no EPAs have yet been finally ratified, despite protracted negotiations. The expiry of the Cotonou Agreement in 2020, and the present commencement of discussions concerning the mandate of the European Commission to negotiate a follow-on agreement, provide an opportunity to realign trade links based on the values of the 2030 Agenda. Given a new and improved framework agreement, negotiations could then be launched on an equal footing with African partners.

The G20 countries should give the African Union an assurance that they will support it in developing the Continental Free Trade Area (CFTA).

The G20 consultations should be used to realise a sustainable trade policy that will support food and nutrition security for the African partners. Trade policy must not thwart the objectives of reducing poverty and hunger. The African countries themselves should formulate their own policies, and should be able to utilise scope for providing their own subsidies. Local production by African farmers should be promoted. All G20 countries should put an immediate and permanent stop to export refunds or measures that have similar effects.

To provide special support to the continent of Africa, consideration should be given to an initiative to improve African countries' access to markets in all the G20 countries. One possibility would be to link the EU *Everything but Arms* initiative to the principles of the USA's African Growth and Opportunity Act (AGOA). The EU initiative encompasses 49 least developed countries, and allows them duty-free and quota-free access to EU markets for all products except arms. The AGOA agreement, which has been extended until 2025, also includes other African countries, and allows them to export certain products to the USA on a quota-free and duty-free basis.

<sup>&</sup>lt;sup>3</sup> See

http://www.bmz.de/en/publications/type\_of\_publication/information\_flyer/information\_brochures/Materialie270\_a frica\_marshallplan.pdf

Simple and generous rules of origin are needed to enable African companies to make use of preferential market access. African companies need support for trade capacity development.

The G20 governments could also extend their generalised preference schemes to include additional preferences for sustainable products. This could also create an additional incentive to produce export products on a socially and environmentally sustainable basis. Moreover, this is a further area where the World Trade Organization could take action. Drawing a distinction between products and production processes seems problematic from the point of view of sustainability.

As a minimum, the G20 should allow the same market access for all lower middle income countries as the EU has decided to allow for the least developed countries. This was called for – and agreed – at the World Trade Organization consultations, but has yet to be implemented.

Finally, the G20 should respond to the Mbeki Panel Report<sup>4</sup> – also known as the Report by the High Level Panel on Illicit Financial Flows from Africa. This report developed proposals on how to prevent the annual flow of an estimated USD 50 billion from Africa. To combat capital flight and tax evasion in Africa, it proposes for instance full disclosure of beneficial ownership of companies and trusts etc. in all countries, including in offshore financial centres. Furthermore, we support the proposal to establish automatic sharing of tax information that would also include African countries. A universal, transparent register could render information on imports and exports comparable, and could be one means of tackling trade misinvoicing. This is important because trade misinvoicing is used to conceal illegal financial flows and money laundering.

# 5. Agriculture, food and nutrition, and rural areas

A G20 strategy to ensure food and nutrition security for Africa's growing population must be part of an integrated approach to implementing the 2030 Agenda and the 2063 Agenda. It must also support the countries of Africa in increasing their production of healthy foods and at the same time managing their natural resources sustainably. To provide the poorest – especially women – with access to food, as well as to land and water, and increase legal certainty for investment, it will be necessary to make good governance a core component of cooperation.

According to the UN medium-variant projection, by 2050 the population of Africa will double from 1.2 billion to approximately 2.5 billion. The demand for food and raw materials, and the consumption of natural resources, will rise commensurately. Despite progress in food production and the decline in the relative number of people going hungry, the absolute number of hungry people in Africa has risen from approximately 178 million in 1992 to over 226 million today. The vast majority of those going hungry live in rural regions.

At the same time, a change in dietary habits is evident, particularly in urban regions. Among other things this is reflected by a growing number of people with type 2 diabetes and pathological obesity, as well as rapidly growing costs. It is therefore crucially important to support measures for healthy nutrition.

<sup>&</sup>lt;sup>4</sup> <u>http://www.uneca.org/sites/default/files/PublicationFiles/iff\_main\_report\_26feb\_en.pdf</u>

Sustainable agricultural, energy, economic and trade policies are a special responsibility incumbent upon the G20 countries. The German Council for Sustainable Development believes the impacts of the G20 countries' policy on agriculture, food and nutrition in African countries are key to effective implementation of the SDGs. The prime objective of this policy should be to ensure the food and nutrition sovereignty of African countries. Smallholder agriculture using sustainable methods to produce food primarily for the local population should be preserved. Self-sufficiency, and local and regional trade, must have priority over exports and global trade. Increased land grabbing – usually by G20 countries or investors – for export products such as energy crops, coffee, cereals, timber and to a growing extent protein feedstuffs, needs to be effectively tackled. So too does speculation in foods on the international financial markets.

The potential of rural regions needs to be systematically developed. Here too, this means creating appropriate enabling frameworks for smallholder farming and entrepreneurial activity. The production of food, including processing and marketing, needs to be seen as a starting point for economic development and jobs in rural regions. Sustainable natural resource management (particularly for cities), opportunities for networking through digital media to create additional value chains and wider markets, and job creation, must be systematically promoted. The G20 must send a clear signal that it intends to support the economic strengthening of rural regions.

#### 6. Health

Now that the German G20 Presidency has for the first time included health issues in the process agenda, it is a matter of urgency that future presidencies continue addressing this key component of global sustainability policy.

The health of populations is a prerequisite for vigorous economic growth and an effective education sector. In an age of economic interconnectedness, and intensive travel, migration and (unfortunately) displacement, global health is supremely important for everyone, both in the North and the South. More importantly, though, health is a human right, which means it is not a policy field that can be conceptualised in instrumental terms.

Many parameters of global health have improved since the Millennium Development Goals were launched. Nonetheless, unfortunately we still see considerable failures in global health policy, particularly with respect to reproductive health and the fight against maternal and child mortality. This element is lacking in the priorities set by the German Presidency, despite the priority attached to addressing the discrimination suffered by women and girls at other points in the G20 Presidency agenda, and despite the priority attached to the continent of Africa, where this and other parameters fall far short of those in other regions of the world. Despite the significant progress made in tackling the HIV epidemic and other devastating diseases, average life expectancy in sub-Saharan Africa remains 20 years below the OECD average.

The focus on strengthening capacities for responding to pandemics, and strengthening health systems, does make sense, particularly in light of the lessons learned from the Ebola epidemic in 2014. Here there is a need to systemically develop scientific knowledge, prevention and awareness.

At the same time, this systematic response must be built around a human-rights-based approach that makes universal health coverage mean exactly what it says. In other words health systems must make their services available to all, and – in accordance with the principle of Leave No One Behind – take account of the special needs of vulnerable and marginalised groups (including ethnic minorities, or groups who suffer discrimination due to their sexual orientation or identity). An approach that sees pandemics purely from a security policy perspective ultimately will not be sustainable.

Diseases that today seem treatable might soon no longer be so. Antimicrobial resistance is a serious concern for the whole of humankind. Yet, as is so often the case, it is currently the poorest of the poor who are most threatened by the infectious diseases typically associated with this. Chief among these is tuberculosis, which in 2015 was responsible for almost a third of all fatalities caused by antimicrobial resistance<sup>5</sup>, and today is the communicable disease claiming the most lives worldwide. Yet other infectious diseases that are typically treated with antibiotics are also causing us concern. Another worry is limitations on the options for treating HIV/AIDS and malaria.

By addressing such resistance the G20 has identified the right focus. The question now is whether a sustainable, poverty-based approach will actually be selected, and whether research funding and the development of new solutions will avoid errors in the field of intellectual property that in the past have led to the most needy people being denied access to cures.

The opportunities currently presenting themselves for Africa in the field of digitally based health solutions (e-health) are promising. For example, monitoring supported by data systems can provide a more reliable basis for health care planning and delivery, and in epidemiological emergencies can also significantly improve communication channels and coordination. In remote regions the quality of health care can also be strengthened using applications such as telemedicine. There is also potential for instance to improve the efficiency of planning, procurement and logistics. Investment in this area would therefore help close possible gaps in coverage more rapidly.

Addressing these challenges only within the context of the G20 would offer no more than a piecemeal solution. This group of countries should rather agree to improve global governance structures in the health sector, for instance within the framework of a robustly reformed and adequately funded World Health Organization. Numerous implementation instruments are available for systematically managed investment activities, for instance through the Global Fund to Fight AIDS, Tuberculosis and Malaria.

<sup>&</sup>lt;sup>5</sup> Jim O'Neill (ed.): Tackling drug-resistant infections globally: Final report and recommendations, 2016, p.10.