



Speech by Jean-Claude Juncker, Honorary President of the La Verticale AME Foundation, in introduction to the webinar on Special Economic Zones.

After 20 years of continuous growth, Africa is entering a more risky sequence: a pandemic, security deterioration, less growth and geopolitical upheavals. In this respect, the role that could be played by Europe which, as President Macky Sall puts it, is “a natural partner” of Africa, is more important than ever. Europe is therefore under an obligation to find ways and means for the development of a New Alliance with Africa: the EU's External Investment Plan is an essential first step in establishing mutual trust, which should be followed by the conclusion of a free trade agreement between Africa and Europe; the substantial progress made in the creation of the African Continental Free Trade Area (AfCFTA) in recent years is therefore welcome. The time has come not to detach ourselves from Africa, nor to multiply interventions, but to go to the essentials, in the interest of all, Africans and Europeans alike.

To give a new dimension to the European Union's partnership with Africa, at least two actions seem to me to be priorities.

To facilitate dialogue at all levels of civil society, it is necessary to create free, independent and innovative and co-managed spaces where scientists, entrepreneurs and young leaders can meet in complete freedom and launch ideas and projects useful to people and likely to bring the economies of the two continents closer together.

The La Verticale Africa-Med-Europa Foundation, which I am honored to serve as Honorary President with Mahamadou Issoufou, is a perfect illustration of how to meet this challenge. Thanks to its structure - independent from institutions, balanced and working over time with a long-term prospective vision, and with its three very distinct pillars - a circle of entrepreneurs for the business pillar, a forum of wise men for the political pillar and a network of think-tanks for the scientific pillar, the La Verticale Africa-Med-Europa Foundation represents the ideal instrument for following this approach.



The second priority is to enable Africans to develop based on a development model of their choice and from their own raw materials.

However, the latest OECD report on the evolution of world trade shows that African exports jumped by 42% between October 2020 and October 2021 while American exports and Chinese exports were limited to + 17% and those of Europe to +11%.

This African super-performance is driven by the export of raw materials without on-site processing. This can not go on! Africa can and must create added value and create jobs through accelerated industrial development. For the success of this industrialization, the financial conditions (loans, credits, risk reduction) are essential but insufficient. Indeed, because the factors of production are rare, it is necessary to create Special Economic Zones within which the heads of companies find the factors of production and an adequate environment to develop their activities there, while respecting environmental and social standards and promoting good governance through a Public-Private partnership. Thanks to this original approach based on economic synergies compared to others based on tax exemptions instead, we could all, Africans and Europeans, benefit from this industrial co-production and this co-development.

African elites and decision-makers are aware of the benefits of developing an African model of Special Economic Zones, geared towards the internal market, inclusive of the local industrial fabric, respectful of environmental and social standards, and endowed with an effective and transparent governance. The realization of the AfCFTA gives the SEZs an even more important dimension because they facilitate the creation of inter-African supply chains.

This webinar on SEZs seems to me to be a positive and encouraging example of what the European Union and the African Union should promote, that is to say a policy of common industrial co-production between Europe and the Africa.