



STOP UNFAIR TRADE
DEALS BETWEEN EUROPE
AND ACP COUNTRIES

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15 May 2008

Dear Minister,

On May 26 and 27, the General Affairs and External Relations Council will discuss the Economic Partnership Agreement negotiations between the EU and African, Caribbean and Pacific countries. We urge you to make use of this opportunity to instruct the European Commission to adopt a more flexible approach to the EPA negotiations, in order to allow for development friendly agreements to be reached and relationship with ACP countries, damaged in the end of 2007, to improve.

At the end of 2007, 20 African and Pacific countries initialled Interim Economic Partnership Agreements (EPAs) and 15 Caribbean countries initialled a 'full' EPA.

The negotiations of these EPAs were conducted against the background of a threat that the EU would raise its import tariffs on certain imports from non-LDC ACP countries, a threat that in our view the EU could and should have avoided. The pressure put on the ACP countries in those last stages of negotiations has disturbed relations with the ACP countries, as became apparent at the EU-Africa Summit in Lisbon, 8-9 December. Since then, the 'initialled' agreements have been criticised by Ministers, Members of Parliament, negotiators, private sector, civil society organisations and academics in many of the ACP countries.

Negotiations have now begun to convert the 'Interim' EPAs, often concluded by individual countries, into 'full' regional EPAs. Also, governments need to decide whether to proceed with signing the (Interim) EPAs in their current form, and subsequently, where applicable, to submit them to national parliaments for ratification.

It is now urgent and critical that Europe starts to listen to the objections and arguments which have been made with regard to EPAs, and clarifies that it is prepared to review the (interim) agreements, and work in true partnership with the ACP to come to agreements that are truly pro development.

Not at the service of development...

In order to put trade at the service of development it is vital to ensure that ACP countries have the institutions, policy instruments and resources to be able to take advantage of market access and to strategically manage their integration into the global economy in a way that adds value locally and which shares the benefits fairly.

However, it is our assessment that the current deals strip ACP countries of the very policy tools they need in order to develop, making it impossible for the ACP to break the

cycle of commodity dependence. They tie the hands of ACP governments, preventing them from applying a range of trade and investment measures necessary for creating decent jobs and secure livelihoods. Ironically, these policy tools are exactly the instruments that many countries across the globe, including Europe, have used to develop their own economies. In our view, the initialled EPAs fail to safeguard the future development ambitions of ACP states.

While one of the main objectives of the EPAs is to strengthen regional integration, in reality regional integration is threatened by the mismatch between initialled agreements and existing integration efforts in the ACP.

Time to take a fresh look

To date, these deals have been initialled but are not yet legally binding. Even at this stage of the negotiations, change is possible and advisable: new, fairer deals can and should be agreed.

Therefore we call for:

- Revision of all contentious clauses as requested by the ACP before any signing or ratification takes place and without it being conditional upon further negotiations on full EPAs;
- Time for ACP countries to take stock within their regional blocs and make a strategic decision on which route they want to pursue, fully consulting all affected parties, including workers, producers, and businesses;
- Publication and thorough and comprehensive independent evaluations and impact assessments of what has been initialled, to allow for informed debate involving all relevant stakeholders;
- The EU to adopt maximum flexibility in the further negotiations allowing ACP countries to take the lead in setting the pace and determining the content of negotiations, including whether and how services and trade related issues should be dealt with;
- The EU to adapt its unilateral preference schemes so they further open European markets and are made permanent, ensuring no ACP country is left worse off if it does not conclude a free trade agreement.

It is time to take a fresh and closer look at the initialled EPAs – before potentially damaging agreements are made permanent. We call upon the Council to clarify that Europe is prepared to review the (interim) agreements, and work in true partnership with the ACP to come to agreements that are truly pro development.

Yours sincerely

Action for Change for Southern Africa (ACTSA), UK
Africa-Europe Faith & Justice Network (AEFJN), Belgium
Afrika-Europa Network, The Netherlands
AITEC, France
ATTAC, France

ATTAC, Germany
ATTAC, Hungary
Bevrijde Wereld / Terre Nouvelle, Belgium
Both ENDS, The Netherlands
Centre national de Coopération au développement" (CNCD/11 11 11), Belgium
Christian Aid, UK
CIDSE, Belgium
Coalition of the Flemish North-South Movement – 11.11.11, Belgium
Comhlámh, Ireland
Commitment for Life, UK
Coordinadora de ONGD de Euskadi, Spain
Coordination Southern Africa, Germany
Crocevia, Italy
CRBM, Italy
Diakonia, Sweden
The Dutch Association of Worldshops, the Netherlands
German Church Development Service (EED)
Fairtrade Foundation, UK
FAIR, Italy
Forum Syd, Sweden
German Church Development Service (EED)
Germanwatch, Germany
IBIS, Denmark
Interchurch Organisation for development co-operation (ICCO), Netherlands
Italian Support Group for the Farmers' Movements in Africa
Intal, Belgium
KOSA, Koordination Suedliches Afrika, Germany
Mani Tese, Italy
Micah Challenge, Portugal
Netzwerk Afrika Deutschland (NAD), Germany
Oxfam International
Progressio, UK
Public Services International, France
Scottish Catholic International Aid Fund (SCIAF), UK
Solidarité Socialiste – ONGD, Belgium
SOMO (Centre for Research on Multinational Corporations), The Netherlands
SOS Faim – Agir avec le Sud, Belgium
Tearfund, UK
Terra Nuova, Italy
Terre des hommes Germany
The Trade Justice Movement, UK
Trade Watch, Italy
Traidcraft, UK
Trocaire, Ireland
Vredeseilanden, Belgium
War on Want, UK
WIDE, Belgium
World Development Movement, UK
World Rural Forum, Spain