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MOTION FOR A RESOLUTION

further to Questions for Oral Answer B6-0204/2009 and B6-0203/2008

pursuant to Rule 108(5) of the Rules of Procedure

by David Martin

on behalf of the PSE Group

on the Economic Partnership Agreement between the CARIFORUM States, of the one part, and the European Community and its Member States, of the other part

European Parliament resolution on the Economic Partnership Agreement between the CARIFORUM States, of the one part, and the European Community and its Member States, of the other part

The European Parliament,

- having regard to its resolutions of 25 September 2003 on the Fifth Ministerial Conference of the World Trade Organisation (WTO) in Cancún¹, of 12 May 2005 on the assessment of the Doha Round following the WTO General Council Decision of 1 August 2004², of 1 December 2005 on the preparations for the sixth Ministerial Conference of the World Trade Organisation in Hong Kong³, of 23 March 2006 on the development impact of Economic Partnership Agreements (EPAs)⁴, of 4 April 2006 on the assessment of the Doha Round following the WTO Ministerial Conference in Hong Kong⁵, of 1 June 2006 on trade and poverty: designing trade policies to maximise trade's contribution to poverty relief⁶, of 7 September 2006 on the suspension of negotiations on the Doha Development Agenda⁷ (DDA), of 23 May 2007 on Economic Partnership Agreements⁸, of 12 July 2007 on the TRIPS Agreement and access to medicines⁹, of 12 December 2007 on Economic Partnership Agreements¹⁰ and of 5 June 2008 on the proposal for a Council regulation applying a scheme of generalised tariff preferences for the period from 1 January 2009 to 31 December 2011 and amending Regulations (EC) No 552/97, No 1933/2006 and Commission Regulations (EC) No 964/2007 and No 1100/2006¹¹,
- having regard to the Economic Partnership Agreement between the CARIFORUM States, of the one part, and the European Community and its Member States, of the other part,
- having regard to the Joint Declaration on the signing of the Economic Partnership Agreement,
- having regard to the Partnership Agreement between the members of the African, Caribbean and Pacific (ACP) Group of States of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000 (the Cotonou Agreement),
- having regard to the Conclusions of the General Affairs and External Relations Councils

¹ OJ C 77 E, 26.3.2004, p. 393.

² OJ C 92 E, 20.4.2006, p. 397.

³ OJ C 285 E, 22.11.2006, p. 126.

⁴ OJ C 292 E, 1.12.2006, p. 121.

⁵ OJ C 293 E, 2.12.2006, p. 155.

⁶ OJ C 298 E, 8.12.2006, p. 261.

⁷ OJ C 305 E, 14.12.2006, p. 244.

⁸ OJ C 102 E, 24.4.2008, p. 301.

⁹ OJ C 175 E, 10.7.2008, p. 591.

¹⁰ OJ C 323 E, 18.12.2008, p. 361.

¹¹ Texts adopted, P6_TA(2008)0252.

of April 2006, October 2006, May 2007, October 2007, November 2007 and May 2008,

- having regard to the Commission Communication of 23 October 2007 on Economic Partnership Agreements (COM(2007)0635),
 - having regard to the General Agreement on Tariffs and Trade (GATT), in particular Article XXIV thereof,
 - having regard to the Ministerial Declaration of the Fourth Session of the WTO Ministerial Conference, adopted on 14 November 2001 in Doha,
 - having regard to the Ministerial Declaration of the Sixth Session of the WTO Ministerial Conference, adopted on 18 December 2005 in Hong Kong,
 - having regard to the report and recommendations of the Task Force on Aid for Trade, adopted by the WTO General Council on 10 October 2006,
 - having regard to the United Nations Millennium Declaration of 8 September 2000, which sets out the Millennium Development Goals (MDGs) as criteria collectively established by the international community for the elimination of poverty,
 - having regard to the Gleneagles Communiqué, released on 8 July 2005 by the Group of Eight in Gleneagles,
 - having regard to Rule 108(5) of its Rules of Procedure,
- A. whereas from 1 January 2008 the EU's previous trade relationship with the ACP countries – which gave the latter preferential access to EU markets on a non-reciprocal basis – no longer complied with the rules of the WTO,
- B. whereas EPAs are WTO-compatible agreements aimed at supporting regional integration and promoting the gradual integration of the ACP economies into the world economy, thereby fostering their sustainable social and economic development and contributing to the overall effort to eradicate poverty in the ACP countries,
- C. whereas EPAs should be used to build a long-term relationship whereby trade supports development,
- D. whereas the current financial and economic crisis means that trade policy will be more important than ever to the developing world,
- E. whereas the country and regional impact of the complex and wide-ranging commitments included in the agreements could be very substantial,
- F. whereas the EPA will inevitably condition the scope and content of future agreements made between CARIFORUM and other trading partners and the region's stance in the negotiations,
- G. whereas each of the CARIFORUM States has a separate liberalisation schedule, with a certain level of overlap between countries which converges over time, evolving into a

regional schedule; whereas CARICOM aims to establish a Single Market by 2015,

- H. whereas the absolute impact of trade rules established by the EPA could be much greater than the removal of tariffs,
 - I. whereas improved trade rules must be accompanied by an increase in support for trade-related assistance,
 - J. whereas the objective of Aid for Trade is to support developing countries' capacity to take advantage of new trade opportunities,
 - K. whereas the last sentence of Article 139(2) of the Agreement states that 'nothing in this Agreement shall be construed as to impair the capacity of the Parties and the Signatory CARIFORUM States to promote access to medicines',
 - L. whereas the EPA contains a Declaration on Development Cooperation but no legally binding funding commitments,
1. Stresses that these agreements cannot be regarded as satisfactory unless they achieve the following objectives: offering the ACP countries support for sustainable development, promoting their participation in world trade, strengthening the regionalisation process, revitalising trade between the European Union and ACP countries and promoting the economic diversification of ACP countries;
 2. Recalls that the EPA must be supportive of the development objectives, policies and priorities of the CARIFORUM States, not only in its structure and content, but also in the manner and spirit of its implementation;
 3. Points out that the EPA should contribute to the achievement of the MDGs;
 4. Calls on the Commission to do its utmost to restart the negotiations on the DDA and ensure that trade liberalisation agreements continue to promote development in poor countries;
 5. Highlights the importance of intra-regional trade and the need for increased regional trade links in order for sustainable growth to be ensured in the region; underlines the importance of cooperation and congruency between different regional entities;
 6. Encourages further lowering of tariffs between developing countries and regional groups, which today account for 15 to 25 percent of the trade value, to further promote south-south trade, economic growth and regional integration;
 7. Recalls that a genuine regional market is an essential basis for successfully implementing the EPA and that regional integration and cooperation are essential for the social and economic development of the CARIFORUM States;
 8. Stresses that the implementation of the Agreement must pay due regard to the integration processes in CARIFORUM, including the aims and objectives of the CARICOM Single Market and Economy (CSME) as outlined in the Revised Treaty of Chaguaramas;

9. Recognises that the CARIFORUM States that are members of the Caribbean Community have made commitments in subject areas not yet settled under the CSME or fully implemented, including financial services, other services, investment, competition, public procurement, e-commerce, intellectual property, free circulation of goods, and the environment; calls for due regard to the CSME in the implementation of provisions in these subject areas, in accordance with Article 4.3 of the CARIFORUM EPA;
10. Calls on the Commission to clarify the actual distribution of funds throughout the ACP region arising from the pledged priority spending within the increased Aid for Trade budget;
11. Insists that, in keeping with the Paris Principles on Aid Effectiveness, aid must be inter alia demand-driven, and therefore calls on the ACP to propose the necessary additional EPA-related funds, particularly with regard to regulatory frameworks, safeguard measures, trade facilitation, support in meeting international Sanitary and Phytosanitary and Intellectual Property standards and the composition of the EPA monitoring mechanism;
12. Recalls the adoption, in October 2007, of the EU Strategy on Aid for Trade, with the commitment to increase the collective EU trade-related assistance to EUR 2 billion annually by 2010 (EUR 1 billion from the Community, EUR 1 billion from the Member States); insists that the CARIFORUM countries receive an appropriate and equitable share;
13. Calls for an early determination and provision of an equitable share of the Aid for Trade resources; stresses that the Commission and the EU Members States should ensure that these funds represent additional resources and not be merely repackaging of the European Development Fund (EDF) funding, that they conform to CARIFORUM priorities, that their disbursement is channelled through the Regional Development Fund to the greatest extent possible and is timely, predictable and in harmony with the execution schedules of national and regional strategic development plans; recommends to the Commission and the CARIFORUM States that they make efficient use of these funds in order to help compensate for the possible loss of customs revenues and address competitiveness and development-enhancing needs;
14. Calls on the Commission to clarify which funds are additional to the funding of the 10th EDF; calls on the Commission to ensure that all development cooperation provisions, including their funding, are put into operation expeditiously, adequately and effectively;
15. Notes that for the Bahamas, Antigua and Barbados, customs revenue loss through trade liberalisation is frontloaded; accepts that for other CARIFORUM countries a substantial proportion of EU exports is either already free of trade barriers or the bulk of the liberalisation will occur in years 10-15 of the implementation timetable;
16. Stresses that, if necessary, substantial changes to rules of origin should accompany the duty-free, quota-free (DFQF) initiative to produce a significant increase in goods exports; in this regard welcomes the recent statements by the Commission that the Rules of Origin could be upgraded under Article 10 in line with the cumulation principle;

17. Urges the Commission to ensure that the provisions regarding enforcement of intellectual property rights will not be used to thwart legitimate competition from generic pharmaceutical suppliers and/or to prevent government purchasing entities from acquiring generic supplies;
18. Calls on the Commission to report regularly to the Parliament on the extent of patent applications and litigation under the PCT; calls on the Commission to provide regular reports on the implementation of the technology transfer commitments in the Agreement; urges the Commission not to seek to harmonise intellectual property rights standards upwards beyond what is appropriate for the level of development of the CARIFORUM States; stresses the importance of assisting CARIFORUM countries in monitoring anti-competitive behaviour in the pharmaceutical sector;
19. Stresses that the EPA agreement should take into account the specific interests of SMEs of both Parties;
20. Calls for the application by the European Union of the Most-Favoured-Nation (MFN) principle among all the ACP sub-regional groups;
21. Recognises the selective application of MFN treatment to the European Union by CARIFORUM and other sub-regional groups;
22. Highlights the need for development indicators to be used to measure expected economic and social outcomes (such as poverty reduction, better living standards and opening up of the economy) in implementing the EPA;
23. Considers that, taking into account the special and differential treatment provisions included in Article 5 of the EPA and with a view to achieving the goal of poverty reduction, suitable EPA development indicators should serve three key purposes: to trigger implementation of EPA commitments by CARIFORUM countries or to qualify them for exemptions; to monitor the impact of EPA implementation on sustainable development and poverty reduction; to monitor the implementation of EC commitments, in particular disbursement and effective delivery of pledged financial and technical assistance;
24. Calls for appropriate and transparent monitoring mechanisms – with a clear role and influence – to follow the impact of EPAs with increased ACP ownership and broad stakeholder consultation;
25. Asks the Commission to support the establishment of an independent monitoring mechanism within the CARIFORUM States endowed with the necessary resources to undertake the analysis necessary to determine the extent to which the EPA is achieving its objectives;
26. Welcomes the establishment of a CARIFORUM-EU Parliamentary Committee involving members of the Committee on International Trade and of the Committee on Development, ensuring an adequate balance between the maintenance of the leading role of the INTA Committee and overall consistency on trade and development policies; this parliamentary committee should operate in a flexible manner and actively coordinate with the ACP-EU

Joint Parliamentary Assembly (JPA);

27. Is concerned that, despite the Commission's negotiating mandate for the EPAs, approved by the Council of 17 June 2002, which stated that during the negotiations account was to be taken of the particular interests of the Community's Outermost Regions (ORs), and that the EPAs could, to this end, provide for specific measures for the benefit of products originating in those regions, with a view to their integration in the short term into interregional trade, in accordance with the provisions of the WTO rules, the interests of the ORs have not been taken sufficiently into account as regards many aspects brought to the Commission's attention by the Regional Councils, and that integration of the ORs into interregional trade in the short term has been neglected as a result;
28. Highlights the crucial role of CARIFORUM parliaments and non-state actors in the monitoring and management of the EPA; notes that their effective involvement requires a clear and inclusive agenda between the EU and the CARIFORUM countries;
29. Calls on the European Council to consult the Regional Councils of the outermost regions of the European Union in the Caribbean (Martinique, Guadeloupe and French Guiana) prior to ratification of the Economic Partnership Agreement between the CARIFORUM States and the Member States of the European Union;
30. Welcomes the abovementioned Joint Declaration and the fact that a mandatory comprehensive review of the Agreement will be undertaken no later than five years after the date of signature and at subsequent five-yearly intervals, in order to determine the impact of the Agreement, including the costs and consequences of implementation; points out that the Parties undertook to amend its provisions and adjust their application as necessary; calls for Parliament and the CARIFORUM Parliaments to be involved in any revision of the EPA;
31. Instructs its President to forward this resolution to the Council, the Commission, the governments of the Member States and of the ACP countries, the ACP-EU Council and the ACP-EU Joint Parliamentary Assembly.