

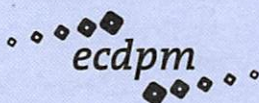
# Trade Negotiations Insights

## Contents

To sign or not to sign? The Caribbean dilemma	1
CARIFORUM'S decision to sign the EPA	2
Breaking the mould: Guyana and a 'goods only' Caribbean EPA	4
A 'Green Revolution' for Africa	5
Responding to Africa's agricultural challenges: the need for new paradigms in aid, trade and science	6
Implications of the CARIFORUM EPA provisions on trade in services: recommendations for Southern Africa	8
EU banana dispute: a view from Costa Rica	10
The 2010 revision of the Cotonou Partnership Agreement	11
WTO Roundup	13
EPA Update	14
Calendar and resources	16



International Centre for Trade  
and Sustainable Development



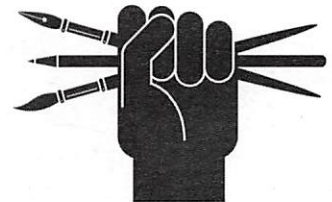
Available online at:  
[www.ictsd.net/tni](http://www.ictsd.net/tni)  
[www.acp-eu-trade.org/tni](http://www.acp-eu-trade.org/tni)

## To sign or not to sign? The Caribbean dilemma

Sanoussi Bilal, ECDPM

As the CARIFORUM members are getting ready to sign a comprehensive EPA with the European Union, two countries, Haïti and Guyana, are having last minute reservations. Haïti has concerns related to its liberalisation schedule, regional preferences towards the Dominican Republic and the availability of aid assistance. Guyana has even more fundamental concerns and has asked to sign a 'goods only' agreement. The EU Trade Commissioner, Peter Mandelson, has rejected this latter option, proposing instead to go ahead with the signature, which most recently has been planned for October 15 2008, addressing any outstanding concerns within the framework of the Joint CARIFORUM-EU EPA Council as foreseen by the agreement.

Without prejudging the merits of Guyana's reservations (shared to some extent by countries like Grenada and St. Lucia, although these two have refrained from threatening to reject the agreement), the timing is most unfortunate. Guyana's authorities did not express disagreement with the regional position during the negotiations, waiting over nine months after the conclusion of the negotiations on a comprehensive EPA to the eve of its official signature to indicate their fundamental disagreement. Not surprisingly, this attitude has generated passionate reactions from both sides of the fence; at odds with its regional partners and apparently inconsistent with the regional integration process in CARICOM, the Guyanese position has been highly praised by EPA critics in the Caribbean and in Europe.



Beyond the specific case of Guyana, which might well be motivated by domestic concerns, the current situation raises some fundamental issues of direct relevance for Africa and Pacific countries. One key point is the need for each ACP country to remain actively engaged in the EPA negotiations of its region and to express their concerns and possible disagreement as early on in the negotiation process as possible, so as to influence the regional position. To undo an already agreed deal is generally a near impossible task. A second lesson is that a one-size-fits-all agreement may not be easily achieved, even at the regional level. The EU should be willing to show flexibility in its approach, without seeking to impose comprehensive agreements on countries that would prefer simple free trade agreements. If this can be envisaged in the Southern Africa or the Pacific EPA, why not in other regions like the Caribbean?

In the following article, Anthony Peter Gonzales provides a comprehensive analysis of CARIFORUM's decision to sign the EPA and the reservations expressed by Haïti and Guyana. Patrick Gomez also tackles this issue through an examination of Guyana's request to sign a 'goods only' agreement. Both pieces included in this issue of TNI, provide invaluable analysis on the countries concerns and perspective.

*TNI is keen to open its columns to this debate and welcomes your thoughts and contributions.*



## Editorial

The massive global financial crisis affecting rich countries has dominated news headlines in recent weeks. Stock markets continue to tumble while banks seem to collapse on an almost daily basis. The latest attempt to tackle the crisis includes a controversial \$700 billion bail-out plan from the US government. But where does this situation leave the world's poorest nations?

The crisis has certainly made the world acutely aware of the need for appropriate financial regulation. In order to strengthen regulation in ACP countries and help to shield vulnerable economies from external shocks, it would seem that Aid for Trade packages and EPA related development support must be adequate and delivered in a timely fashion before liberalisation takes place.

Indeed, world leaders managed to raise substantial aid to tackle poverty, hunger and disease during a one-day UN development conference in New York on September 25. Despite the turmoil, pledges totalled \$16 billion, which according to UN Secretary General Ban Ki-moon were "a sign of global partnership in action" made "all the more remarkable because it comes against the backdrop of a global financial crisis."

At the same meeting, organised to assess the progress on the Millennium Development Goals, a new UN initiative was launched to provide a market for Third World farmers and a source of aid for those struggling with soaring food prices by buying up stocks for food aid usage from poor small-scale farmers. Agriculture also seems to top the EU's development agenda, with the recent creation of its 'Food Facility' for African farmers. The €1 billion funding for this has been earmarked from unspent EU farm funds – a move which not all Europeans agree with.

In this month's issue of TNI, EU Commissioners Mariann Fischer Boel and Louis Michel present the new emergency food aid scheme, while Kato Lambrecht argues that more fundamental change is needed if Africa is to develop more resilient and sustainable agricultural systems. On the back of the two articles we ran on bananas in the September issue, we have also decided to run an article by Jorge Sauma Aguilar from Costa Rica to present the Latin American point of view on the current situation with the EU's banana import regime.

It appears that the Caribbean is on the verge of becoming the first ACP region to sign its EPA with the EU, as the ceremony is now scheduled for October 15. Unsurprisingly, this move has elicited a wealth of political commentary on the pros and cons of the commitment. As such, TNI felt that it was necessary to dedicate space to highlighting the contentious issues and to encourage readers to add their own voice to the ongoing debate.

Last but not least, TNI continues its series of articles based on the studies commissioned by the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) and the German Federal Ministry for Economic Cooperation and Development (BMZ), with a piece by Nkululeko Khumalo looking at the service sector in Southern Africa. As usual, all questions, comments and contributions to TNI can be sent to [vhanson@icstd.ch](mailto:vhanson@icstd.ch)

**We hope you enjoy the October issue of TNI!**

# CARIFORUM'S decision to sign the EPA

Anthony Peter Gonzales<sup>1</sup>

The recent decision by 13 out of the 15 CARIFORUM countries to sign the already initialled CARIFORUM-EU EPA marked the culmination of a long process of negotiations, extensive consultations with all stakeholders - both during and after the negotiations - and a review by each government of the initialled text. The decision was made in the context of intense national, regional and international debate on the pros and cons of the EPA. The two countries that decided against signing were Haiti and Guyana. Haiti had reservations on various provisions and wanted further clarification before deciding whether or not to sign a full EPA. Guyana expressed interest in a 'goods only' agreement.

## Charter new territory

The choice of a comprehensive EPA (involving goods, services, some trade-related issues and development cooperation) was indeed a difficult one for the region. This was especially true for the CARICOM countries, which unlike the Dominican Republic that had negotiated a full free trade agreement (FTA) with the US, were charting completely new territory. There were several contentious issues, namely the suitability of the liberalisation schedules, the inclusion of services and trade-related issues such as investment, competition and intellectual property, the compatibility of the EPA with the CARICOM Single Market and Economy (CSME), the nature of development cooperation and the most-favoured nation (MFN) clauses.

The decision to sign the EPA was therefore, a complex one. A key consideration was that the Cotonou Agreement signed in 2000 committed both the ACP and the EU to progressively remove trade barriers between one another and that any agreement they endorsed should be WTO-compatible. The CARIFORUM countries had to consider the most realistic WTO-compatible options available: either the EU's generalised system of preferences (GSP) or a development-friendly asymmetrical reciprocal agreement. The latter option was preferable since the EU's GSP would have entailed a substantial decline in export earnings due to the loss of the Cotonou special preferences.

## Best deal on the table

Furthermore, the flexibility available in the relevant WTO provisions governing regional trade agreements in goods and services was considered satisfactory to minimise the costs in relation to the benefits. Both the CARIFORUM goods and services liberalisation schedules contain extended transition periods and the possibility to exclude sensitive sectors from liberalisation. In addition, even more flexibility was secured for CARICOM Lesser Developed Countries (members of the Organisation of Eastern Caribbean States - OECS - plus Belize) in terms of the pace of liberalisation and the possible exclusions.<sup>2</sup> The vast majority of countries, therefore, were convinced that it was not possible to secure a better deal that would still be WTO compatible.

In going beyond a goods only agreement, CARIFORUM had to recognise that the future of exports for the vast majority of countries lies in services. Focusing on goods only market access when the region already had duty-free access for almost all of its exports would not bring it any extra benefits. Substantial additional WTO-plus market access in services, coupled with asymmetrical protection of the local services industries, remained therefore, a *sine qua non* for the region. In terms of the level of liberalisation by CARIFORUM compared to the European Commission, there is clear asymmetry as expected. Based on the W120 list of services sectors, the European Commission opened more than 90 per cent of service sectors. In the case of CARIFORUM, countries aimed at a sectoral target coverage between 65 and 75 per cent; the CARICOM countries did not get to that target range.<sup>3</sup> Both in terms



*"The decision to sign the EPAs was a complex one. [But] the countries committed to signing were persuaded that they had achieved their basic objectives in the negotiations."*

of sectors and modes of supply there has been the substantial elimination of trade barriers by the EU. In Mode 4 (temporary movement of natural persons), the EU went beyond what exists in its current bilateral and multilateral commitments.

### Development cooperation dimension

The adequacy of the development cooperation provisions was - and remains - a highly debatable question, in particular the volume of the financial assistance, which was only marginally increased and remains inadequate. The EU, with its long-standing European Development Fund (EDF) aid programme towards this region, could not agree to increasing funds to deal with implementation and adjustment costs. However, it became difficult for the region to be too strident on additional development aid; many of the countries have been weaned off full grant aid such as that coming from the EDF, international aid agencies have often pulled out and there are now high GDP-per-capita levels in the region.

Furthermore, the accompanying additional sources of funding from the EU Aid for Trade budgets and those of its member states, as well as from the All-ACP Facility of the EDF and directly from the Community Budget - not to mention the possibility of resources from other donors - made the case for additional resources even more untenable. This is especially true when the adjustment burden would be spread over long transitions and exclusions, as well as over several future EDF programmes. In their wisdom, the majority of countries finally accepted the current aid package rather than argue for a few dollars more.

### EPA barrier to single market

The EPA was also seen by some critics as pre-empting the CARICOM Single Market and Economy (CSME). However, the CSME is a deeper process of integration that should lead to free movement of labour, capital, goods and services, as well as free circulation of goods. The latter coupled with full policy harmonisation in terms of a common currency and harmonised monetary and fiscal policy, are all part of this planned integration move that should already have been in place.

Incompatibility with the CSME was particularly argued in respect of the trade-related areas of intellectual property, investment and competition policy. But the inclusion of these areas in the agreement with the EU was not perceived as inconsistent by many. In all these subjects the necessary safeguards are in place in terms of implementation periods and exclusions. Some Caribbean countries have long put in place arrangements with the US on investment and intellectual property, without feeling any negative effects. Furthermore, such issues can only serve to reinforce the basis of trading and modernise the trading environment in the region.

### Most boxes ticked

In the final analysis, the countries committed to signing were persuaded that they had achieved their basic objectives in the negotiations. These centered on securing some meaningful margin of preference for key traditional exports; extending market access to the uncovered areas in goods; breaking new WTO-plus ground in service areas where the region has the capacity or can quickly develop this capacity; and obtaining a reasonable level of development assistance for dealing with this new phase of liberalisation.



Naturally, some concerns remain, especially with the MFN clause and how the regional preference would be implemented. These outstanding issues, on which there is already mutual agreement for an early review, were not considered large enough to detain countries from signing given that prospects for an amicable settlement in the future are positive.

### Stamp of approval

Overall, in terms of process and strategy, it should be noted that the 15 countries committed themselves to a comprehensive agreement, progressively approved the goods, services and trade-related decisions during the negotiations, and finally initialled the agreement. The process therefore has the required legitimacy. One major concern to the region as it moves to sign at this time (after two postponements in June and September) is meeting the WTO requirement on the provisional application of the agreement and the legal implication of this. Furthermore, the majority in the region does not see any conflict between signing and maintaining ACP solidarity. It is understood in the ACP that the various countries and regions would negotiate in their best interests and there would be no EU discrimination against any ACP region and country based on its choice of option. The signing of the CARIFORUM EPA has thus been set for October 15 2008.

<sup>1</sup> Dr Anthony Peter Gonzales was a former Acting Director of the Institute of International Relations, University of the West Indies, St. Augustine, Trinidad and Tobago.

<sup>2</sup> The OECS is a nine member grouping comprising Antigua and Barbuda, Commonwealth of Dominica, Grenada, Montserrat, St Kitts and Nevis, St. Lucia and St Vincent and the Grenadines. Anguilla and the British Virgin Islands are associate members of the OECS. [www.oecs.org](http://www.oecs.org)

<sup>3</sup> The W120 list was used as the basis for negotiations under the GATS in the WTO. These range from business services, communications, construction, distribution, environmental, financial, transport, tourism and recreation services.



# Breaking the mould: Guyana and a 'goods only' Caribbean EPA

Patrick Gomes<sup>1</sup>

The current debate on the merits and drawbacks of signing the already initialled EPA between the European Commission and CARIFORUM has dominated headlines in the Caribbean media and beyond. From trade negotiators and civil society organisations to trade law specialists and ACP-EU officials, the spectrum of voices is vast. Such interest reflects the magnitude of what is at stake and is to be welcomed.

At the heart of discussions is the move towards reciprocal trade between 78 ACP states, including 35 of the world's least developed countries, and 27 EU countries, with an estimated GDP of almost €13 trillion. The debate was initially portrayed as an ideological battle over the advantages of signing a comprehensive EPA.<sup>2</sup> But many more fundamental and contentious issues are now emerging.

## Situating the debate

Guyana's President Bharrat Jagdeo can be credited with raising pertinent questions, which have much in common with what European Commission President José Manuel Barroso identified as 'contentious clauses' in the interim EPAs.<sup>3</sup> It is both illogical and inconsistent with the EU's notion of policy coherence to treat issues as contentious in some ACP regions but indisputable in the Caribbean. To ignore these unanswered questions on the EPAs now would be reckless in terms of public policy formulation.

It is of the utmost importance that the Caribbean EPA is not given the dogmatic status of a holy writ or that it is used to set a benchmark for what is acceptable between two unequal partners. The much acclaimed EPA model could easily betray the acquired benefits or *aquis* as well as the very spirit of Cotonou.

As such, contrasting CARIFORUM views should be encouraged as beneficial to the ACP and as a contribution to understanding the use of trade as an instrument of development.

## Guyana and the 'goods only' EPA

Fully cognisant of the substantive difference in law between a signed agreement and an initialled one as being "authentic and definitive, ready for signature but which does not itself impose obligations on the parties," Guyana has publicly expressed fundamental concerns with several aspects of the Caribbean EPA provisions.<sup>4</sup>

The main reasons for Guyana's concern stem from; a) unnecessary expansion beyond the requirements of WTO-compatibility; b) barriers to enhancing the production, supply and trading capacity of ACP countries (Articles 34 & 35 of Cotonou); c) limiting the potential for regional economic integration through a CARICOM Single Market and Economy; d) imposing onerous conditions for a safeguard mechanism; e) introducing a Most Favoured Nation (MFN) provision that favours the EU at the expense of South-South cooperation.

This last point is particularly poignant. At the insistence of the EU, the MFN clause became a non-negotiable principle of the EPAs. Under this provision, Caribbean countries are obliged to extend to the EU, on a tariff line basis, any more favourable treatment conceded to any other developed - or major developing country - when negotiating new free trade agreements. The implications are twofold: while the MFN clause will clearly be a restrictive force in the negotiations the Caribbean is set to pursue with Canada, its adoption will act as a benchmark and set a dangerous precedent for other ACP regions.

## In search of sustainable development

Much can be learned by keeping the Cotonou Partnership Agreement, which sets out the underlying rationale for ACP-EU trade relations, as the starting point for discussions. This text states unambiguously that any new agreement must be WTO-compatible - a principle which Guyana fully respects.

Moreover, these new arrangements are meant to "foster the smooth and gradual integration of the ACP States into the world economy, with due regard for their political choices and development priorities."<sup>5</sup> While many political commentators have overlooked the implications of this, it forms the basis of Guyana's decision to want to sign a 'goods only' EPA. Nevertheless, Guyana believes it is perfectly acceptable that sister CARIFORUM countries are ready to pursue opportunities and undertake obligations in trade in services in the EPA.

## Towards a genuine partnership for integration

Clearly there are deep-seated issues, characterised by "contentious clauses," misgivings and serious reservations across all the EPA negotiating regions. As such, the EPA process cannot be considered satisfactory or successful to date. This can be seen not only in the number of agreements but by the yardstick of the objectives and principles of Cotonou itself. What has been achieved for those countries which initialled in December 2007 is simply the construction of a sound basis of minimum requirements for WTO-compatibility and the evasion of an imposition of the less-favourable GSP trading arrangements.

Guyana has listened to the concerns raised by civil society, NGOs, academics and other ACP negotiators, and despite being party to an initialled text, is willing to consider the shortfall in the development dimension of the EPAs and how South-South cooperation might be undermined. Many in the Caribbean have voiced support for the EPAs as *the best deal possible*. But taken in their entirety, Guyana does not favour the signature, provisional application and ratification of the current CARIFORUM EPA.

The Government of Guyana is committed to a mutually satisfactory outcome of the EPA process that honours what was agreed under the Cotonou Agreement. It will accept the application of all the CARIFORUM EPA provisions, except those on services and trade related issues, as these are not required for WTO-compatibility. It will continue to examine the scope for flexibility while maintaining that no region of the ACP is worse off than another under the terms of the EPA.

## Monitoring for the future

Moreover, Guyana wishes to propose that prior to - or at the time of signing - both parties sign a binding Joint Declaration agreeing to undertake a comprehensive and formal review every five years after its entry into force for the duration of the agreement, to determine the extent to which its objectives are being met. This would include monitoring the costs, implications and consequences for sustainable development, regional integration and the overall transition into the global economy and making amendments as may be required by the review.

As EPAs are not an end in themselves for trade to promote development, it is imperative that present and future generations know that both parties to the EPA rigorously pursued a mutually satisfactory and successful outcome to this great endeavour.

- 1 H.E. Dr. Patrick I. Gomes is the Ambassador of Guyana to the EU in Brussels.
- 2 See: Renegotiate the CARIFORUM EPA, Havelock Brewster, Norman Girvan and Vaughan Lewis, Trade Negotiations Insights, Volume 7, Number 3, April 2008.
- 3 See Barroso's concluding remarks at the Africa-EU Lisbon Summit, December 2007.
- 4 Lorand Bartels, Informal COMSEC Exchange, March 2008.
- 5 Article 34 of the Cotonou Agreement.



# A 'Green Revolution' for Africa

Mariann Fischer Boel and Louis Michel<sup>1</sup>

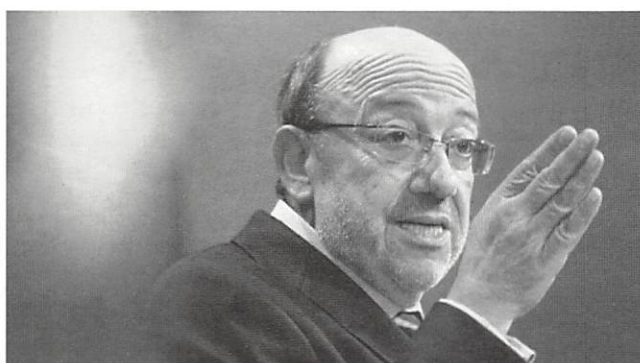
A pile of tyres burn in the middle of the dirt road. Thick, oily smoke climbs into the air of a run-down African city. An angry mob punch their clenched-fists towards the sky. Africa has seen its fair share of revolutions come and go; but this is different.

This is a scene that has been repeated across numerous African and other developing countries in recent months, where ordinary people have suddenly found themselves unable to afford the most ordinary of foods - a loaf of bread or a bowl of rice.

The recent food price increases have hit the populations of developing countries the hardest. Poverty has deepened for hundreds of millions of people despite global promises to tackle it head on as part of the Millennium Development Goals.

Africa needs a revolution. But this time not in the streets - rather in the fields. A 'Green Revolution' for Africa can be a key part of the solution to the current food price crisis.

That's why the European Commission is proposing to establish a special facility worth €1 billion to help farmers in developing countries to increase their output. For example, this one-off cash injection will go to providing farmers with more and better seeds and fertilizers.



Our aims for the fund are clear: it should increase agricultural production and food security in assisted countries, reduce malnutrition rates, and contribute to reducing food price inflation. We'll be working primarily with international organisations to ensure our action takes root quickly and effectively.

This facility is all about ensuring farmers in the developing world have the tools they need to improve their harvests, whether for consumption at home or for export. And it's important to recognise that there is more than just monetary value in this action.

*"Africa needs a revolution. But this time not in the streets- rather in the fields."*

This new fund represents a fundamental value at the core of the European Union. It is a concrete example of solidarity between Europe and the developing world. Thanks to the higher food prices, the EU has spent less on agricultural market support measures than planned, which gives us the possibility to offer this one-time facility.

This is how we believe the current food price crisis can be turned into an opportunity for developing nations. If farmers in these countries can also respond to the growing demand, then they could reap the benefits of rising prices. Rural communities could begin to be lifted out of poverty, improving the lives of hundreds of millions of people.

We believe this is an excellent initiative that can have a fast and positive effect on the quality of life in developing countries. In our interdependent world, tackling this food crisis must be one of our top priorities and we must face it together.

We hope the EU's member states and the European Parliament will give this initiative their backing so that the funds can be committed by the end of the year and allow the work to begin on the ground in early 2009.

Revolution, by its very nature, can be hard to predict. On this occasion, we're glad to say that there's one on Africa's horizon.

**Glenys Kinnock, Co-President of the ACP-EU Joint Parliamentary Assembly told TNI:**

"The global food crisis is devastating economies and shattering lives. With wheat prices up 120 per cent and rice prices up 75 per cent, the world's chronically poor - more than 850 million people - face a humanitarian emergency on an unprecedented scale. The European Commission's plan to use €1 billion of unspent agriculture funds to help farmers in developing countries is a welcome step in the right direction. But the Commission is trying to spread the butter too thinly. The money must go where it is needed most and where it will be properly absorbed. Even then, that alone it is not enough. Aid should not distract from the urgent need for fundamental root and branch reform of unfair agricultural subsidies. This is an exceptional situation which deserves an exceptional response. People are starving and the world is watching us. There is no time to lose."

<sup>1</sup> Mariann Fischer Boel, European Commissioner for Agriculture and Rural Development and Louis Michel, European Commissioner for Development and Humanitarian Aid.



# Responding to Africa's agricultural challenges: the need for new paradigms in aid, trade and science

Kato Lambrechts<sup>1</sup>

The doubling of international food prices in the past five years has hit African economies and societies harder than most. Even before price hikes made headline news, several high-level initiatives and reports were issued on the need to reverse 25 years of neglect of agriculture by both donors and African governments.<sup>2</sup>

The 'global food crisis' has prompted a flurry of actions among bilateral and multilateral donors. Many interpret the non-affordability of imported food as an 'emergency' and want to respond primarily with short-term 'safety-net' assistance such as subsidising food aid and distributing seeds and fertiliser to local farmers. While these measures may stave off hunger for one growing season, they fail to address long-term systemic problems.

Farmers across Africa complain about eroding and infertile soil, insufficient water for crops (beyond what falls from the sky in increasingly erratic patterns) and inadequate agricultural services, research, technology, marketing channels, transport, storage and credit facilities. When farmers do manage to produce surplus stocks against all odds, they often find that their local or national markets are swamped by cheap imports.

The World Bank's Growth Commission recently predicted that the global food system is likely to remain vulnerable to price shocks, while food prices will remain significantly above 2004 levels for some time to come.

The UN Comprehensive Framework of Action (CFA) has acknowledged the complexity of the challenge ahead, and has urged the international development community to address the short, medium and long-term causes of the global food crisis. The CFA emphasises that at least two-thirds of all new money and research needs to address the structural and long-term barriers to agricultural and food system development in African countries.<sup>3</sup>

As such, existing and new aid and policy interventions should aim to bring about local economically and socially sustainable food systems that can adapt to climate change by simultaneously pursuing the following three courses of action:

## 1) Support small scale farming systems

First, national and international interventions need to support small scale farming systems that are resilient to climate change and economic shocks. The 2007 World Development Report has collected a large body of evidence showing that small plots of land - worked appropriately - produce more food and other crops than large industrial farms. Given that most Africans of working age earn part of their living from growing crops on small plots of land, interventions to support this neglected economic activity will contribute to future food security, pro-poor economic growth, and resilient local food systems.

But this cannot happen unless governments and donors develop coherent and integrated rural development, agricultural and food security strategies that are adequately financed. Activities and interventions that flow from such strategies need to:

- develop ecologically sustainable and farmer-led technology that encourage the use of biological, rather than chemical, soil management techniques;

- provide appropriate services to help farmers increase production and productivity, not only using chemical fertilizers, but using a mix of technologies to boost soil fertility;
- develop local market and transport infrastructure, allowing farmers to organise cooperatives to sell surplus stocks and buy affordable materials;
- develop transparent price stabilisation mechanisms for staple foods;
- provide affordable credit to small farmers;
- provide innovative technologies to access water;
- develop off-grid and decentralised energy solutions;
- develop local, national and regional grain reserves.

## 2) Support sustainable agriculture practices

Second, aid and policy interventions need to encourage sustainable agricultural practices. The benefits and successes of non-conventional agricultural technologies have largely been ignored. Most are under-used - particularly those that have evolved from local or traditional knowledge. These include rainwater harvesting and other small-scale irrigation technologies as well as the use of organic biomass and nitrate-fixing plants to fertilise the soil and improve yields.

The mentality of the formal research community has to change. The joint challenges of adapting farming techniques to climate change and developing resilient national food systems mean that 'business as usual' is no longer an option. While existing technologies can be transferred and developed at relatively low cost, major political and institutional innovations would be necessary to scale up their adoption across the entire food system.

To date, the practical experience of many African small scale farmers has shown that they can double yields using technology that is known and available. Technologies that use mainly local resources rather than relying on chemical inputs to restore soil fertility can also maintain biodiversity, help small farmers manage erratic water supply and reduce their dependence (and that of the national food system) on chemically produced fertilisers that are becoming increasingly expensive - fertiliser prices have doubled in 2007 alone.

The old 'Washington Consensus' paradigm of private-sector led science and technology development has failed to deliver innovative technologies to grow crops that are of high social value, particularly staple foods. The public sector in African countries, therefore, needs to scale up public research capacity and institutions in a way that encourages formal scientific research to integrate the knowledge and experience of marginal farmers who grow staple crops for subsistence or local markets.

Those who support the massive roll-out of a new 'Green Revolution in Africa'<sup>4</sup> believe that increased availability, affordability and distribution of hybrid seeds and chemical fertilisers will bring



about similar increases in crop yields as happened in Asia a few decades earlier.

Pouring new aid into such initiatives may be attractive to donors who want quick fixes to the food crisis. But in so doing they will ignore the many unintended impacts, especially on the environment, such as increasingly chemically-dependent food systems. These include saline soils that leach nutrients, proliferation of dead zones, groundwater and river pollution. African farmers and scientists can learn from experience in Asia and avoid farming practices that damage the very resources which will sustain their livelihoods.

New agricultural research in Africa should focus on enhancing the multiple functions played by the agricultural sector. These include providing food, employment, and maintaining biodiversity and cultural heritage while sequestering carbon.

### 3) Address new thinking on agricultural trade

Third, the UN Framework for Action pushes all parties to urgently revise current positions in trade negotiations that impact agriculture. This is where most donor countries, particularly the EU, display the greatest incoherence in their response to the food crisis.

Growing evidence from past experience of indiscriminate market opening in Africa and elsewhere - mostly as part of structural adjustment programmes - has prompted near consensus among experts that opening national agricultural markets to international competition in developing countries can lead to negative effects on poverty alleviation, food security and the environment. The focus on trade liberalisation over developing local productive capacity and mature markets has contributed to the stagnation and decline of local food systems in Africa.

There has been some recognition during the Doha Round trade negotiations of the special status of trade in agricultural (especially food) products.<sup>5</sup> While this offers some respite to African governments keen to develop local agricultural markets as part of broader food security and rural development strategies, the Economic Partnership Agreement (EPA) negotiations between the ACP and the EU could counter this. The EPAs could reduce the policy space required to build up local food systems and markets, while contributing little or nothing towards sustainable increases in production.

First, EU-conceived EPAs are not meant to respond to Africa's first developmental priority, namely assistance to build sustainable increases in agricultural production. There are already a number of international and EU aid instruments that can deliver this aid.

Second, EPAs could be positively detrimental to building local, national and regional food markets. Most African countries will be able to exclude all currently traded agricultural products from future tariff elimination commitments under flexible bilateral EPAs. While this may assist them in building up local food markets, EU insistence on introducing a standstill clause in EPAs will undermine any future plans to build up national food systems. This clause stipulates that all tariff levels currently applied on EU imports are to be frozen. Thus, a government cannot decide in the future to raise tariffs or non-tariff barriers to EU imports of either fresh or processed food items to encourage local production or processing of similar foods.

Furthermore, if the EU continues to insist on regional EPAs, individual African countries will be forced to agree to open up a far greater share of their local food market to EU imports, given the need to have a common external tariff across the

entire region. The process of designing a common external tariff has taken years in ECOWAS and is still not complete, given the impact this would have on future agricultural development. African groupings such as SADC and ESA, which have not even established their own customs unions, are now forced to come up with common liberalisation schedules by December 2008 or mid-2009 at the latest.

It is often difficult for trade negotiators and politicians on both sides of the EPA negotiations to see the forest through the trees. But they would do well to reflect on the history of these negotiations. The original push for an agreement that requires both parties to liberalise 'substantially all' trade comes from a narrow legal interpretation of the rules on regional trade agreements and from the European Commission's interpretation of the Latin American challenge of its banana regime in the WTO.<sup>6</sup>

The EU could have decided, like the US did with the African Growth and Opportunity Act (AGOA), to continue providing quota and duty-free access to all ACP countries, and work with the ACP to renegotiate appropriate rules in the WTO for trade agreements between developed and developing countries. Instead, it chose to continue with 'business as usual'.

### A compromised development agenda

Sustainable development cannot be achieved through a bilateral trade agreement. The EU's pretence that EPAs are about development, instead of recognising a lack of political will to fight for changes to anti-developmental WTO rules, has already undermined the legitimacy of the EU's development agenda amongst citizens in Africa and in Europe.

The EU is planning to pour a billion euros into emergency food aid and input supplies, while at the same time negotiating trade agreements that will at best achieve nothing and at worst undermine the development of local food systems. This is at odds with the growing international consensus on the need for a change in the dominant consumption, food and trade models if African countries are to develop resilient and sustainable food and agricultural systems.

1 Kato Lambrechts is Senior Policy Officer in the Africa Division for Christian Aid UK.

2 These include the publication in 2007 of the first World Development Report focusing on agriculture in 25 years, the establishment of a high level donor platform on rural development, and the adoption of targets by African governments to increase agricultural expenditure from the current average of around 3-5 per cent to 10 per cent of budget expenditure. UNCTAD has also focused more attention on the need to invest in agricultural productivity in its 2007 LDC Report and in its 2008 report on Economic Development in Africa.

3 The Framework recommendations provide a charter for systematic, coherent and long-term action by the international development community. The CFA draws extensively from the International Assessment of Agricultural Knowledge, Science and Technology (IAASTD), which represents a near consensus view of over 400 scientists and 50 governments on agricultural knowledge, science and technology for sustainable development.

4 A number of US foundations (Rockefeller, Bill and Melinda Gates), donor governments (UK, Norway), large fertiliser companies and the UN (Kofi Annan is the chair) have formed an Alliance for the Green Revolution in Africa. This Alliance aims to reproduce the successes of the Asian Green Revolution in Africa. While they do not exclusively focus on high cost external input techniques and acknowledge complexity of Africa's agro-ecology and the importance of small farmers, they are spending millions of dollars not on promoting sustainable agriculture, but on subsidising fertiliser and seed packages.

5 Developing countries can exempt 'special products' important to rural livelihoods and food security from any trade liberalisation commitments during the WTO Doha Round of negotiations. More controversially, all countries can design special safeguard mechanisms to protect their agricultural sectors from import surges. Disagreement on the modalities of this mechanism has contributed to the current breakdown in the negotiations.

6 Article 24 of the General Agreement on Tariffs and Trade.



# Implications of the CARIFORUM EPA provisions on trade in services: recommendations for Southern Africa

Nkululeko Khumalo<sup>1</sup>

After several years of negotiations with the European Commission a number of African, Caribbean and Pacific (ACP) countries initialled Economic Partnership Agreements and interim texts (IEPAs) at the end 2007. The talks were carried out under the terms of the Cotonou Agreement, which seeks to replace the non-reciprocal export preferences that ACP countries have been receiving from the EU, with reciprocal free trade arrangements negotiated at the regional level from January 2008 onwards in order to bring the trade regime in line with WTO rules.

As far as liberalisation in services trade is concerned, only the CARIFORUM countries have negotiated a comprehensive liberalisation framework. As such, it is imperative that the provisions and implications of their EPA text be properly understood, since there is a distinct possibility that the European Commission may seek to secure similar commitments from other ACP groups. This article gives a brief overview of a study that analyses the CARIFORUM EPA provisions on trade in services and looks at their implications in the ongoing EPA negotiations between the European Commission and the Southern African Development Community (SADC) EPA group.

## The SADC-EU IEPA

Only Botswana, Lesotho, Mozambique and Swaziland will participate in the second stage of the EPA talks that involve the liberalisation of trade in services. South Africa made it clear from the onset that it will not agree to a deal that includes services trade liberalisation and disciplines on new generation issues like investment. Namibia initialled the IEPA begrudgingly, unhappy with certain provisions on trade in goods, while South Africa refused to take part in the negotiations on services altogether.

In the SADC-European Commission IEPA the parties commit themselves to: negotiate progressive liberalisation with substantial sectoral coverage within a period of three years following the conclusion of the full EPA; prevent any introduction of new and more discriminatory measures to third parties for all services sectors, as specified in Article V.1.b (ii) of the General Agreement on Trade and Services (GATS); and agree a liberalisation schedule for one service sector in each participating SADC EPA state by December 31 2008. Moreover, the European Commission agreed to support capacity building aimed at strengthening the regulatory framework of the participating SADC EPA states.

The IEPA text is somewhat vague, making it difficult to understand exactly what both parties have committed to. For example, the meaning of "by 31 December 2008 the Parties will complete negotiations on services liberalisation..." is unclear. Does it mean that they would have secured a services liberalisation schedule for SADC EPA states by that date or does it simply mean they would have completed negotiations on the modalities? The text also fails to mention the nature of the corresponding liberalisation commitment from the European Commission.

It is also unclear when the three year period for substantial liberalisation begins - is it at the time of initialling the IEPA or after December 31 2008?

The timelines may well be unrealistic but what seems important for the European Commission is that the agreement ties SADC EPA countries to a specific liberalisation framework. Furthermore, the provisions of the IEPA are not detailed enough on the flexibilities that will be available to those SADC EPA countries negotiating a services liberalisation chapter.

## Obligations under GATS

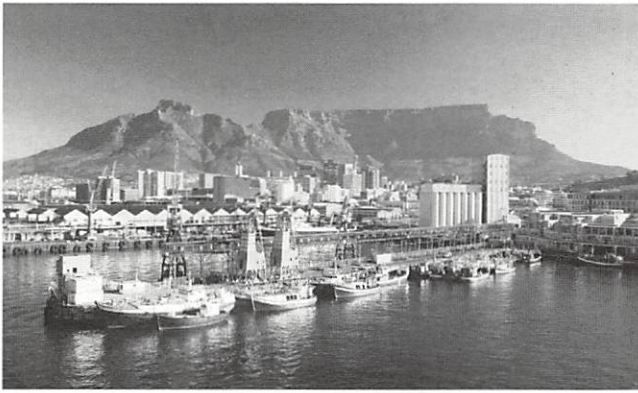
However, it is significant that the parties have committed to respecting each other's rights and obligations under GATS. This is because the GATS provisions, especially Article XIX (which permits developing countries to open fewer sectors, liberalise fewer types of transactions, progressively extend market access in line with their development situation and attach market access conditions when making access to their markets available to foreign service suppliers) and Article V (which deals with economic integration and provides for more flexible requirements governing regional trade agreements for developing countries) allow for a great deal of flexibility and promote the interest of SADC EPA states - provided the negotiators make maximum use of them.

The EPA talks also provide an opportunity to test the provisions of Article IV of GATS which outlines measures that can be taken to increase the participation of developing countries in world trade. The SADC EPA countries should take the initiative and seek ways in which favourable provisions can be put into operation.

In addition, the provisions of the Cotonou Partnership Agreement are very important in providing the correct context for the talks. They also provide specific obligations such as the observation of the principle of Special and Differential Treatment.

Where offensive interests are concerned, participating SADC EPA countries would like to use the EPA to: attract investment from the EU, enhance competition in order to boost efficiency and supply capacity while improving the business environment and benefit to consumers, build regulatory capacity in order to maximise the benefits of liberalisation and gain market access to the EU in Mode 4 (temporary movement of independent





professionals not linked to commercial presence, semi-skilled and unskilled labour).

All SADC EPA countries are members of the WTO and are involved in the current round of GATS negotiations. Owing to unilateral reforms, the level of GATS commitments made by SADC countries does not reflect the actual extent of liberalisation in these economies. Regionally, all SADC EPA countries are part of the 14-strong member body and most of them are also members of other regional integration organisations.

### Ahead of the game

Compared to other regional economic communities in Eastern and Southern Africa, SADC is the most advanced when it comes to promising liberalisation in services trade. SADC countries aim to liberalise their own service sectors first in order to deepen national economic integration, to have coordinated positions vis-à-vis third parties and to improve their participation and influence at the multilateral level. In line with this objective SADC countries have recently decided to have a separate Protocol on Trade in Services that is now at a draft stage.

SADC countries have also tried to engage in integration that helps to facilitate both trade in services and goods across the region through various protocols and memoranda of understanding, containing provisions that foster service sector liberalisation and harmonise regulatory regimes.

EPA talks should therefore build on the liberalisation that has been achieved unilaterally and through regional commitments as well as liberalisation under regional instruments - particularly the trade capacity development mechanisms - and multilateral liberalisation under GATS.

However, there is a risk that the EPA negotiations could disrupt the regional integration process depending on the caliber of the services chapter that might be agreed.

### Lessons from the CARIFORUM EPA

The case study on the SADC-EPA looks at the potential implications of a CARIFORUM-like EPA chapter on services in three sectors, namely, telecommunications, tourism and financial (banking) services on the participating SADC states.

Generally, all four SADC countries analysed are actively engaged in reforming their services sectors primarily as

means to assure the supply of quality and affordable services in the domestic market and to attract FDI.

In telecommunications, the EU-CARIFORUM EPA provisions reflect the GATS Telecommunications Reference Paper (TRP) but in some cases the provisions go beyond TRP obligations. SADC EPA countries may, if appropriate transition times and regulatory capacity building is provided, manage to commit to TRP-type provisions but would all have difficulties going beyond that. These countries are at different stages of reform and it would be appropriate for them to undertake commitments that reflect these differences.

In financial services SADC EPA countries could commit to the level of liberalisation they have undertaken unilaterally, seek compensation for it and link any additional market access to provision of regulatory capacity building and the creation and or strengthening of competition bodies.

In tourism the CARIFORUM text provides for principles of the regulatory framework for all tourism services liberalised. The GATS does not contain any sector-specific disciplines in tourism, therefore this whole section constitutes "GATS Plus."

The tourism sector is generally more open than other services sectors. Yet the growth of tourism in Southern Africa is also inhibited by constraints in tourist-originating countries or export markets. This is an area where the CARIFORUM EPA seems to have made a marked improvement to GATS. SADC EPA countries should accept these regulatory provisions that are aimed at the prevention of anti-competitive practices and abuse of dominance in particular by tourism networks. However they would require a lot of capacity building to establish strong competition bodies that are able to discipline strong tourism players and cooperation with the EU would be crucial. Therefore the regulatory burden in this case seems to be acceptable provided assistance is offered.

In all three services sectors the challenge for the SADC EPA countries would be how to establish their specific needs in the framework of the GATS Article IV, and the CPA leading to transfer of technology and capacity building.

In conclusion, it is clear that the timeframes set in the IEPA text are over-ambitious and SADC countries should not allow themselves to be pressured to make commitments before fully understanding the implications thereof. They should be able to identify their specific interests which largely lie in trade and regulatory capacity building and ensure the outcomes are in line with their objectives - after all the European Commission has maintained that EPAs represent a development opportunity for ACP countries. Therefore, commitments made by SADC EPA should ideally be firmly tied and be conditional on the European Commission Party making good on its commitment to support capacity building and their compliance should be measureable and monitored. The trade facilitation negotiations in the Doha Round, whereby commitments are linked to delivery of capacity building support and dispute settlement is tied to such delivery, could be a useful model to explore in this respect.

<sup>1</sup> Nkululeko Khumalo is Senior Researcher: Trade Policy, South African Institute of International Affairs (SAIIA).



# EU banana dispute: a view from Costa Rica

Jorge Sauma Aguilar<sup>1</sup>

WTO members almost reached an agreement on the liberalisation of agricultural and industrial trade during a Mini-ministerial in Geneva at the end of July. At that same meeting, a deal was struck regarding the EU banana import regime known as the *Geneva Agreement on Trade in Bananas*. However, following the breakdown of multilateral talks, the EU refused to acknowledge the deal thus prolonging one of the longest and most complicated trade disputes in history.

## The present and beyond

For those of us who have experienced the gestation, birth, growth and evolution of this dispute, the WTO Mini-ministerial provided the best opportunity yet to end the controversy and the discrimination against the Latin American fruit.

Costa Rica's trade minister and ambassador played a leading role in the banana talks. Backed by the country's producers and exporters, they lobbied well for the best interests of the Costa Rican banana sector. Support from other countries helped to reach agreement on reducing the current €176/ tonne tariff. As expected, ACP and EU producers went to great lengths to keep their preferences and continue to undermine Latin America's competitiveness.

All parties shook hands on a final Agreement on July 27 (see Table 1). International media immediately made it public and negotiators and ambassadors expressed satisfaction for what was, at the time, the greatest achievement of the nine days of work. Two days later, however, multilateral talks collapsed and the EU announced, unjustifiably, that it would no longer acknowledge the Agreement.

**Table 1:**  
*Terms of the Agreement on Bananas reached during the Mini-ministerial Doha Round*

Year	Tariff €/tonnes
2008	176
2009	148
2010	143
2011	136
2012	132
2013	127
2014	122
2015	117
2016	114

Source: Agreement on Bananas

The banana dispute has never been an easy subject. Nonetheless, a solution was almost achieved and future negotiations must build this. The EU must understand that although some may win more than others, ACP countries should not always be favoured to the disadvantage of Latin America. We are not against helping ACP countries, but we believe support should come from EU member state budgets and not from tariffs charged to Latin American countries.

## Doha Round

The Geneva talks must not be seen as a failure, despite the changing political landscape in the US, the EU and India. Progress at the Mini-ministerial cannot be brushed aside or left standing for long otherwise we risk losing the gains in agriculture and on bananas. WTO Director General, Pascal Lamy, is among many who have stated the need to lock in the progress made.<sup>2</sup>

Now the storm has passed, talks could resume to try to persuade the EU to reconsider the Agreement and reach a minimum import tariff of €114/ tonne. No deal by the end of the Round, would mean bananas could be subject to the same tariff reduction modalities agreed to liberalise agricultural

trade. According to the latest revised draft modalities text,<sup>3</sup> the current tariff for bananas, equivalent to 30.3 per cent *ad valorem*, would be subject to a 57 per cent reduction, thus falling to €75.70/ tonne.<sup>4</sup>

## WTO Panel

The EU's breach of the banana Agreement could reactivate the panels brought by Ecuador or the US. This would entail the WTO Dispute Settlement Body (DSB) adopting the Panel report thus opening the way for a new procedural stage. This option would imply delaying amendments for the remainder of the year, without any guarantee of reaching a satisfactory solution, as only the US could viably impose retaliation measures on EU trade. The key would be to turn the DSB rulings into lawful victories that add valuable pieces to the negotiation chess board.

## Association agreement

Negotiations are underway to create a free trade area as part of the Association Agreement between Central America and the EU in which Costa Rica has requested the inclusion of bananas. These negotiations could play out in two possible scenarios: first, a potential agreement could be reached either as part of the Doha Round or separately. In this case, the Costa Rican and Central American banana sector would obtain a higher tariff reduction than third countries. Second, no agreement will be reached, in which case, a substantial reduction would have to be negotiated based on current tariff levels and on the Agreement the EU has not acknowledged.

Whatever the scenario, there are legal grounds to obtain the highest reduction possible. The latest and most obvious example is the re-establishment of a 2000 tonne quota set out in the Association Agreement between Mexico and the EU. This sets an import duty of €70/ tonne - far below the current tariff of €176 and the €114 established during the Mini-ministerial.

## Expectations

Costa Rica and Latin American countries wish to achieve the highest possible reduction of the current EU tariff. Our claims are based on the development of the ACP banana sector, which is increasingly more competitive. Farming techniques and per hectare yield now match or surpass those of certain Latin American countries. Add to this the tariff increases applied since 2006 and the ACP margin of preference has increased when compared to our own.

The EU knows this and is aware that ACP countries are overprotected by the current tariff. Therefore the EU will have to eventually agree to a reduction. From our point of view, such a reduction needs to be significant, in order to prevent banana trade from deflecting to ACP countries, thereby damaging our own socio-economic development.

1 Jorge Sauma Aguilar has been the General Manager of Costa Rica's National Banana Corporation (*Corporación Bananera Nacional, S.A.*) for over 15 years.

2 Speeches available at: [www.wto.org/spanish/news\\_s/news08\\_s/meet08\\_summary\\_30july\\_s.htm](http://www.wto.org/spanish/news_s/news08_s/meet08_summary_30july_s.htm)

3 See: WTO (2008), Agriculture Committee. TN/AG/W/4/Rev.3. July 10 2008.

4 See: WTO (2006), Methodology to calculate *ad valorem* equivalents (AVEs), along with associated provisions, set out in Annex A of TN/AG/W/3 of July 12 2006.



# The 2010 revision of the Cotonou Partnership Agreement

Geert Laporte<sup>1</sup>

The EU-ACP Cotonou Partnership Agreement (hereafter Cotonou) was signed in 2000 for a period of 20 years, with revisions allowed every five years. Such a regular update is needed to keep the Agreement relevant in a rapidly changing international and ACP-EU context. And this is exactly what happened during the first revision in 2005, which mainly focused on changes in the political chapter of Cotonou.

Cotonou is now quickly approaching its second revision, due to take place in 2010. Both the ACP and the EU started preparations in the first half of 2008. The European Commission established an inter-service Task Force, whilst discussions with the EU member states on the European draft negotiating mandate are scheduled for the last quarter of 2008. The ACP have also started their own internal reflections on the revision and asked a group of ambassadors to lead this process with the ACP Secretariat. The October 2008 ACP Heads of State meeting in Accra has also put the revision of Cotonou on the agenda. In advance of the 2010 revision, both the ACP and the EU have to notify each other of the issues for the agenda before the end of February 2009. Thereafter, the formal ACP-EU negotiations on the revision will take place between March 2009 and the beginning of 2010.

## Not business as usual

But the 2010 Cotonou revision should not just be business as usual. If it is to be taken seriously, both the EU and the ACP will need to carefully reflect over the coming months on the following questions: What major changes are needed in the 2010 revision? How will the ACP-EU partnership adapt to the various external and internal challenges in a dynamic way? Which are the areas of strong common interest for the ACP as a group? How can the ACP strengthen complementarity and division of labour with newly emerging players such as the African Union (AU) and the regional economic communities (RECs) and groupings?

In recent weeks and months, ECDPM has stimulated non-partisan debate among ACP, AU and EU players on these and other key questions.<sup>2</sup> These consultations provide some first impressions of the key areas that should be addressed in the 2010 revision of Cotonou and beyond.

## Dark clouds over Cotonou?

There are multiple pressures on the existing Cotonou model of ACP-EU partnership. One of the major challenges is the increasing differentiation between the needs and expectations of the various regions within the ACP. In the past few years, regional ACP bodies have become more important, largely because of the negotiations for Economic Partnership Agreements (EPA). The emergence and growing importance of the African Union as a partner for the EU, the Joint EU-Africa Strategy and specific EU strategies for the Caribbean and the Pacific have also created differences within the ACP.

Moreover, the most recent waves of EU enlargement to include several Eastern European countries may affect the traditionally strong ACP-EU partnership. For most of these

new member states, the ACP rank quite low in the hierarchy of priorities. What might be even more worrying for the ACP is that most of these new member states will be in the EU Presidency Chair between 2011 and 2020. Last but not least, is the issue of the European Development Fund (EDF) budget: as it stands, the European Community development support to the ACP is currently under the EDF, but the question of whether this would be shifted to the EU budget instead will be back on the agenda in 2013 at the end of the 10<sup>th</sup> EDF. Even in the case that the EDF framework is maintained, the period covered by the succeeding EDFs is no longer a regular five year cycle, so the period for the following EDF is not clear.

Against this rapidly changing background it is not surprising that critical voices have openly started to question the future of the Cotonou Agreement and of the ACP Group. More in-depth reflection will be needed in the short term (2010 revision), medium-term (2010-2015) and long-term (2015-2020). And rather than just focusing on cosmetic revisions in 2010 in the current text of the Agreement, ACP-driven reflection should be deepened and broadened, with an examination of how the ACP sees its common future with the EU.

## What does the ACP still have in common?

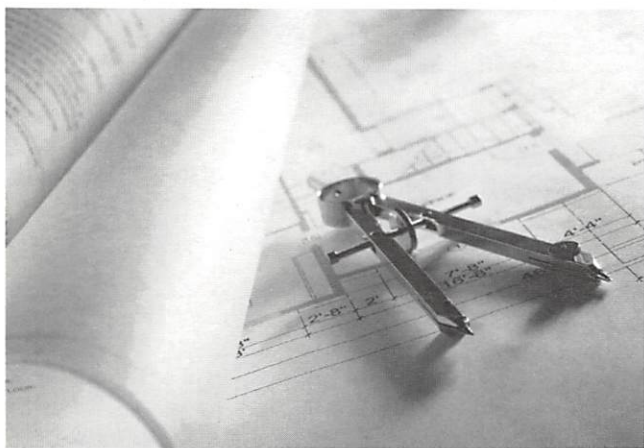
There still seems to be a strong feeling amongst the ACP countries that the main strength of the group is its collective bargaining and political power, gained by individual members negotiating as a bloc in international fora such as the WTO. Moreover, ACP countries share mutual interests linked to their common classification as developing and particularly vulnerable countries. Many ACP countries also share a longstanding history of close relations with different parts of Europe resulting in common cultural and social values and systems, as well as economic ties.

In addition to the political weight created by the 79 countries involved in trade negotiations, the ACP identify other key areas of shared interests such as cooperation for development, culture, migration, environment protection and climate change. There are also sub-groups that transcend the continental regions within the ACP, such as the group of small island developing states, which share particular experiences and concerns. Highly vulnerable countries that are particularly affected by global problems such as the rise of oil prices, external economic shocks, the negative effects of excessive free trade, shocks on the financial markets and climate change, also have significant commonalities. While some useful work has been done by the ACP Ambassadors and ACP Secretariat, it is now time for the ACP Group to further accelerate and deepen its reflections on these shared values and common interests.



## Where do the Caribbean and the Pacific fit in this picture?

In the context of increasing pressures on the Cotonou Partnership and the ACP Group, Africa will continue to occupy a key strategic place for the EU. But a stronger focus by the EU on Africa could have major implications for the Caribbean and the Pacific as smaller ACP regions. Although the EU has developed its strategy towards the Caribbean, contrary to the Joint EU-Africa Strategy, this has not provoked much debate in either region. Thus, in addition to the important EPA negotiations, the Caribbean and the Pacific should start strategic reflection on how to sustain and reinforce their special relationship with the EU in areas such as food security and agriculture, migration, climate change and sustainable energy - now and beyond 2020. CARIFORUM and the Pacific Forum should take a lead role in this reflection.



## What are the priorities for the 2010 revision process?

The 2010 revision provides a unique opportunity for the negotiating parties to reconfirm the strategic long-term importance they attach to the partnership rather than simply negotiating some new language in the text of the Agreement. The ACP's internal review of the added value and shared interests of the Group may provide a useful basis from which to move towards the 2010 revision.

The following areas could be given more attention in the revision. Some suggestions relate to amendments to the text of Cotonou or to new provisions. Others relate more to practical improvements and less to rewordings:

- (1) **Foster a more reciprocal and sustained political dialogue (Article 8) and strengthen governance provisions** to better respect the spirit of the partnership and to avoid one side in the partnership imposing its priorities (for instance, in programming or with the unilaterally created new "thematic envelopes").
- (2) **Better reflect trends towards increased regionalisation and pan-African development.** The emergence of the regional groupings as a result of EPAs and the African Union has raised concerns there will be institutional duplication and overlap. Revision should update the Cotonou text to explicitly reflect the latest developments on EPAs including the establishment of new EPA institutions (e.g. Joint EPA councils, trade and development committees and parliamentary committees). It should seek to ensure that the

roles ascribed to these new bodies are adjusted to fit those of the existing ACP-EU institutions. As such, the relationship between EPA and Cotonou institutions should be clarified and properly articulated to ensure coherence. As far as the AU and the Joint EU-Africa Strategy is concerned, the EU is now exploring whether the 2010 revision could create a special envelope for the AU and pan-African activities to be mobilised from the intra-ACP envelope of the EDF.

- (3) **Strengthen national ACP Parliaments** to make the Cotonou processes more democratic, boosting their capacity - and the capacity of other key institutions - to help them play an active role in the dialogue, programming, implementation, monitoring, review and control of the Agreement.
- (4) **Establish a mechanism to strengthen monitoring, review, and enforcement in Cotonou.** The mechanism might take the form of an ombudsman type of service (as in EU institutions) or an independent inspection panel (along the lines of those in the World Bank or the African Development Bank).
- (5) **Exploit the opportunities on policy coherence provided by the Agreement,** notably Article 12, which is currently hardly used. It provides for the ACP to "initiate" discussions and "request" consultation on matters of concern to the ACP Group or its member states relating to "the coherence of Community policies and their impact on the implementation of the Agreement."
- (6) **Apply principles of the Paris Agenda in practice** (ownership, alignment, etc) and follow-up closely on how financial allocations, particularly in the facilities funded from the intra-ACP envelope, are handled.
- (7) **Promote awareness raising, communication and capacity building among stakeholders on Cotonou.** The general perception is that the implementation of the revised 2005 Cotonou has so far been unsatisfactory, although its text is seen as largely acceptable.

## Conclusion

In addition to adapting the Cotonou text to reflect political, development cooperation, trade and institutional chapters, it is important that the 2010 revision invests in strengthening the implementation of the Agreement. A key challenge is the gap between the formal Cotonou framework and the actual practice in the ACP-EU cooperation. While Cotonou is still seen as a relevant and valuable instrument, it is increasingly apparent that the partnership is no longer taken as seriously as it was in the past. To some extent this is the result of wider forces in global affairs. But it could also be caused by a seemingly decreased commitment of the partners to cooperation and a growing disenchantment with the partnership. The 2010 revision provides a good opportunity to anticipate, prepare and redefine the future of the ACP-EU relations.

- 1 Geert Laporte is Head of Institutional Relations at ECDPM. This article is an abridged version of an ECDPM note prepared for the 6<sup>th</sup> Summit of the ACP Heads of State and Government in Accra, Ghana, 30 September to 3 October 2008.
- 2 See ECDPM, The 2010 Revision and the Future of the Cotonou Partnership Agreement, Report of an informal seminar, Maastricht, 4 July 2008, ECDPM Discussion Paper, No 85, August 2008 from which part of this paper is drawn.



# WTO Roundup

Victoria Hanson, ICTSD

## G7 fails to find consensus on SSM

Senior officials from seven major trading powers have failed this month in a last-ditch attempt to hammer out their differences on an agricultural safeguard mechanism for developing countries, a controversial trade tool that triggered the collapse of world trade talks in Geneva at the end of July. Some consider this was the final opportunity for the so-called G-7, which includes Australia, Brazil, China, the EU, India, Japan and the US, to demonstrate its value as a negotiating group outside of the multilateral process. The G-7 aimed to reach a consensus on outstanding issues in the talks, which they then planned to present to the broader WTO Membership. But such a level of agreement was not achieved when talks ended abruptly on September 20, after India reportedly refused to sign off on a compromise deal on the Special Safeguard Mechanism (SSM) that all of the other G-7 members had indicated they could accept.

## Officials aimed to revive Doha Round

Senior officials from the G-7 had met in Geneva in early September in a bid to restart WTO negotiations and push for a breakthrough before the end of the year. Officials met to discuss technical solutions to unresolved questions from July's Mini-ministerial on September 10. Sources close to the talks said that a "pragmatic mood" characterised the meetings and that although members still faced difficult compromises, they were unusually upbeat about the potential for progress.<sup>1</sup>

WTO Director General Pascal Lamy echoed this optimism during a meeting of the United Nations Conference on Trade and Development (UNCTAD) on September 16. "I am convinced that a deal is still possible," he said. "I still believe that with yet another push we can reach our target. This belief if not obstinacy. It is based on what remains on the table and what remains to be done," he added.<sup>2</sup>

## Lamy "ready" to restart ministerial talks

During the same UNCTAD meeting, Lamy revealed that he was "ready" to convene a fresh ministerial meeting to reach agreement on the Doha Round modalities. However, the Director General acknowledged that the task would be difficult and that time was short. He offered no indication when ministers might convene, but it was widely believed that the US elections on November 4 mark a cut-off point for agreeing modalities. The G-7's failure to subsequently find consensus means that it is now highly unlikely that WTO Director General Pascal Lamy will summon trade ministers back to Geneva this autumn.

## Members tackled SSM headache

Many believed that outstanding technical issues needed to be resolved before ministers could re-engage in the political trade-offs needed for a final Doha deal. The deadlock on SSM revolved around when, and to what extent, developing countries could use the mechanism, which would allow developing countries to raise tariffs temporarily when import volumes increase or prices fall suddenly. A modified EU proposal from July 2008 framed the exchanges on the SSM, sources said. The EU proposal used a 'tiered' approach,

meaning that countries would be allowed to impose greater duties in the event of larger import surges.<sup>3</sup>

According to EU trade Commissioner Peter Mandelson earlier in the month, there were "some cautiously encouraging signs of flexibility" in the talks on SSM but stressed that it was still too soon to know if a deal could be done. "It is still early days and we will need to see if senior officials are given the leeway they will certainly need to tease out a technical solution which satisfies all parties," Mandelson told members of the European Parliament on September 15.<sup>4</sup> However, many countries - including key players in the SSM debate - remained unhappy that they have not been included in the exclusive talks, claiming any progress is therefore limited.

## Litigation springs from Doha collapse

The failure of the Doha talks in July has had a knock-on effect for individual long-standing trade issues, notably for bananas and cotton. Following the failure to broker a compromise on the EU's import regime for bananas with Latin American producers in July, Ecuador and the US have resorted to litigation once again. The pair has requested the adoption of panel reports by the WTO Dispute Settlement Body, which found fault with the EU's system of preferences and demanded tariff reductions in May of this year. The EU launched an appeal to overturn the rulings on August 28, claiming it has "devoted huge energy over recent months to finding a mutually agreed settlement to the long-running dispute."<sup>5</sup>

In a similar vein, Brazil has asked the WTO for permission to impose sanctions on US goods as retaliation against the US cotton subsidy regime. Brazil submitted a formal request to impose some US\$4 billion in penalties on August 25. Brazil had previously negotiated retaliatory sanctions against the US in 2005 but had been willing to put them on hold as hopes were raised of a Doha deal that would discipline trade distorting cotton subsidies.

## EU-Ghana trade deal challenges illegal logging

Meanwhile, the EU and Ghana have clinched a deal in early September aimed at reducing illegal timber harvesting in the West African nation. The agreement, signed in the margins of a foreign aid conference in Accra on September 3, obliges Ghana to establish a transparent licensing scheme for EU-bound timber exports that certifies that the goods have been legally harvested. The aim is to promote better enforcement of forest management by both civil society and the private sector and to give Ghanaian timber a competitive edge in the European market.

The deal is the first of what Brussels hopes will be a series of so-called Voluntary Partnership Agreements (VPAs) with timber producing developing countries. The EU is currently engaged in similar talks with Cameroon, the Republic of Congo, Malaysia and Indonesia while more informal talks have begun with countries including Côte d'Ivoire, Gabon and Liberia.

<sup>1</sup> See: G-7 talks continue: Lamy could summon ministers 'within weeks', Bridges Weekly, Volume 12, Number 30, September 17 2008, [www.ictsd.net/news/bridgesweekly](http://www.ictsd.net/news/bridgesweekly)

<sup>2</sup> To read the full speech see: Lamy ready to call ministers back to Geneva, WTO News: Speeches - Pascal Lamy, September 16 2008, [www.wto.org](http://www.wto.org)

<sup>3</sup> See G-7 fails to find consensus on SSM, Bridges Weekly Trade News Digest, Volume 12, Number 31, September 25 2008.

<sup>4</sup> See: Some flexibility over WTO impasse, Reuters, September 15 2008.

<sup>5</sup> EU appeals against WTO banana rulings, Thomson Financial News, August 28 2008.



# EPA Negotiations Update

Melissa Julian, ECDPM

## If the mouse eats the elephant won't starve

African, Caribbean and Pacific (ACP) and commodities expert, Paul Goodison, argued in September that the changes necessary to ensure that the texts of the Economic Partnership Agreements (EPAs) are not harmful to the ACP and would have only a small impact on the EU. However, he said that if the texts remain unchanged, they would constrain the use of the limited range of policy tools available to the ACP and be devastating for agriculture, infant industries and regional integration. "If the mouse eats the elephant won't starve. Why is this such a big deal for the EU?" Goodison asked at the African, ACP-EU Joint Parliamentary Assembly (JPA) Trade Committee meeting on September 10 2008.

During this meeting, European Socialist Parliamentarians (the PES Party) said they will urge the European Parliament to give the EPAs the green light necessary for them to enter into force, but only after national ACP Parliaments have done so. ACP Members of Parliament stressed that they would follow progress closely on this, although some questioned if the option of non-ratification would be politically possible. Many voiced concerns that they had not been sufficiently informed earlier in the process to get involved and ensure that the outcome of negotiations met the needs of their constituents.

Meanwhile, the European Commission's Director General for Trade, Peter Thompson, argued that there was a great deal of transparency in the EPA process and that EPA provisions were first and foremost to encourage trade that the ACP could benefit from. He claimed that the positive effects of trade liberalisation would offset any damage from revenue loss or the need to reform economies to meet costs of liberalisation. The European Commission hopes MEPs responsible for trade - and development - will decide to ratify the EPAs before the vote in the European Parliamentary elections, scheduled for June 2009.

## ACP negotiators prepare for summit

Negotiators from the ACP met in Brussels on September 4-5 to reflect on the state of play in the EPA negotiations ahead of the 6<sup>th</sup> ACP summit in Accra at the beginning of October. Sources close to the discussions in the ACP technical follow-up group meeting said officials stressed the need to ensure that the remaining contentious EPA issues were adequately addressed in negotiation towards full EPAs. These issues include the Most Favoured Nation (MFN) clause; provisions in relation to protection of infant industry and the use of export taxes; definitions on substantially all trade; additionality of resources; means of financial integration; rules of origin and safeguard measures. Officials noted that significant changes to key provisions have been made in some interim texts. The urgency and necessity of signing interim agreements was also addressed, with many representatives arguing caution and detailed national impact analysis was necessary before signature. Many also stressed the strength in ACP numbers and the need to put into action all-ACP and regional level declarations. Participants also argued that firm commitments should be sought from the European Commission on financing the EPAs.

## Africa-EU ministers voice EPA optimism

European Development Commissioner Louis Michel claimed he is optimistic about the future of the EPAs. "Negotiations are making good progress. The doubts on the usefulness of the EPAs are fading. The European Commission proposal is convincing," he told journalists at the Africa-EU Ministerial Troika meeting in Brussels on September 16.<sup>1</sup> While he admitted there are points which still remain to be clarified he said he was "confident that we will achieve complete EPAs by 2009."

African Union chairperson Bernard Membe, agreed with this outlook, claiming that Africa now considers the EPAs a powerful economic instrument. However, Maxwell Mwezalamba, AU Commissioner for Economic Affairs said that it is entirely possible that some countries will not sign the full EPA and that in this case a mechanism should be put in place to allow trade flows between these countries - and the EU - to continue. Alain Joyandet, French Secretary of State for Cooperation and current EU Development Council President, said the recipe for success will be a development dimension that is superior to the previous one and some kind of exception for agriculture, given the global food crisis.

## Fiscal impacts examined in Central Africa

Central Africa is working to determine the fiscal impact of the EPA, conducting cost assessments in key areas to help build regional capacity and economies. Efforts are also underway to build the capacities of the Development Bank of the Central African States, which is expected to manage the Regional EPA Fund.

Regional concerns remain over European Commission proposals to include provisions in the EPAs that could reduce the policy space needed to ensure national development. Many fear fiscal revenue losses from tariff dismantlement, rapid harmonisation towards a Common External Tariff and European Commission suggestions to raise Value Added Taxes and excise taxes in the region. Some worry about the potentially negative impact the proposals could have on differentiated treatment for mid-income countries and least developed countries (LDCs), as well as on regional integration efforts.

The European Commission reportedly informed EU member states that signature of the Cameroon interim agreement (as well as those of Ghana and Côte d'Ivoire) may be possible with only final versions in English and French, which would allow its signature in 2008.

## West Africa faces challenging talks with EU

EPA negotiations scheduled for October are expected to be difficult, as both West Africa and the EU continue to hold significantly different views on sensitive products, market access and development. Key stumbling blocks include 'substantially all trade' coverage, sufficient transition periods and the link between trade and development cooperation commitments. Sources indicate that a ministerial meeting will be needed to look for political compromises in winter.

Changes negotiated to the interim EPA will allow Côte d'Ivoire and Ghana to revise customs duties applied to EU imports when establishing the ECOWAS Common External Tariff as long as the resulting effect is not higher than the custom duties as stated in annex 2. Ghana's market access offer was also modified with different start dates for liberalisation of some products and slight changes to the exclusion list.

## Business leaders scrutinise ESA-EU EPA

The implications of the ESA-EU EPA for business were discussed at an ITC-Commonwealth Secretariat meeting in Addis on September 9-10. Senior trade and industry representatives exchanged views on the challenges, interests and opportunities for the region. Those countries with insignificant EU trade inferred they saw little value in signing an EPA. It was made clear from participants that further discussions are needed to decide how to build public and private sector capacity to better understand investment, competition policy and services.

Meanwhile, technical and senior official ESA negotiators met on August 21-26 in Antananarivo to discuss a number of outstanding issues on trade in goods. Discussions on services continued based on the existing draft text. ESA fine tuned its position with regard to some trade related issues, while underlining the need for capacity



building. Further work on the development chapter and its implementation continues, while the region awaits a reply from the EU on the costed development matrix it submitted.

## EAC witness substantial EPA progress

Technical EPA negotiating teams from the EAC and the European Commission have agreed texts on customs and trade facilitation, sanitary and phytosanitary measures and technical barriers to trade during a meeting on September 15-17 in Bujumbura. Both sides also agreed to formulate new articles in the comprehensive EPA for standstill, export duty, tax and Most Favoured Nation (MFN) clauses. It was decided that further negotiation is needed to agree texts on anti-dumping and countervailing measures as well as safeguards for infant industry. The EAC presented its text on economic and development cooperation, while the European Commission made a presentation on its approach to trade in services negotiations. The EAC prefers to consult its member states on services in order to identify common interests before starting discussions with the EU. The region is still considering how to ensure rules of origin that will allow cumulation between SADC and ESA regions. Again, they await a study before opening negotiations.

## South African politics likely to impact EPA talks

South African President Thabo Mbeki resigned from office on September 21. Mbeki's resignation, along with much of his cabinet will undoubtedly impact on progress in SADC EPA negotiations.

EU agriculture Commissioner Mariann Fischer Boel delivered a speech in South Africa on September 8 in which she stated that it is "good news that South Africa is now interested in being involved in the negotiations of the full SADC Economic Partnership Agreement."<sup>2</sup> Meanwhile, her counterpart EU trade Commissioner Peter Mandelson issued an open letter to Namibian civil society on September 2, stating that the European Commission is ready to discuss contentious matters in the interim EPA, once it has been signed, in the framework of the full EPA negotiations.<sup>3</sup>

## Caribbean-EU finally set to sign EPA

Caribbean Heads of Government decided that 13 out of 15 Caribbean countries will sign an EPA on October 15.<sup>4</sup> During the meeting on September 10, Guyana said it will not sign a full EPA but is prepared to sign a 'goods-only' agreement to ensure WTO compatibility. Similarly, Haiti did not commit to signing the EPA over concerns on development and after being hit by four tropical storms in just three weeks.

Mandelson subsequently indicated that the European Commission has no mandate to negotiate a separate agreement with Guyana, but is ready to consider adjusting its provisions after it is signed. Mandelson insists that signing and implementing the EPA is the best way to encourage additional EPA financial support from other donors. He maintains that if a Caribbean country is unwilling to sign the current Agreement, the only legal basis on which trade could continue with that country would be the EU's less-favourable generalised system of preferences.

## Pacific aims to bridge differences with EU

Pacific ACP countries (PACP) will try to resolve differences on the EPA with the European Commission at a technical level meeting on September 18-26. The main issues for the debate will be the Pacific's proposals that trade in goods be included in the EPA as an optional protocol, along with the inclusion of infant industry safeguards and the current IEPA MFN clause.<sup>5</sup>

The first ministerial troika between the EU and the Pacific Islands Forum was held in Brussels on September 16.<sup>6</sup> Representatives claimed they remain committed to concluding a comprehensive EPA by the end of 2008, which fully supports the developmental aspirations of the PACPS and fosters regional integration. Both sides aim to finalise the 10<sup>th</sup> EDF Regional Strategy Paper and the Regional Indicative Programme by the end of 2008.

- 1 Africa-EU Ministerial Troika Meeting Communiqué, September 16 2008, [www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/er/102801.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/er/102801.pdf) and AU-EU Troika Press conference, EBS, September 15 2008, <http://ec.europa.eu/avservices/ebs/schedule.cfm>
- 2 Keeping our maps up to date: trade and trade rules in a changing world, Mariann Fischer Boel, September 8 2008, <http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/08/410&format=HTML&aged=0&language=EN&guiLanguage=en>
- 3 Open letter to Namibian civil society, European Trade Commissioner Mandelson, September 2 2008, [www.acp-eu-trade.org/library/files/EC\\_EN\\_050908\\_EC\\_Commissioner-Mandelson-s-open-letter-to-Namibian-civil-society.pdf](http://www.acp-eu-trade.org/library/files/EC_EN_050908_EC_Commissioner-Mandelson-s-open-letter-to-Namibian-civil-society.pdf)
- 4 See separate articles in this issue.
- 5 As outlined in David and Goliath Battle, Maureen Penjueli, The Fiji Times, September 11 2008, [www.fijitimes.com](http://www.fijitimes.com)
- 6 Inaugural European Union - Pacific Islands Forum Ministerial Troika Final Communiqué, 16 September 2008, [www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/er/102820.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/er/102820.pdf)

## Trade Negotiations Insights

Published by:

The International Centre for Trade and Sustainable Development

Chief Executive: Ricardo Meléndez-Ortiz

Editor: Victoria Hanson

Address: 7 Chemin de Balexert  
1219 Geneva, Switzerland

Tel: (41-22) 917-8492

Fax: (41-22) 917-8093

Email: [vhanson@ictsd.ch](mailto:vhanson@ictsd.ch)

Web: [www.ictsd.net](http://www.ictsd.net)

European Centre for Development Policy Management

Director: Paul Engel

Editor: Sanoussi Bilal

Address: Onze Lieve Vrouweplein 21  
6211 HE Maastricht,  
The Netherlands

Tel: (31-43) 3502 900

Fax: (31-43) 3502 902

Email: [tnei@ecdpm.org](mailto:tnei@ecdpm.org)

Web: [www.ecdpm.org](http://www.ecdpm.org)

Editorial team:

Aurélien Walker

Caitlin Zaino

This monthly publication is made possible through the financial contribution of the Government of the United Kingdom (DFID) and the Dutch Ministry of Foreign Affairs (DGIS).

The opinions expressed in the signed contributions to TNI are the authors' and do not necessarily reflect the views of ICTSD or ECDPM. Manuscripts offered for publication are expected to respect good journalistic practice and be compatible with our mission. Guidelines for contributors are available on request.

Material from TNI can be used in other publications with full academic citation.

Trade Negotiations Insights ©  
ISSN 1682-6744



# Trade Negotiations Insights

## Calendar and resources

### ACP-EU EVENTS

#### OCTOBER

- 29 Sept. EU-Central Africa Technical and Senior Official negotiations, Brussels (tbc).
- 1 European Commission-African Union Commission College-to-College meeting, Brussels.
- 1 Joint Meeting of ACP Council of Ministers and ACP Ministers of Foreign Affairs, Accra.
- 2-3 6th Summit of ACP Heads of State and Government, Accra.
- 6-9 Twenty-Ninth Special Meeting of the CARICOM Council for Trade and Economic Development (Agriculture), St. Vincent & the Grenadines.
- 6-10 EU-SADC Technical and Senior official negotiations, Brussels (tbc).
- 7 Hearing on the CARIFORUM-European Commission EPA, Committee on International Trade, European Parliament, Brussels.
- 20 COMESA-EAC-SADC Tripartite Summit, Kampala.
- 20-24 EU-West Africa Technical and Senior Official negotiations, Ougadougou.
- 22-24 ILEAP meeting on trade in services and trade-related issues, Libreville.
- 24 Meeting of the CARICOM Council for Trade and Economic Development (External Trade), Guyana.
- 27 EU-Central Africa Technical and Senior Official negotiations
- 1 Nov. (tbc).

#### NOVEMBER

- 4-6 AU experts workshop on a template for comprehensive EPAs.
- 6-7 Informal meeting of the Article 133 Committee, EU Council, Bordeaux.
- 6-8 CTA/ECDPM Workshop: Strengthening Agricultural Trade Strategies: towards a Caribbean agenda, Belize City.
- 10-11 EU General Affairs and External Relations Council meeting with development ministers, Brussels.
- 20-21 EU-AU Ministerial Troika.
- 24-28 16th session of the ACP-EU Joint Parliamentary Assembly, Port Morseyby.

### WTO EVENTS

#### OCTOBER

- 3 Working Party on State Trading Enterprises.
- 6 Workshop - Sanitary and Phytosanitary Measures.
- 8 + 10 Trade Policy Review Body, Korea.
- 8-9 Committee on Sanitary and Phytosanitary Measures.
- 8 Committee on Trade and Development.
- 9 Committee on Budget, Finance and Administration.
- 9 Committee on Rules of Origin.
- 13-17 Negotiating Group on Trade Facilitation.
- 14-15 General Council.
- 17 Committee on Customs Valuation.
- 20 Committee on Import Licensing.
- 21 Dispute Settlement Body.
- 22 + 24 Trade Policy Review Body, Norway.
- 23 Committee on Trade-Related Investment Measures.
- 28-29 Council for Trade-Related Aspects of Intellectual Property Rights.

#### NOVEMBER

- 5-6 Committee on Technical Barriers to Trade.
- 10 + 12 Trade Policy Review Body, Jordan.
- 17 Round of Consultations on the Development Assistance Aspects of Cotton.
- 18 Council for Trade in Goods.
- 21 Dispute Settlement Body.
- 24-26 Trade Policy Review Body, Dominican Republic.
- 27-28 Committee on Regional Trade Agreements.

### RESOURCES

All references are available at: [www.acp-eu-trade.org/library](http://www.acp-eu-trade.org/library)

**Proposal for a Council Decision concluding the Interim Economic Partnership Agreement between the European Community and its Member States, on the one part, and the SADC EPA States, on the other part**, Proposal by the European Commission, September 18 2008, <http://eur-lex.europa.eu>

**European Parliament resolution of 4 September 2008 on Trade in services**, [www.europarl.europa.eu](http://www.europarl.europa.eu)

**Final Communiqué of the Inaugural European Union - Pacific Islands Forum Ministerial Troika**, Brussels, September 16 2008, [www.consilium.europa.eu](http://www.consilium.europa.eu)

**Joint Declaration of the IV Spain-CARICOM Summit**, Madrid, July 11-12 2008, [www.caricom.org](http://www.caricom.org)

**Outcome of Proceedings of the 58th meeting of the ACP-EC Committee of Ambassadors on 5 May 2008**, Published by the Council of the European Union, September 3 2008, <http://register.consilium.europa.eu>

**Commissioner Mandelson's open letter to Namibian civil society**, Letter dated 2 September 2008, published in EPA Flash News, European Commission, September 5 2008, [www.acp-eu-trade.org](http://www.acp-eu-trade.org)

**Assessing the Development Friendliness of Dispute Settlement Mechanisms in the Economic Partnership Agreements and Analytical and Comparative Guide to the Dispute Settlement Provisions in the EU's FTAs**, Mehmet Karli, University of Oxford, paper commissioned by Oxfam International, August 2008, [www.acp-eu-trade.org](http://www.acp-eu-trade.org)

**ACP-EU trade issues in the coffee sector**, CTA, September 2008, <http://agritrade.cta.int>

**African food and agricultural sectors and interim EPAs**, CTA, July 2008, <http://agritrade.cta.int>

**Economic Development in Africa 2008. Export performance following trade liberalization: Some patterns and policy perspectives**, UNCTAD, September 15 2008, [www.unctad.org](http://www.unctad.org)

**Rethinking Trade Preferences to Help Diversify African Exports**, Policy Insight No. 2, Centre for Economic Policy Research, June 2007, [www.cepr.org](http://www.cepr.org)

**Does Africa Trade Less than it Should, and If So, Why? The Role of Market Access and Domestic Factors**, International Food Policy Research Institute (IFPRI), Valdete Berisha-Krasniqi, Antoine Bouët and Simon Mevel, Discussion Paper No. 770, May 2008, [www.ifpri.org](http://www.ifpri.org)

**Economic Partnership Agreements between the European Union and African, Caribbean, and Pacific Countries - What is at Stake for Senegal?**, International Food Policy Research Institute (IFPRI), Discussion Paper No. 765, April 2008, [www.ifpri.org](http://www.ifpri.org)

**Stakeholders' Consensus Statement, Guyana EPA Consultations**, Georgetown, September 5 2008, press release, <http://normangirvan.info>

**CARIFORUM agrees to sign EPA**, Press release 283/2008, CARICOM, September 11 2008, [www.caricom.org](http://www.caricom.org)

**The CARIFORUM-EC Economic Partnership Agreement (EPA): Special and Differential Treatment Provisions in the EPA**, Caribbean Regional Negotiating Machinery (CRNM), June 2008, [www.crnrm.org](http://www.crnrm.org)

**Caribbean Integration and Global Europe - Implications of the EPA for the CSME**, Norman Girvan, 18 August 2008, <http://normangirvan.info>

**Trade Statistics with the EU for: all ACP Countries (incl. and excl. South Africa), Angola, Cameroon, Côte d'Ivoire, Ghana, Liberia, Mauritius**, European Commission, September 15 2008, <http://trade.ec.europa.eu>

**Standing firm and acting together against EPAs!**, Declaration of 11 Annual Review and Strategy Meeting of Africa Trade Network, Accra, Ghana, August 25-28 2008, <http://apps.twnafrica.org>

**Status report on the community work programme**, Mohamed Ibn Chambas, opening session of the ECOWAS parliament, Abuja, September 10 2008, <http://appablog.wordpress.com>