

ACP-EU JOINT PARLIAMENTARY ASSEMBLY

ACP-EU/101.293/fin.

RESOLUTION¹

on Economic Partnership Agreements – next steps

The ACP-EU Joint Parliamentary Assembly,

- meeting in Brussels from 17 to 19 June 2013,
- having regard to Article 21(1) and Article 21(3) of Title V of the Treaty on European Union,
- having regard to Article 18(1) of its Rules of Procedure,
- having regard to the Partnership Agreement between the members of the African, Caribbean and Pacific 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)², in particular Articles 36 and 37 thereof, and revisions of the Cotonou Agreement in 2005 and 2010³,
- having regard to the European Parliament resolutions of 26 September 2002 containing its recommendation to the Commission concerning the negotiation of Economic Partnership Agreements with the ACP countries and regions⁴, of 23 March 2006 on the development impact of Economic Partnership Agreements⁵, of 23 May 2007 on Economic Partnership Agreements⁶, of 12 December 2007 on Economic Partnership Agreements⁷, and of 5 February 2009 on the development impact of Economic Partnership Agreements⁸,
- having regard to Regulation (EU) No 978/2012 of 25 October 2012 applying a scheme of generalised tariff preferences and repealing Council Regulation (EC) No 732/2008⁹ and to the European Parliament resolution of 13 June 2012 on the proposal for applying a scheme of generalised tariff preferences¹⁰,

¹ Adopted by the ACP-EU Joint Parliamentary Assembly on 19 June 2013 in Brussels (Belgium).

² OJ L 317, 15.12.2000, p. 3.

³ OJ L 287, 4.11.2010, p. 3.

⁴ OJ C 273 E, 14.11.2003, p. 305.

⁵ OJ C 292 E, 1.12.2006, p. 121.

⁶ OJ C 102 E, 24.4.2008, p. 301.

⁷ OJ C 323 E, 18.12.2008, p. 361.

⁸ OJ C 67 E, 18.3.2010, p. 124.

⁹ OJ L 303, 31.10.2012, p.1

¹⁰ Texts adopted: P7_TA(2012)0241.

- having regard to the European Parliament resolutions of 13 September 2012¹¹ and of 16 April 2013¹² on the proposal for a regulation of the European Parliament and of the Council amending Annex I to Council Regulation (EC) No 1528/2007 as regards the exclusion of a number of countries from the list of regions or states which have concluded negotiations,
- having regard to the European Parliament resolution of 25 November 2010¹³ on human rights and social and environmental standards in international trade agreements,
- having regard to the European Parliament resolution of 20 November 2012 on the work of the ACP-EU Joint Parliamentary Assembly in 2011¹⁴,
- having regard to the resolution of the ACP-EU Joint Parliamentary Assembly of 19 February 2004 on Economic Partnership Agreements: problems and prospects¹⁵ and of 23 November 2006 on the review of negotiations on Economic Partnership Agreements (EPAs)¹⁶,
- having regard to the European Parliament resolution of 25 March 2009 on the Economic Partnership Agreement between the Cariforum States, of the one part, and the European Community and its Member States, of the other part¹⁷, of 25 March 2009 on the Interim Partnership Agreement between the Pacific States, on the one part, and the European Community, on the other part¹⁸, of 25 March 2009 on the stepping stone Economic Partnership Agreement between Côte d'Ivoire, of the one part, and the European Community and its Member States, of the other part¹⁹, of 25 March 2009 on the stepping stone Economic Partnership Agreement between Ghana, of the one part, and the European Community and its Member States, of the other part²⁰, of 25 March 2009 on the stepping-stone Economic Partnership Agreement between the European Community and its Member States, of the one part, and Central Africa, of the other part²¹, of 25 March 2009 on the Interim agreement establishing a framework for an Economic Partnership Agreement between Eastern and Southern Africa States on the one part and the European Community and its Member States on the other part²², of 25 March 2009 on an Interim Economic Partnership Agreement between the European Community and its Member States, on the one part, and the SADC EPA States, on the other part²³, of 25 March 2009 on the agreement establishing a framework for an Economic Partnership Agreement between the European Community and

¹¹ Texts adopted: P7_TA(2012)0342.

¹² Texts adopted: P7_TA(2013)0112.

¹³ P7_TA(2010)0434.

¹⁴ Text adopted: P7_TA(2012)0431.

¹⁵ OJ C 120, 30.4.2004, p. 16.

¹⁶ OJ C 330, 30.12.2006, p. 36.

¹⁷ OJ C 117 E, 6.5.2010, p. 101.

¹⁸ OJ C 117 E, 6.5.2010, p. 118.

¹⁹ OJ C 117 E, 6.5.2010, p. 106.

²⁰ OJ C 117 E, 6.5.2010, p. 112.

²¹ OJ C 117 E, 6.5.2010, p. 141.

²² OJ C 117 E, 6.5.2010, p. 129.

²³ OJ C 117 E, 6.5.2010, p. 124.

its Member States, on the one part, and the East African Community Partner States, on the other part²⁴, of 19 January 2011 on the Interim Partnership Agreement between the EC and the Pacific States²⁵,

- having regard to the first meeting of the Joint Cariforum-EU Council of 17 May 2010 in Madrid, Spain, and the second meeting of the Joint Cariforum-EU Council of 26 October 2012 in Brussels,
- having regard to the resolution of the 95th session of the ACP Council of Ministers held in Port Vila, Vanuatu, from 10 to 15 June 2012 on Economic Partnership Agreements (EPAs)²⁶,
- having regard to the Sipopo Declaration adopted by the ACP Heads of State and Government at the Seventh Summit in Equatorial Guinea 13-14 December 2012²⁷,
- having regard to the General Agreement on Tariffs and Trade (GATT), in particular Article XXIV thereof, and of the Ministerial Declarations adopted at the Fourth Session of the WTO Ministerial Conference on 14 November 2001 in Doha and the Sixth Session of the WTO Ministerial Conference on 18 December 2005 in Hong Kong,
- having regard to the European Commission communication of 28 November 2006 entitled ‘Communication to modify the directives for the negotiations of Economic Partnership Agreements with ACP countries and regions’ (COM(2006)0673) and the European Commission communication of 23 October 2007 on Economic Partnership Agreements (COM(2007)0635),
- having regard to the Conclusions of the General Affairs and External Relations Council (GAERC) of April 2006, October 2006, May 2007, October 2007, November 2007 and May and June 2008,
- having regard to the communiqué issued at the conclusion of the Thirty-Third Regular Meeting of the Conference of Heads of State and Government of the Caribbean Community held from 4 to 6 July 2012, in Gros Islet, Saint Lucia,
- having regard to outcomes of the Pacific ACP Leaders Meeting held in Rarotonga, Cook Islands, on 28 August 2012,
- having regard to the Decision on Boosting Intra-African Trade and fast-tracking the Continental Free Trade Area (Doc. Assembly/AU/11(XIX)) of the Nineteenth Ordinary Session of the African Union Assembly of Heads of State and Government, held in Addis Ababa, Ethiopia, from 15 to 16 July 2012,
- having regard to the communication of 27 January 2012 from the Commission to the European Parliament and the Council, on trade, growth and

²⁴ OJ C 117 E, 6.5.2010, p. 135.

²⁵ OJ C 136 E, 11.5.2012, p.19.

²⁶ ACP/25/006/12 [Final].

²⁷ ACP/28/065/12 [Final].

- development – Tailoring trade and investment policy for those countries most in need (COM(2012)0022 final),
- having regard to the a European resolution of 16 April 2013²⁸ on advancing development through trade,
 - having regard to the Resolution on Economic Partnership Agreements and other trade matters of the 97th Session of the ACP Council of Ministers held in Brussels from 3 to 5 June 2013,
 - having regard to the report of the Committee on Economic Development, Finance and Trade (AP101.293/13/A/fin.),
- A. whereas the trade cooperation chapter of the Cotonou Agreement, under which the EU extended non-reciprocal trade preferences to ACP countries expired on 31 December 2007, the ACP and the EU set out to negotiate EPAs intended to be instruments of trade and development for ACP States most of which are least developed;
- B. whereas, under the Cotonou Agreement, EPA negotiations should be conducted at the levels considered appropriate by the ACP States and in accordance with procedures accepted by the ACP Group; whereas these negotiations must also take into account ongoing and promising regional integration processes between ACP countries, and the policy choices and development priorities targeted by these processes;
- C. whereas the key objective of ACP-EU cooperation relations for the economic, social and cultural development of the ACP countries enshrined in the Cotonou Partnership Agreement is to reduce, and ultimately eradicate, poverty and contribute to peace and security and political and democratic stability in the ACP countries, in order gradually to achieve the Millennium Development Goals (MDGs); whereas the link between trade liberalisation and poverty reduction is not automatic; however, tailored trade measures can be a strong driver for growth and development whilst empowering local and small-scale businesses;
- D. whereas the Cotonou Agreement is based on equality of the partners and ownership of the development strategies;
- E. whereas Economic Partnership Agreements (EPAs) should be agreements aimed at supporting regional integration through trade development, sustainable growth and poverty reduction while promoting the gradual integration of the ACP economies into the world economy;
- F. whereas it can be noted that the European Commission aims for broad comprehensive deep-integration agreements involving not only liberalisation of the trade in goods but also of investments, public procurement and the trade in services, along with commitments on intellectual property rights, and trade

²⁸ Texts Adopted: P7_TA(2013)0119.

facilitation; while the ACP negotiating guidelines above all focus on enhancing cooperation to strengthen the economic and trade capacities of the ACP countries, to help them promote sustainable development and eradicate poverty whilst increasing their share of world trade;

- G. whereas to date, only the Cariforum region has concluded and is implementing a full EPA while other regions have implemented or are implementing interim agreements but have committed to complete negotiations on outstanding areas;
- H. whereas EPAs are intended to be regional agreements, which could support the integration of small and fragmented ACP markets into stronger regional economies, but whereas a number of ACP States feeling under pressure to sign individual agreements have created different trade regimes with the EU to those of their neighbours, thus undermining regional integration;
- I. whereas the Commission has proposed to review the IEPAs in the context of the ongoing negotiations for final EPAs;
- J. whereas the Seventh Summit of ACP Heads of State and Government, held in December 2012, stated that after 10 years of negotiations the EPAs had failed to deliver the desired result, the regions that had signed or initialled the EPAs at the end of 2007 were mainly concerned to avert the risk of trade disruption, and contentious issues remained and severely limited policy space or tilted the balance of rights and obligations of ACP countries;
- K. whereas the elimination of tariffs could place a serious gap in many ACP States' budgets, which rely upon import duties and export taxes for a large part of their government revenue;
- L. whereas ACP States may need additional resources to cover the adjustment costs from EPAs, such as declining revenues and fiercer competition, and to contribute to their infrastructure and production capacities, support diversification efforts and enhance competitiveness in order to benefit from access to EU markets and intra-regional, regional and global markets;
- M. whereas Regulation (EC) No 1528/2007 has been amended to remove from its scope (in relation to DFQF market access) those countries that have not taken the necessary steps towards ratification of their EPAs by 1 October 2014;
- N. whereas ACP regions have voiced concerns on a number of contentious issues that they deem severely limit policy space and tilt the balance of rights and obligations in the EPAs;
- O. whereas the ACP Group has reiterated its total commitment to ensuring that the negotiations are concluded as long as the outcome addresses their concerns and development objectives ;
- P. whereas the recent EU reforms of the Generalised System of Preferences (GSP) will put an end to unilateral trade preferences for certain ACP countries;

1. Stresses that the conclusion and smooth implementation of comprehensive and balanced EPAs should be instrumental to the sustainable development of the ACP States and should also pay due regard to their political choices, development priorities and the strengthening of regional integration; considers that state capacity-building must also remain a joint and shared aim of the ACP and the EU;
2. Calls on the European Union to implement its Policy Coherence for Development commitment in practice, in order to increase coherence between its trade, agriculture, tax, climate change, investment, access to raw materials and development policies and thus enhance the transformation of ACP States into self-sustainable economies;
3. Believes that the various crises and economic developments of the past decade should be taken into account when negotiating the EPAs;
4. Recalls the need to restore trust and constructive dialogue in all discussions with the ACP regions; therefore urges all parties in the EPA negotiations to maintain the political will and a degree of flexibility and pragmatism in order to close the gaps on the outstanding issues, as well as to achieve a rapid conclusion of ongoing negotiations of comprehensive EPAs in a mutually satisfactory manner;
5. Recalls that the regional integration of ACP countries is one of the express objectives of EPA negotiations;
6. Insists that EPAs and other trade arrangements should build on the acquis of ACP-EU trade relations and therefore reiterates that no ACP State should remain or be made worse off at the end of the EPA processes than under the previous ACP-EU trade arrangements; calls for transparent, equitable, fair trade and investment agreements with ACP countries which should serve their development purpose with a set of social and environmental criteria;
7. Recalls that the initial the European Parliament's position on the Market Access Regulation, No 1528/2007, and the deadline that will expire on 1 October 2014, so as to allow full EPAs to be concluded, signed and implemented with a view to providing stable, predictable and increased market access for ACP exports covered by the EPAs;
8. Supports the ongoing discussions on the establishment of regional EPA funds, which would facilitate channelling of the EU donors' resources and provide financial assistance, notably to address the supply-side constraints and productive capacities, to improve competitiveness and to support revenue diversification initiatives, fiscal reforms and implementing good governance;
9. Supports ACP Heads of States' call for greater coherence among the regional integration agenda, EPAs and the Doha Round commitments, by forging greater coordination between the negotiators in the three tracks to ensure consistency;

10. Supports the Commission's proposal to adopt a more needs-based approach with its Aid for Trade with a sharper focus on LDCs and low-income countries; calls for a stronger emphasis on capacity-building in those countries regarding infrastructure and expertise, in order to promote well functioning trade tools;
11. Calls on the European Commission to demonstrate flexibility on all the outstanding contentious issues, with a view to resolving them and thus afford the ACP States and regions the opportunity to encourage industrialisation, infant industry development and value addition, enhance revenue collection, particularly in the context of South-South trade, and allow for maximum use of policy space for development purposes;
12. Calls on the negotiating parties to ensure during the negotiations, and especially during implementation, that the commitments entered into under an EPA and the resulting policies make an effective contribution to poverty reduction, the economic development of ACP States and environmental sustainability;
13. Highlights the importance of ACP-EU trade, South-South trade, intra-regional trade and regional integration among the ACP countries, and among ACP countries with the EU OCTs, which are essential for sustainable social and economic development that should be actively supported by individual, sub-regional or regional EPAs;
14. Calls on the EU and ACP States to jointly develop a strategy to increase ACP agricultural competitiveness that goes beyond market access, addressing rural development issues, supply-side constraints and access to micro-financing with a view to protecting the livelihoods of small farm-holders and to ensuring food sovereignty and security;
15. Stresses that access to micro-financing, which is a credit, insurance and savings instrument to support entrepreneurs and thereby facilitate sustainable investment and the development of the local economy, should be promoted and encouraged in EPAs;
16. Welcomes the ACP Heads of State and Government on their commitment to continuing to speed up the negotiations to conclude EPAs that will serve to boost the economic and social development of the ACP States and regional integration within the ACP Group;
17. Stresses that for EPAs to be effective from a sustainable development perspective they must be subject to careful monitoring, during both the negotiation and implementation phases;
18. Calls on the negotiating parties to consider jointly setting up an EPA monitoring mechanism with the objective of assessing both the progress made and the obstacles still to be overcome in the negotiation and implementation of EPAs;

19. Encourages the public authorities in ACP States to ensure that the trade commitments covered by EPAs are consistent with national development strategies and the Regional Indicative Programmes (RIPs) in order to strengthen the regional dimension;
20. Encourages the EU and ACP partners to ensure that the timetable for liberalisation commitments is in line with that for development aid;
21. Encourages ACP States to involve all stakeholders in the EPA negotiation and decision-making processes to ensure local ownership of the process as well as coherence and follow-up of ensuing policies;
22. Underlines the importance of the role of parliaments and non-state actors in the monitoring of the implementation and negotiations of EPAs; calls for their systematic involvement in the ongoing negotiation processes, based on a participatory approach, and, for maximum transparency, in the functioning of the joint institutions created by the EPAs;
23. Instructs its Co-Presidents to forward this resolution to the ACP-EU Council of Ministers, the European Parliament, the European Commission, the EU Council Presidency, the African Union, the Pan-African Parliament, national and regional parliaments and the ACP regional organisations.