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EU Development Ministers Must Act to Stop Unfair Trade Deals With Africa, say EU NGOs

European Development Ministers meeting in Bonn this week (March 12-13) must act to stop the unfair free trade deals between the EU and countries in Africa, the Caribbean and Pacific (ACP), otherwise millions of people will be locked into poverty, said an informal coalition of European Non-Governmental Organisations, including Oxfam, Traidcraft and WEED today.

The European Commission (EC) is negotiating so-called Economic Partnership Agreements (EPAs) with former colonies to replace a trade preference scheme that expires at the end of 2007. The EC has argued that EPAs are pro-development but current proposals threaten to undermine poverty reduction and destroy livelihoods. Development Ministers will meet ACP Ministers tomorrow to discuss the negotiations.

Luis Morago, Head of Oxfam International's Brussels Office, said: "The European Commission is pushing proposals that are profoundly anti-development. Development Ministers from Member States must live up to their job titles and make sure that these unfair and imbalanced deals do not go through in their current form."

Dr. Klaus Schilder of World Economy, Ecology & Development (WEED) said: "The EU is proposing trade liberalisation that goes far beyond what is being negotiated at the World Trade Organisation (WTO) as well as commitments in areas such as investment, which developing countries have long resisted. Future economic growth, millions of livelihoods and the environment are at all at risk."

Sophie Powell, Policy Advisor at Traidcraft said: "The current proposals will undermine poverty reduction and prevent future development. Yet if poor countries don't sign they risk losing critical trade preferences and maybe even aid. They are in an impossible position, yet the EC is insisting on the end-of-year deadline and refusing to discuss alternatives. Member States must get involved and act to stop this unfair pressure."

The NGOs say that any trade deal between developed and developing countries must be non-reciprocal, otherwise the deals will exacerbate rather than reduce poverty. EU Development Ministers should strive to ensure that trade deals between the EU and ACP:

- Do not include commitments on services, investment or other trade-related issues, which ACP countries are under no obligation to negotiate
- Are non-reciprocal and provide at least equivalent to existing market access
- Have simplified rules of origin

Furthermore, the EC should:

- Commit to continue existing trade preferences until alternative arrangements are put in place
- Establish guaranteed additional development assistance and aid for trade to help with adjustment costs, new infrastructure, and other trade related investments. This money should not be conditional on signing an EPA.

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Signatory Organisations: CRBM Italy, Christian Aid Ireland, Christian Aid UK, Fair Italy, ICCO (Interchurch Organisation for Development Cooperation), KASA (Ecumenical Service for Advocacy Work on Southern Africa), KOSA (Coordination Southern Africa), Manitese Italy, Netzwerk Afrika Deutschland, Oxfam International, Traidcraft, Tearfund, Vredeseilanden (Belgium), World Economy, Ecology & Development (WEED), World Rural Forum

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