

FARM colloquium : What framework for agricultural policy in
Europe and developing countries?

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Update on EPA negotiations

Kathleen Van Hove



EUROPEAN CENTRE FOR DEVELOPMENT POLICY MANAGEMENT
CENTRE EUROPÉEN DE GESTION DES POLITIQUES DE DÉVELOPPEMENT

Background

Economic Partnership Agreements:

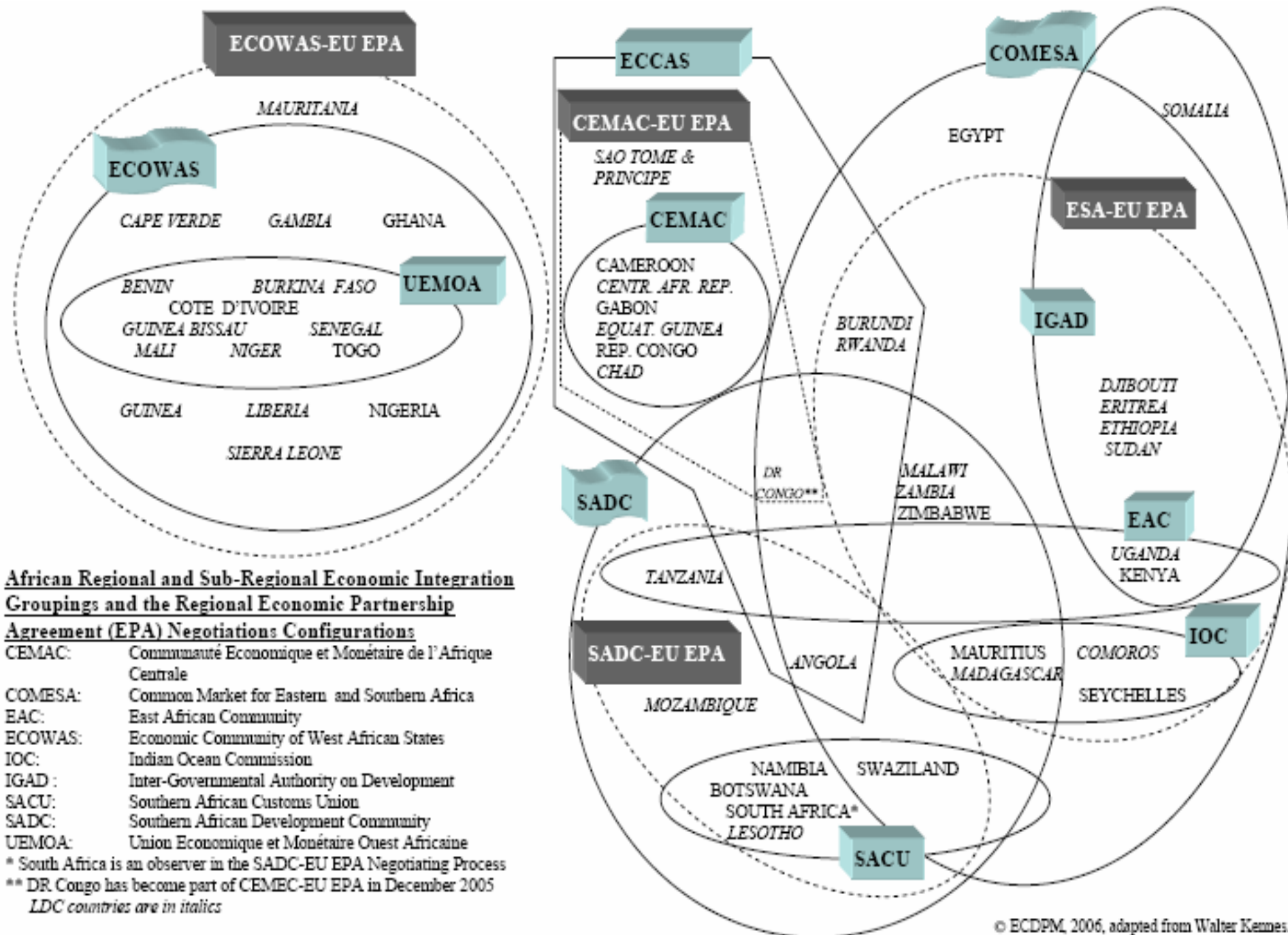
- **Free Trade Agreements** (GATT Art XXIV)
Goods, agriculture and services (TBs, NTBs)
- **All areas relevant to trade:** competition, intellectual property rights, investment, standards, SPS, consumers protection, public procurement, trade and environment, trade and labour, ...
- Possible **alternative arrangements** to be examined for non-LDCs not in a position to negotiate an EPA, alternative for LDCs=EBA



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Phasing

- Stage 1 09/2002 – 09/2003:
All ACP negotiations
- Stage II (till 12/2007):
Regional negotiations
 - ECOWAS+: West Africa (October 2003)
 - CEMAC+: Central Africa (October 2003)
 - ESA: East and Southern Africa (February 2004)
 - SADC: Southern Africa (July 2004)
 - CARIFORUM: Caribbean (April 2004)
 - Pacific Forum: Pacific (September 2004)



African Regional and Sub-Regional Economic Integration Groupings and the Regional Economic Partnership Agreement (EPA) Negotiations Configurations

- CEMAC: Communauté Economique et Monétaire de l'Afrique Centrale
- COMESA: Common Market for Eastern and Southern Africa
- EAC: East African Community
- ECOWAS: Economic Community of West African States
- IOC: Indian Ocean Commission
- IGAD: Inter-Governmental Authority on Development
- SACU: Southern African Customs Union
- SADC: Southern African Development Community
- UEMOA: Union Economique et Monétaire Ouest Africaine

* South Africa is an observer in the SADC-EU EPA Negotiating Process

** DR Congo has become part of CEMEC-EU EPA in December 2005

LDC countries are in italics

Update regional negotiations

- **SADC** : complexity of TDCA, SACU + EBA for 3 LDCs
- **ESA** : development benchmarks
- **ECOWAS+**: difficulty on productive capacity, UEMOA
- **CEMAC**: blockage on development support
- **CARIFORUM**: regional integration, inclusion Singapore issues
- **Pacific** : EPA à la carte

Development dimension

- **EU position**
 - EPA negotiations = the trade pillar of the Cotonou Agreement
 - Development finance is covered by the EDF
 - The EC has no mandate to negotiate extra financing
- **ACP demands**
 - **Binding commitments** for additional finance, included in the legal EPA text
 - Establishment of an **EPA financing facility** to which both EC and EU member states can contribute

EU commitments

The GAERC conclusions of 16-17 October 2006:
 €2 billion/year aid for trade for developing countries from
 EC and EU members states

Table 1: Trade related assistance budgets in 2005

source	EC Budget and EDF		EU Member states
	<i>For all DCs (non ACP)</i>	<i>ACP</i>	<i>For all DCs (including ACP)</i>
scope			
TRTA namely:	€ 0.7 bn	€ 0.3 bn	€ 0.3 bn
Trade policy/regulation (in 1000 euros)	222,920	193,300	
Trade development⁷ (in 1000 euros)	471,120	100,680	

Source: figures obtained from AIDCO's submission to the WTO/OECD TCB Database

Questions related to agriculture

- **How can EPAs strengthen the national and regional agricultural policy in the ACP?**
- **If 'aid for trade' only covers trade policy and development, how can the competitiveness of ACP agriculture be enhanced so as to benefit from EPAs?**
- **How to interpret what happens with CAP reform and at WTO level so as to identify strategically what EPAs can contribute to ACP agriculture?**

For more information, please refer to:

www.acp-eu-trade.org

www.ecdpm.org

www.ecdpm.org/pmr11

ECDPM

O.L. Vrouweplein, 21

NL – 6211 HE Maastricht

The Netherlands

Kathleen Van Hove

kvh@ecdpm.org

Tel. +32-2 237 43 14

Fax +32-2 237 43 19



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