# EU–Africa Agricultural Trade: Challenges and Opportunities






Presented by:

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# The Discussion: Seven Connected Questions

## 1 Understanding the trade relationship

What is moving between the two markets, and where are the commercial intersections?

**Coffee, tea, cocoa, and spices** remain the EU's largest import category, and imports from sub-Saharan Africa grew in 2025. While Fruits, nuts, oilseeds and botanicals are the growing commercial intersections.

## 2 Identifying the bottlenecks

Why do promising products and suppliers struggle to compete?

Fragmented supply, uneven quality, compliance gaps and limited working capital keep promising suppliers from competing

# The Discussion: Seven Connected Questions

**3**

## Achieving market readiness

What does access to the European market actually require?

Products must meet EU law, buyer specifications and due diligence rules. The EUDR applies from 30th of December 2026 for large and medium operators and 30th of June 2027 for most micro and small operators.

**4**

## Unlocking investment

Where are the opportunities across African agricultural value chains?

The strongest opportunities are in processing, aggregation, quality and compliance infrastructure, logistics and digital traceability.

# The Discussion: Seven Connected Questions (Cont'd)

## 1–4 THE FOUNDATION

- Understanding the trade relationship
- Identifying the bottlenecks
- Achieving market readiness
- Unlocking investment

## 5 Positioning African agribusinesses

How can suppliers strengthen capacity and capture more value?

- Suppliers can organise supply, document quality and traceability, and add value through processing

# The Discussion: Seven Connected Questions (Cont'd)

6

## Positioning European businesses

How can European companies participate in and benefit from African agricultural value chains?

- Europeans can diversify sourcing, invest in processing and testing, and partner with credible local suppliers.

7

## Building shared value

What should businesses, investors and institutions do differently?

- Investors fund bottlenecks, institutions build testing and standards capacity and businesses commit to longer-term offtake and supply,

# Understanding the EU-Africa Agricultural Trade Relationship



# The EU Is a Major Agri-food Market, but Access Is Competitive

**EU AGRI-FOOD IMPORTS**

## €188.6bn

▲ +9% vs 2024

EU agri-food imports in 2025, representing a 9% increase from 2024.

**SUB-SAHARAN AFRICA SHARE**

## 15%



Share of EU agri-food import value accounted for by Sub-Saharan Africa in 2025.

**WHAT AFRICA SUPPLIES**

## 68%



Share of EU agri-food imports from Sub-Saharan Africa represented by cocoa, tea, coffee and spices.

**KEY MESSAGE** There is an established commercial relationship, but there is still room to diversify products, improve value addition and expand the range of competitive African suppliers.

**Source:** European Commission, Monitoring EU Agri-Food Trade: Developments in 2025.

# Where African Supply Intersects with European Demand



## 1 Cocoa and coffee

- Established European import categories.
- Opportunities in quality improvement, traceability, origin differentiation and processing.



## 2 Fruit and nuts

- Fresh and dried fruits, cashew and other nuts.
- Competitiveness depends on consistency, phytosanitary controls and logistics.

# Where African Supply Intersects with European Demand



## 3 Oilseeds and spices

- Sesame, ginger and other agricultural ingredients.
- Opportunities in food manufacturing and specialised ingredient markets.



## 4 Botanicals and processed foods

- Hibiscus and other plant-based products.
- Opportunities in ingredients, beverages and value-added products.

**KEY MESSAGE** Africa's opportunity is not limited to supplying raw commodities. It also includes supplying processed ingredients, differentiated products and higher-value agricultural goods.

# Challenges to Competitive Agricultural Trade



# The Agricultural Value Chain: Where Trade Performance Is Won or Lost

## 01 Farm production

- Input quality and availability.
- Good agricultural practices.
- Harvest timing and farm records.

## 02 Aggregation

- Farmer organisation.
- Collection and consolidation.
- Sorting and grading.

## 03 Processing and quality assurance

- Cleaning and drying.
- Moisture control.
- Storage and testing.
- Batch consistency.

## 04 Export and market delivery

- Export documentation.
- Logistics and shipment.
- Buyer communication.
- Traceability and delivery.

**KEY MESSAGE** A weakness at any point in the value chain can undermine the performance of the entire export transaction.

# Common Constraints Are Connected, Not Isolated

## 1 Fragmented supply

- Small production volumes.
- Dispersed farming communities.
- Weak aggregation and coordination.
- Difficulty meeting large buyer requirements.

## 2 Quality variation

- Inconsistent harvesting and handling.
- Poor storage facilities.
- Inadequate processing infrastructure.
- Variations in product quality between batches.

## 3 Compliance gaps

- Limited technical knowledge.
- Inadequate documentation and traceability.
- Insufficient testing capacity.
- Weak quality management systems.

## 4 Capital and logistics

- Limited access to working capital.
- High transportation and shipment costs.
- Inadequate storage and processing infrastructure.
- Difficulty financing the period between procurement and payment.

# The Export Paradox: Production Potential Does Not Guarantee Competitiveness

| | | |
|---|---|---|
| **A good harvest** | ≠ | An export-ready consignment |
| **Obtaining a certificate** | ≠ | Guaranteed compliance or access to a buyer |
| **Establishing a processing facility** | ≠ | Commercial success without adequate throughput and demand |
| **Identifying a foreign market** | ≠ | Profitability |

**Export opportunities are only captured when suppliers can deliver to specification, on time and at a sustainable price.**

**KEY MESSAGE** Interventions must address the actual constraints limiting value-chain performance, rather than focusing on isolated solutions.

# A Practical Exporter-readiness Pathway

## Define › Organise › Control › Execute

**STEP 1**

### Define the market

- Identify the product and target market.
- Understand buyer requirements.
- Confirm demand, specifications and pricing.

**STEP 2**

### Organise supply

- Map producers and suppliers.
- Establish realistic volume and seasonality estimates.
- Improve aggregation and post-harvest handling.

**STEP 3**

### Control quality

- Introduce quality management procedures.
- Establish testing and inspection processes.
- Maintain records and traceability.
- Implement corrective actions.

**STEP 4**

### Execute trade

- Secure working capital.
- Arrange logistics and documentation.
- Establish commercial agreements.
- Maintain communication with buyers and manage repeat orders.

# Export Competitiveness Is a Complete Commercial Proposition

An agricultural product must satisfy five conditions to compete successfully.

| | |
|---|---|
| **1 Product fit** | The product meets an actual buyer need and specification. |
| **2 Supply capacity** | The supplier can deliver the required volume consistently. |
| **3 Compliance** | Legal, food safety, plant health and documentation requirements are met. |
| **4 Commercial reliability** | Quality, price, delivery, communication and payment arrangements are dependable. |
| **5 Sustainable economics** | The transaction is profitable and viable for both parties. |

**KEY MESSAGE** Having an agricultural product is only the starting point. Competitiveness is determined by the ability to deliver the right product, at the right quality, in the right quantity, at the right time and at a sustainable price.

# Certification, Compliance, and EU Market Readiness



# Certification Can Strengthen Credibility When Commercially Relevant

### GlobalG.A.P.

- Farm-level good agricultural practices.
- Production assurance and management systems.
- Relevant where required by buyers or market channels.

### EU Organic certification

- Production and handling under applicable organic rules.
- Verification of organic claims and processes.

### Rainforest Alliance

- Sustainability requirements and assurance for relevant commodities and supply chains.

### UEBT and other relevant standards

- Ethical sourcing.
- Biodiversity considerations.
- Specific buyer and ingredient-market expectations.

**KEY MESSAGE** Certification should respond to product requirements, market expectations and a clear business case. It should not be pursued simply for the sake of obtaining a certificate.

# The Operational Disciplines Behind Compliant Supply

1

## Food safety and hygiene

- Preventive controls.
- Clean processing facilities.
- Pest management.
- Documented procedures.

2

## Pesticide residues and contaminants

- Responsible agrochemical use.
- Monitoring and testing.
- Corrective actions when limits are exceeded.

3

## Traceability

- Identification of farms and suppliers.
- Batch and lot identification.
- Processing and storage records.
- Shipment documentation.

# The Operational Disciplines Behind Compliant Supply

4

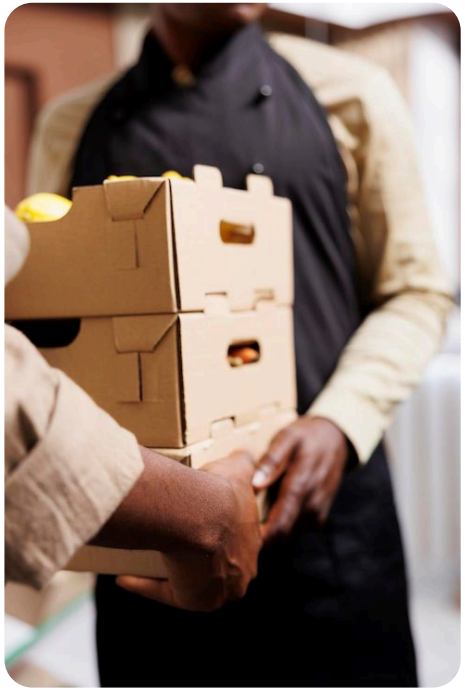
## Plant health

- Compliance with applicable phytosanitary requirements.
- Required inspections and certification.

5

## Labelling and packaging

- Accurate product information.
- Appropriate packaging for the product and destination.
- Compliance with applicable labelling requirements.



# Compliance Is a Shared Supply-chain Responsibility

## African suppliers

- Build appropriate systems and records.
- Improve production and processing practices.
- Strengthen traceability.
- Maintain quality control and corrective-action processes.

## European buyers

- Communicate specifications clearly.
- Share forecasts and purchasing expectations.
- Explain due diligence and quality requirements early.
- Support supplier development where commercially appropriate.

## Technical partners

- Provide training and technical support.
- Strengthen testing and verification capacity.
- Support certification and continuous improvement.
- Help bridge gaps between production practices and market requirements.

**KEY MESSAGE** Sustainable compliance requires cooperation throughout the supply chain. It cannot be achieved by placing every responsibility on the exporter alone.

# Market Access Rests on Two Layers: Law and Buyer Requirements

A

## Mandatory regulatory requirements

Depending on the product, these may include:

- EU food safety and hygiene requirements.
- Maximum residue limits for pesticides.
- Contaminant limits.
- Plant health and phytosanitary requirements.
- Traceability requirements.
- Labelling and packaging regulations.

B

## Buyer and commercial specifications

These may include:

- Product grade and quality.
- Moisture content and size.
- Packaging specifications.
- Testing protocols.
- Delivery schedules.
- Auditing and supplier assurance requirements.

# Market Access Rests on Two Layers: Law and Buyer Requirements

C

## Voluntary sustainability standards

These may provide evidence of defined production or management practices and support market differentiation where buyers value them.



! **IMPORTANT** **Voluntary certification does not replace compliance with applicable EU legislation.**

# Due Diligence Is Becoming Part of Market Access

European market access increasingly requires businesses to understand and demonstrate the origin and characteristics of their supply chains.

## 1 Know the product

- Identify the commodity and country of origin.
- Understand processing stages.
- Identify applicable regulatory requirements.

## 2 Know the supply chain

- Maintain supplier information.
- Identify relevant farms or production plots where required.
- Maintain batch and transaction records.

## 3 Know the risk

- Assess environmental and social risks.
- Understand food safety and sourcing risks.
- Maintain evidence to support due diligence.

EXAMPLE: EU DEFORESTATION REGULATION (EUDR)

**The regulation covers these commodities, as well as specified derived products.**

Cattle | Cocoa | Coffee | Palm oil | Rubber | Soy | Wood

# Turning Market Requirements into Export Performance: FutuX Experience




Exports supported across agribusiness clients, not produce exported directly by FutuX.

**CUMULATIVE VOLUME OF AGRICULTURAL PRODUCE SUPPORTED FOR EXPORT TO THE EUROPEAN UNION BY FUTUX SINCE 2017**

**Products supported include:**

- Dried hibiscus flowers
- Dried split ginger
- Beeswax
- Other agricultural products

# Turning Market Requirements into Export Performance: FutuX Experience

## Cross-market experience

Supporting African agribusinesses in preparing products and supply chains for international markets.

Working with European importers, buyers and distributors.

Supporting businesses with sustainability certification and market-readiness processes.




**KEY MESSAGE** Practical experience demonstrates that market access is not achieved through production alone. It requires coordination between suppliers, technical service providers, buyers and other value-chain stakeholders.

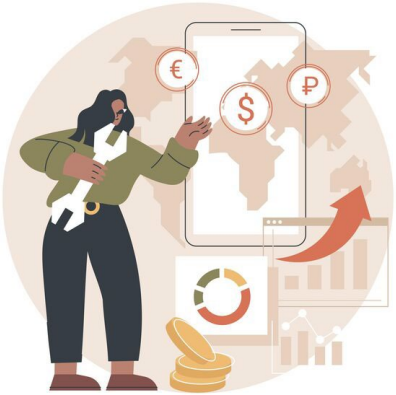
# Opportunities Across African Value Chains

## Positioning African Agribusinesses and European Businesses and Investors



# Invest in the Systems That Make Trade Repeatable

The strongest investment opportunity may not always be the production activity itself. It may be the constraint preventing an existing value chain from performing.



**Investment should follow evidence of:**

- Actual market demand.
- Buyer specifications.
- Raw-material availability.
- Operational capacity.
- Commercial viability.

# Invest in the Systems That Make Trade Repeatable

## Potential interventions include:

- Improving productivity and production systems.
- Developing aggregation and collection infrastructure.
- Establishing processing and value-addition facilities.
- Strengthening quality assurance and compliance systems.
- Improving storage and logistics.
- Developing digital market and traceability systems.

**KEY MESSAGE** The objective is not simply to build assets. It is to create reliable supply, improve margins and enable repeat commercial transactions.

# Five Investment Opportunity Areas Across African Agricultural Value Chains

## 01
### Production and organised sourcing

- Outgrower schemes.
- Farmer services and input supply.
- Irrigation and mechanisation.
- Organised procurement and aggregation.

## 02
### Agro-processing and value addition

- Cleaning, drying and grading facilities.
- Milling and extraction.
- Packaging and processing.
- Local ingredient manufacturing.

## 03
### Quality and compliance infrastructure

- Agricultural laboratories.
- Inspection and verification services.
- Certification support.
- Traceability and compliance systems.



# Five Investment Opportunity Areas Across African Agricultural Value Chains



## 04

### Logistics and market infrastructure

- Warehousing.
- Cold-chain facilities.
- Aggregation centres.
- Transport and export-handling infrastructure.

## 05

### Digital agricultural systems

- Farm and supplier databases.
- Digital traceability.
- Market intelligence.
- Digital trade coordination.

# A Practical Investment-screening Test

Before investing in an agricultural value-chain opportunity, consider five questions.

## Market

- Who will buy the product?
- At what price and specification?
- What volume and frequency of demand exist?

## Supply

- Is sufficient raw material available?
- Is supply consistent across seasons?
- Can quality be maintained?

## Operations

- Are technology, skills and utilities available?
- Is maintenance capacity adequate?
- Is there competent management?

# A Practical Investment-screening Test

## Economics

- Do projected margins cover procurement, processing, finance and logistics?
- What are the major risks and cost drivers?

## Partnership

- Are responsibilities clearly defined?
- Is there a credible buyer or offtake arrangement?
- Are governance and risk-sharing arrangements transparent?



**KEY MESSAGE** Validate the commercial model before committing substantial capital to fixed assets.

# What African Agricultural Businesses Can Do Now

## 1 Be market-led

- Select products based on actual buyer demand.
- Understand destination-market requirements.
- Develop realistic pricing and market-entry strategies.

## 2 Build supply discipline

- Organise producers and suppliers.
- Plan production volumes and seasonality.
- Improve harvesting and post-harvest practices.

## 3 Make quality visible

- Document production and processing procedures.
- Introduce product testing.
- Maintain traceability records.
- Address quality non-conformities.

## 4 Become investment-ready

- Maintain credible business records.
- Develop costings and financial projections.
- Strengthen governance and management.
- Prepare clear business and growth plans.

# Readiness Looks Different at Each Point in the Value Chain

| Business category | Priority areas |
| --- | --- |
| Farmers and cooperatives | Good agricultural practices, group records, quality handling, reliable delivery and transparent aggregation. |
| Aggregators | Supplier mapping, grading, lot identification, storage controls, working capital and buyer coordination. |
| Processors | Food safety, process control, product testing, packaging, traceability and capacity utilisation. |
| Exporters | Buyer specifications, documentation, logistics, contracts, due diligence and repeat-order management. |

# The European Opportunity: Participate, Partner and Benefit

## 1 Positioning within Europe

- Diversify agricultural sourcing origins.
- Understand emerging African production opportunities.
- Identify products with strong commercial demand.
- Define clear supplier and product specifications.
- Strengthen supply-chain due diligence.

## 2 Positioning within Africa

- Establish partnerships with credible local businesses.
- Invest in processing and value addition.
- Support supplier development.
- Develop quality assurance and traceability infrastructure.
- Explore local sourcing and organised production arrangements.

# The European Opportunity: Participate, Partner and Benefit

## 3 Positioning across the value chain

- Provide technology and technical expertise.
- Mobilise investment and finance.
- Connect suppliers with international markets.
- Strengthen logistics and distribution.
- Build long-term commercial relationships.



**KEY MESSAGE** Africa should not be viewed only as a sourcing destination. It is also a market for investment, technology, processing, services and long-term commercial partnerships.

# How European Companies Can Position Themselves

## Importers and manufacturers

- Diversify sourcing origins.
- Develop reliable supplier relationships.
- Support quality improvement at source.
- Explore new agricultural ingredients and processed products.

## Investors

- Assess opportunities in agro-processing.
- Invest in storage and logistics.
- Explore testing, certification and quality infrastructure.
- Support organised sourcing and supplier development.

## Technology providers

- Introduce appropriate agricultural and processing technologies.
- Adapt solutions to local operating conditions.
- Build local technical and maintenance capacity.

## Distributors and retailers

- Work with suppliers on product specifications.
- Explore product development and differentiation.
- Strengthen traceability and responsible sourcing.

## All European partners

- Conduct due diligence.
- Understand country and commodity risks.
- Engage credible local partners.
- Establish transparent commercial terms.

# Building Strategic Partnerships and Shared Values

## Positioning African Agribusinesses and European Businesses and Investors



# Partnership Models That Can Create Shared Commercial Value

| | | |
|---|---|---|
| **1 Offtake and supply agreements** | • Longer-term purchase arrangements.<br>• Transparent quality specifications. | • Agreed volumes and delivery schedules.<br>• Performance incentives. |
| **2 Joint ventures** | • Local processing facilities.<br>• Shared infrastructure and equipment. | • Technology transfer.<br>• Clearly defined ownership and governance. |
| **3 Supplier development partnerships** | • Farmer training.<br>• Quality improvement.<br>• Agronomic support. | • Access to finance and technical services.<br>• Continuous improvement programmes. |
| **4 Service partnerships** | • Testing and laboratory services.<br>• Inspection and verification.<br>• Certification and compliance support. | • Traceability and logistics.<br>• Market intelligence. |

# What Makes a Partnership Durable?

## A durable partnership

### Commercial clarity

- Clear product specifications.
- Transparent pricing.
- Agreed volumes and delivery schedules.
- Defined payment terms and dispute-resolution mechanisms.

### Shared information

- Production forecasts.
- Buyer requirements.
- Supply-chain performance data.
- Early communication of risks and changes.

### Fair value creation

- Local processing opportunities.
- Skills development.
- Employment creation.
- Supplier capacity development.
- Appropriate value retention within producing economies.

# What Makes a Partnership Durable?

## Risk management

- Transparent due diligence.
- Contingency planning.
- Defined responsibilities.
- Clear accountability.

## Long-term orientation

- Investment in capabilities and relationships.
- Continuous improvement.
- Repeat commercial transactions rather than dependence on occasional spot purchases.



# The Enabling Environment Matters

## Governments

- Predictable regulatory frameworks.
- Trade facilitation.
- Infrastructure development.
- Stronger sanitary and phytosanitary capacity.
- Investment-friendly policies.

## Technical institutions

- Strengthen standards and testing capacity.
- Support training and skills development.
- Promote applied research and innovation.
- Improve certification and verification systems.

**Enabling environment**

## Business networks

- Connect buyers, suppliers and investors.
- Facilitate market intelligence.
- Build commercial relationships.
- Translate networking into practical business opportunities.

## Regional cooperation

- Strengthen intra-African trade.
- Use AfCFTA to support regional market integration.
- Encourage regional value chains.
- Support economies of scale and local value addition.

# Why Platforms Like the Europe–Africa Initiative Matter

## Connecting Interests. Facilitating Partnerships. Advancing Shared Opportunities.

### The challenge

- African businesses need access to markets, investment, technology and credible commercial partners.
- European businesses need reliable sourcing relationships, market intelligence and trusted local partners.
- Both sides need spaces where commercial interests, policy priorities and technical expertise can converge.



# Why Platforms Like the Europe–Africa Initiative Matter

## THE ROLE OF EAI

### Convening

Bringing relevant European and African stakeholders into meaningful dialogue.

### Connecting

Facilitating relationships between businesses, investors, institutions and technical partners.

### Enabling

Supporting cooperation around trade, investment, innovation and sustainable development.

### Advancing

Helping translate shared interests into practical partnerships and opportunities.



**THE BIGGER OPPORTUNITY** Moving Europe–Africa cooperation beyond dialogue towards structured engagement, investment and mutually beneficial commercial outcomes.

# Five Priorities for Moving from Potential to Performance

| | | |
|---|---|---|
| 1 | **Start with demand** | Build agricultural businesses around real buyers, specifications and commercially viable markets. |
| 2 | **Fix the bottleneck** | Invest in the constraint limiting production, quality, compliance, processing or delivery. |
| 3 | **Build trust** | Strengthen records, traceability, verification and transparent communication. |
| 4 | **Share value** | Expand local processing, skills, supplier capability and responsible investment. |
| 5 | **Stay long-term** | Develop partnerships that support repeat trade, continuous improvement and sustainable commercial relationships. |

# The opportunity is not simply to trade more.

## It is to create more value through trade.

Africa and Europe can build more competitive agricultural value chains when production, processing, compliance, investment and market relationships are developed together.

# Thank you

**Questions and Discussion.**

