



ACP-EU JOINT PARLIAMENTARY ASSEMBLY

Regional Strategy Papers - conclusions

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Conclusions on the Caribbean Regional Strategy Paper (RSP) and Regional Indicative Programme (RIP) under the 10th EDF

Co-rapporteurs: Everistus Jean-Marie (St Lucia) and David Martin

The context in the region

The region faces several sustainable development challenges: small populations; limited and expensive transport; extreme vulnerability to climatic changes and natural disasters; mono-crop economies with limited options for diversification.

The West Indies Federation (1958-1963) formally launched the integration process in the region. CARIFTA restarted the integration process in 1967 and from 1973 the CARICOM added an additional impetus to the process through various initiatives such as cooperation and harmonisation of foreign policy and the Girvan report on a Single Vision for a Single Economy. In 1992, CARIFORUM was created. It counts the countries of the Caricom¹ as well as the Dominican Republic and Cuba as members and it is a signatory to the Cotonou Agreement.

The role of CARIFORUM is two folded: to coordinate the allocation of funding and to manage the RSP/RIP implementation as well as the implementation of other regional programmes financed by EU Member States among other donors.

Presently regional integration efforts centre on the CSME, with 2015 as its target date, and on Phase II, designed to consolidate and complete the Single Economy.

Despite these initiatives, the integration process in the region currently lacks a certain impetus. Some argue this is due to a lack of grassroots support while others believe the stagnation can be attributed to a political focus on national issues, political short-termism created by high turnover of elected representatives or to a political belief that world market integration can offer more substantial economic gains. Most acknowledge however that a lack of resources has hampered the process and the RSP/RIP must therefore adequately address this.

¹ Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Saint Lucia, Saint Vincent and the Grenadines, Saint Christopher and Nevis, Suriname, and Trinidad and Tobago

Caribbean RSP/RIP

The RSP/RIP must address the aforementioned challenges if it is to foster both regional integration and integration of the region within the global economy. In addition, the RSP/RIP should support the region in its implementation of the Cariforum-EU EPA.

€165 million is available to the Caribbean under the RSP/RIP:

Focal Area: Regional Economic Integration/Cooperation and EPA capacity building (allocation 85-90% or €143 million)

The major intervention areas envisaged are based on the various existing CARIFORUM integration and cooperation processes: the OECS economic union; the CSME; enlargement of regional markets; EPA implementation (for which the allocation is €72.6 million) and human resource development within the regional institutions.

Non-Focal Area: Vulnerabilities and Social Issues (allocation 10-15% or €22 million)

The non focal area aims to pay particular attention to crime and security, the empowering of non-state actors and capacity development.

Analysis of the RSP/RIP

Independent expert panel: it is vital that civil society, academics and the private sector are fully involved in the RIP/RSP mid term review process.

The JPA therefore supports the creation of an independent expert panel with a mandate to identify the bottlenecks to accelerating growth and enhancing livelihoods in the region. Following identification of the necessary financial and human resource inputs, the panel could make financial and institutional recommendations as to how best to stimulate growth and enhance livelihoods.

Regional Economic Integration/Cooperation: In parallel to the capacity building and institutional initiatives supported under the focal area, the JPA believes that some of the €143 million should be allocated to projects within the areas of education, job creation, energy and air and maritime transport.

There is a real potential to foster regional integration and drive development through such targeted and concrete spending.

Economic development: The RSP/RIP identifies many impediments to economic development: just two of which are the high EU SPS compliance standards and the limited options for economic diversification.

The JPA highlights the need for a fair proportion of the ACP €30 million SPS compliance funding to be allocated to the Cariforum. In particular, this funding should focus on the fisheries sector as well as the infant industries such as aquaculture, agro-processing and services (e.g. health spas and ecotourism).

Research and innovation can drive economic diversification and, in particular, SMEs and the agro enterprise sector could benefit from a stronger focus on research and innovation.

EPA implementation: In addition to the RSP/RIP allocation, many of the country specific NIPs are oriented towards EPA related activities such as competitiveness, public administration reforms and infrastructure. €454 million from the national programme resources (75% of the €600 million available) is allocated to trade-related assistance.

The EPA requires major organisation and structural changes. The challenges e.g. reinforcing the legal service are considerable and the region should be adequately supported in meeting those challenges.

The JPA highlights the importance of the EC and the EU Member States fulfilling their AfT pledge of €1 billion each (with 50% available for ACP countries) by 2010. As mentioned earlier, SPS compliance remains a priority.

The mid term review of the RSP/RIP (and, similarly, the CSPs/NIPs) should be a genuine opportunity to revise funding if EU Member States do not fulfil their AfT promise.

Food security: The response to the global food crisis was slow in the region. This delay underlines the need for a regional consensus on how best to boost agricultural production. While certain countries already prioritise food security in their development planning, a Comprehensive Regional Development Strategy could more effectively ensure adequate agricultural production. In order to guarantee food security in the medium to long term, the region must secure development aid to stimulate the agricultural sector.

The JPA recognises that the EC has committed €1 billion over 3 years for the 23 countries worst hit by the food crisis and welcomes the fact that €15.8 million was spent in Haiti in 2009.

Human resources and brain drain: The region struggles to develop a broad range of home grown expertise and this deficit impedes human development, welfare, economic diversification and growth.

The region is additionally badly affected by a heavy brain drain.² Free movement of labour and the pooling of human resources within the region alleviate the problem to a certain extent and the JPA therefore welcomes the allocation of almost €10 million to human resource development and capacity building at the regional level.

To tackle the root of the problem however, the region must be able to offer incentives to emigrants to return home and share their acquired skills to the benefit of the region.

A serious political dialogue should be encouraged and, in particular, an analysis of Guyana and other countries' efforts to reverse migration during the 1990's may be instructive. To this end, the EC should earmark funding to increase regional cooperation on migration issues and to build capacity to reduce brain drain.

Climate change: Climate change disproportionately impacts small island states like those in the Caribbean.

² According to estimates, 60% of the population in the Caribbean with tertiary education have left the region and in Jamaica, Grenada, Guyana, Haiti, St Vincent and the Grenadines these emigration rates go up to 80%.

Although the RSP/RIP does not make provisions to address climate change, in 2009 the European Commission allocated €71 million to tackle climate change related migration and €97 million for adaptation. The Commission further plans to dedicate €3 million to Cuba and €8 million through the GCCA to support the CCCCC in the implementation of the regional strategy.

It would be helpful for the JPA to have further information - in terms of both funding for and coordination with - EU and regional initiatives and programmes such as the GCCA, the EU Strategy for Disaster Risk Reduction in developing countries, the DCI Thematic Programme for the "Environment and Sustainable Management of Natural Resources", the Caribbean Community Regional Programme Framework for 2005-2015 (of CDEMA), the Comprehensive Disaster Management Framework and Strategy (also of CDEMA) and the CCCCC.

Gender: Gender issues should be higher on the political agenda especially in light of the recent financial crisis which has made the availability of “Decent Work” more difficult for women.

Donor coordination: Coherence of donor strategies and modes of implementation is undoubtedly a priority both to reduce burdens on national governments and regional institutions but also to increase effectiveness of international assistance. However, according to reports from various donors, diplomats and academics, the principles of the Paris and Accra Declarations on Aid Effectiveness are far from being adequately implemented.

As a key donor, the EU should not only make further efforts to streamline its own donor requirements but also it should work with other donors to increase coordination and minimise wastage. The JPA supports the joint execution of regional projects (e.g. CARTAC, PANCAP, CRNM and many OECS projects) and welcomes the EC's lead role in the donor coordination for PANCAP. The JPA encourages the EC to provide financial support to CDEMA which involves many donors involved in disaster management but which - according to the RSP/RIP - does not currently have the capacity to coordinate donors effectively.

Aid implementation: The JPA supports the establishment of a regional development fund - within the Caricom Development Fund - to manage EDF and other funding.

The JPA looks forward to receiving further information on the results of the Cariforum secretariat study as well as on the discussions between the European Commission, regional authorities and the EIB on the possibility of establishing a Caribbean Infrastructure Fund based on the African model.

Audit: In addition to the parliamentary oversight of the RIP/RSP, the JPA recommends that an independent audit should be carried out. Its objectives should be firstly to assess whether the Cariforum's share of the 10th EDF has been effectively spent. Secondly the audit should report on whether the benefits of the 10th EDF were felt equally across the region or whether they were concentrated in particular geographic or sectoral pockets.

Recommendations

As noted above, one part of the focal area is regional economic integration and cooperation. The JPA fully supports this objective while stressing that the goal should be a sustainable and development orientated economic growth which can strengthen and unify the region's negotiating position on the global stage.

Similarly, EPA capacity building is a key part of the focal area and the RSP/RIP must therefore provide the technical and financial support to establish the relevant frameworks.

Countering the effects of migration and brain drain, ensuring food security and combating climate change are key challenges which require a regional response.

Better donor coordination is urgently needed in the region. The JPA asks the EC to take into account its recommendations detailed above.

While the European Parliament can provide parliamentary oversight on the EU side, it should be noted with regret that this is more difficult on the Cariforum side due to the absence of a regional parliament.

LIST OF ABBREVIATIONS

AfT	Aid for Trade
CARICOM	Caribbean Community
CARIFTA	Caribbean Free Trade Association
CARIFORUM	Caribbean Forum of ACP States
CARTAC	Caribbean Regional Technical Assistance Centre
CCCCC	Caribbean Community Climate Change Centre
CDEMA	Caribbean Disaster Emergency Management Agency
CRNM	Caribbean Regional Negotiating Machinery
CSME	CARICOM Single Market and Economy
CSP	Country Strategy Paper
DCI	Financing Instrument for Development Cooperation
EDF	European Development Fund
EIB	European Investment Bank
EPA	Economic Partnership Agreement
GCCA	Global Climate Change Alliance
JPA	Joint Parliamentary Assembly
NIP	National Indicative Programme
OECD	Organisation of Economic Cooperation and Development
OECS	Organisation of Eastern Caribbean States
PANCAP	Pan-Caribbean Partnership against HIV/AIDS
RPTF	Regional Preparatory Task Force
SME	Small and Medium Sized Enterprise
SPS	Sanitary and Phyto-Sanitary



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Conclusions on the Regional Strategy Paper (RSP) and the Regional Indicative Programme (RIP) for 2008-2013 (10th EDF) Eastern and Southern Africa and Indian Ocean

Co-rapporteurs: Waven William (Republic of Seychelles) and Elie Hoarau

The Regional Strategy Paper (RSP) for Eastern and Southern Africa and Indian Ocean covers 21 States and 4 regional organisations (ROs) – COMESA, EAC, IGAD and COI. This geographical area also includes a European Outermost Region, La Réunion, and a French Overseas Territory, Mayotte.

Aims and objectives of the RSP

The aim of the RSP as it was defined by the European Union and the various partner ROs is to contribute to a deepening of the regional integration process pursued by these organisations. The emphasis is placed on opening markets and creating a common market.

The strategy also has the ultimate objective of contributing to the eradication of poverty and helping achieve Millennium Development Goals (MDGs). As in the case of regional integration, this objective will be achieved through economic growth and development of trade.

The regional integration processes pursued in the Eastern and Southern Africa and Indian Ocean region

The region in question is driven by four main ROs. These four regional organisations pursue, in parallel, different but complementary objectives.

The regional organisation that includes the greatest number of countries in the area is COMESA. Its objective is to create a free trade area and a customs and monetary union among its members and, in this way, to become a fully integrated, internationally competitive community with a high standard of living for its member nations and any others that are prepared to join an African Economic Community (AEC).

The East African Community (EAC) seems to be pursuing objectives similar to those of COMESA, and even seems to have overtaken the latter: a customs union was formed in 2005, a common market is planned for 2010, and a monetary union for 2010.

The two other main ROs in the region are more limited in scope. They cover smaller regions with shared borders or, in the case of the COI, bordering the same ocean.

The COI has several objectives: solidarity among nations, and defence of island interests in international fora and regional integration organisations; preservation and development of the environment and of natural resources; the regional dimension of human development.

IGAD's objectives are centred on: agriculture, the environment, social and economic cooperation, peace and security, and equality between men and women.

Help given by the RSP towards deepening the regional integration process and achieving the MDGs

An allocation of EUR 645 million has been assigned to the RSP relating to the process of economic integration in the region. For effective implementation of this strategy, the four RECs are working together in an Interregional Coordination Committee.

It is therefore up to the Interregional Coordination Committee (which is made up of representatives of COMESA, the IAC, the COI and the IGAD, as well as representatives of the EU and the ACP secretariat) to take on the task of coordination with a view to achieving more effective regional integration through trade and investment which are truly synonymous with development for the countries concerned. Cooperation and coordination within this committee achieved some encouraging results during the implementation of the 10th EDF. It is on this committee that the success of the aspiration to generate social development and upward levelling of standards of living through economic growth and regional opening of markets will depend. The committee will also have to address the task of ensuring that the various ROs survive without all of them being involved.

RSPs versus economic partnership agreements (EPAs)

The EPAs are intended to support the process of regional integration, not vice versa. This makes it all the more important to reiterate that one cannot impose from outside the way in which regional integration processes should take place, and the EU must content itself with supporting the process(es) chosen by the ACP countries.

SADEC, COMESA and the IAC decided at the Kampala summit in 2008 to draw up an agenda of work aimed at bringing the three ROs closer together in order to harmonise their laws and create a large single market. The process consists in the preliminary signing of a free trade agreement, which is intended to lead to a customs union and, in its turn, to the setting up of the AEC.

In parallel with this major project agreed among the three ROs, there are two regional strategies and three EPAs. It is difficult, therefore, to define precisely how the EU, via the 10th EDF and the EPAs, intends to give its support to the regional integration processes without setting the various ROs in competition with each other in establishing different common markets (this programme benefiting from EDF funds to a level of 85%) and without, in the final analysis, seeking to support first and foremost the establishment of the EPAs.

The three EPAs under negotiation in the two regions defined by the 10th EDF seem to be regarded by the tripartite council formed by COMESA, SADEC and the EAC as cornerstones

of the construction of the AEC. The EU must therefore ensure that the two regional strategies in operation and the three EPAs under negotiation do not have the effect of substantially or lastingly disorganising this process.

The tripartite COMESA-EAC-SADC council decided at the Kampala summit in October 2008 to establish a free trade area, which will be followed by a customs union. The EPAs currently being negotiated in the tripartite's component configurations should strengthen the integration process that has already begun.

The objective of the strategy to support peace and regional stability

Political integration, good governance and human security are key factors in the success of processes of economic integration. Neither can be achieved without the other. Objective II of this strategy is intended to support this dimension by helping the four ROs in the region to improve their levels of transparency, democratisation, security, stability and sustainable development. From that point of view, the preparatory phase of the programme focuses on satisfactory identification of strategic interregional cooperation mechanisms that promote peace, democratisation and sustainable development in the region. Specific, well thought-out projects will be the fruit of this preliminary phase.

The programme seems to be starting off along the right lines. However, it may turn out that the funds allocated to it are not commensurate with the ambitions and needs in this area.

Participation of La Réunion and Mayotte in this strategy

First of all, it is regrettable that the name of the island of Mayotte, which is in every way part of the Indian Ocean, appears nowhere in the strategy.

The annex devoted to the involvement of the La Réunion in the 10th EDF and the process of regional integration is going in the right direction. However, the positions set out by the European Commission are not reflected in what it is actually doing for La Réunion in the parallel negotiation of the EPAs. The Outermost Regions must be seen at all levels by the Commission as potential engines of the development of the geographical region to which they belong, and not merely in the annexes to the 10th EDF.

It is regrettable also that a major project for the development of NICTs (New Information and Communication Technologies), and in particular of high-speed internet, is not specifically funded by the COI. Digital discontinuity persists along this ocean rim, which is naturally highly dependent on intercontinental submarine links, and where market forces are in play to the disadvantage of users in terms of the quality of the services offered and their high cost in comparison with continental regions. The 10th EDF should have encouraged the creation of NICT distribution platforms at regional level, particularly for the COI.

It would also be desirable for the Commission to think about drawing up a single financial cooperation instrument specific to the Outermost Regions, and of putting simple management procedures into effect with a view to taking genuine action to ensure that the Outermost Regions can play their acknowledged role as potential engines of mutual regional development.

The same goes for projects to create improved maritime, air and rail links, which remain highly significant in terms of, inter alia, developing trade.

Recommendations

In the light of this strategy, integration into world trade and economic dynamism are assumed to be the main factors that the region lacks as far as the completion of its human and social development is concerned. The model that is quoted and assumed to be the one that will deepen the process of regional integration is that of the EU: the establishment of a common market and a customs and monetary union. It is perhaps regrettable that support for the creation of a common agricultural policy for this region was not made part of a valid integration process. And yet the CAP, like the common market, is part of the model of the EU's success and has helped to bring about ever closer union among peoples and states. It could also prove to be a more than relevant model for this region, which would enable it, for the full benefit of its inhabitants, to meet their common right to food self-sufficiency (which was the initial aim of the CAP in the EU). It must also be ensured in the context of the 11th EDF that mechanisms are found which will allow the national parliaments of the member states of the region's ROs to be involved.



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Conclusions on the SADC Regional Strategy Paper (RSP) and Regional Indicative Programme (RIP) under the 10th EDF

Co-rapporteurs: Ernest Mwansa (Zambia) and Hans-Peter Mayer

The context in the region

The Southern African Development Community (SADC) is an international economic and political body which aims to create conditions for development and economic and social growth in Southern Africa. Although economic integration leads the SADC agenda, political cooperation is also included.

SADC was established in 1980 as the Southern African Development Coordination Conference (SADCC) with the objective to coordinate development aid and reduce economic dependence on the then apartheid South Africa. It was transformed into SADC twelve years later. SADC is currently composed of 15 members: Angola, Botswana, the Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, the United Republic of Tanzania, Zambia and Zimbabwe.

Unfortunately, SADC membership overlaps with other regional organizations such as the Southern African Customs Union (SACU), Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), and others. This multiple national membership of regional economic communities continues to pose a challenge for regional integration in Southern Africa. Moreover, the SADC region is negotiating with the EU in three different Economic Partnership Agreement (EPA) configurations (SADC, ESA - Eastern and Southern Africa - and EAC). The SADC EPA negotiating group comprises only half of the current SADC members.

In general, SADC is marked by enormous economic regional imbalances, suffering from small and little-diversified economies, pronounced inequalities and poverty. It is one of the poorest regions in the world - nearly 45% of the total population in SADC lives on USD 1 a day. SADC has the highest HIV prevalence in the world (1/3 of the world's total population living with HIV/AIDS is in SADC) with catastrophic economic and social implications in the region, affecting GNI growth, the labour supply, income inequality, human development and the attainment of the Millennium Development Goals (MDGs) in general. As regards primary school completion rate, SADC countries are amongst those with the lowest rates in the world.

The region is also faced with challenges in the area of food and water security as well as democracy, peace and security, which often provoke mass movement of people within SADC. Major challenges remain also on issues related to women's economic empowerment, participation in decision-making and human and legal rights. Civil society in the region is characterised as rather weak, fragmented and with a retroactive approach in its relations with the governments and regional organisations.

The response proposed in the SADC RSP/RIP

The Regional Indicative Programme allocates € 116 million to the SADC region, as follows:

- Focal sector 1 - Regional Economic Integration (allocation 80% or € 92.8 million) - will provide broad-based support to deepen SADC economic integration and trade liberalisation and to address supply side constraints in the areas of regional infrastructure and food security.
- Focal sector 2 - Regional Political Cooperation (allocation 15% or € 17.4 million) - will support capacity-building in the context of regional governance and the implementation of some aspects of the Joint Africa-EU Strategy in conflict prevention and in the area of Peace and Security.
- The two non-focal sectors - Technical cooperation facility and support to non-state actors in the implementation of activities in the RSP - will receive 5% of the resources, or € 5.8 million.

Analysis of the SADC RSP/RIP

There is no doubt that regional integration is of crucial importance for the economic and overall development of the SADC countries and to enable them to participate in the global economy on an equal footing with other international players. As the RSP/RIP strongly supports the SADC intra-regional development, the EC programme under the 10th EDF is obviously relevant to the realities in the region. Moreover, the RIP measures foreseen are well-linked to the specific goals set out in the SADC agenda, particularly in the Regional Indicative Strategic Development Plan (RISDP), as well as in the Joint Africa-EU Strategy. However, the amount of € 92.8 million would have been adequate if the RIP had provided additional resources for short term revenue losses and improvement of regional economic infrastructures. Moreover, as the SADC countries are highly dependent on the export of a few primary commodities, and therefore deeply affected by the financial, economic and social crises, resources should as well be provided to support the SADC states to transform and restructure their economies and engage in downstream value added measures for primary commodities.

The issue of the multiplicity of regional organisations in Southern Africa and the split of SADC Member States into three EPA groups - which seriously complicates inter- and intra-regional cooperation – unfortunately have not been adequately tackled, neither by SADC nor by the EC. The RSP mentions that SADC and the other regional organisations that are involved in economic integration activities, in particular COMESA, have to work in close cooperation and coordinate the implementation of their respective regional strategy. How exactly in reality this coordination is going to take place remains rather unclear.

In addition, while increased regional integration and political cooperation could indirectly contribute to poverty alleviation, a much more direct and clear link of the RSP measures to poverty reduction and the attainment of the MDGs in the SADC region is needed. Some of

the shared factors that exacerbate poverty in the region are HIV/AIDS prevalence, gender inequality, lack of access to resources such as food and water, and a lack of human capital and skills.

As regards HIV/AIDS, unless the pandemic is holistically addressed at the national as well as the regional level, the prospects for achieving the MDGs diminish everyday for millions of people in SADC. Unfortunately, the RSP only foresees mainstreaming of HIV issues as part of the capacity building programme under Focal sector 1. The SADC RSP should therefore put greater emphasis on regional HIV/AIDS projects by, for instance, providing resources for the implementation of the SADC HIV/AIDS programmes and strategies, including the SADC Business Plan for AIDS.

Another major challenge for the SADC States is to ensure that children who start school actually complete primary education. The HIV epidemic further deteriorates the situation in schools as the education sector continues to lose staff at an alarming rate, with teacher attrition due to AIDS being reported as 46.2% and 32.5% in Zambia and Mozambique respectively. Besides, the SADC RISDP clearly identifies that SADC Member States also underperform in providing secondary and tertiary education and therefore focuses on the coordination, harmonization and engendering of education and training.

In addition, it is commendable that the RSP supports measures for cooperation in sustainable food security, which aims to achieve lasting access to safe and adequate food in the region. However, besides food security, water security and access to water is extremely important for the region's economic and social development. As fresh water is a particularly scarce resource in Southern Africa, demand for water could result in competition and disputes. More than half of the total SADC population lacks access to safe water and sanitation. The implementation of the SADC Regional Strategic Plan for Water Resources Development and Management and the revised Protocol on Shared Watercourse Systems Promotion and the development of water infrastructure would therefore directly improve drinking water supply as well as food security (as there will be sufficient water supply for agricultural needs). The JPA encourages a stronger promotion of environmental sustainability in the RSP, in particular regarding combating deforestation and land degradation.

Migration policies and the situation of refugees and Internally displaced people (IDPs) constitute a further challenge for the region, which should be better reflected in the RSP.

Regarding the implementation of the RIP funding, it is well-suited to achieving the objectives of regional integration and political cooperation as funding would be provided directly to the regional organisation and will use the SADC funding mechanisms. However, as pointed out in the RSP, in view of the subsidiarity principle, some interventions may be implemented at the national level, even though they have a regional integration objective. Furthermore, difficulties in implementing the financed activities need to be better addressed.

The donor matrix for the SADC region also seems well-balanced. Moreover, as the EC interventions are well-related to regional development frameworks and the SADC institutions, this additionally provides good prospects for coordination with other donors.

Prior to the drawing up of the RSP/RIP, consultations between the European Commission and the SADC secretariat, representatives from the SADC member states' national authorities and regional non-State actors took place in order to coordinate the RSP with the CSPs of the

countries from the region. There is, however, no indication on the participation of national and regional parliamentary bodies at these consultations.

Recommendations

1. RSP/RIP areas of support well reflect the developments in the SADC region concerning economic regional integration and political cooperation. The measures foreseen will also facilitate the implementation of the future full SADC-EU EPA. Countries in the region belonging to another EPA configuration should nevertheless be assured that they will equally benefit from the RSP.
2. Better and more direct links between the RSP measures and poverty reduction must be established. HIV/AIDS, water security, and human resource development, particularly education - which are some of the root causes for poverty in the SADC countries - should not only be tackled at national level, but at regional level as well. To this end, these issues need to be better addressed in the SADC RSP/RIP.
3. The overall funding for the programme should be increased to be able to secure sufficient funding for the measures in the areas detailed above.
4. The SADC countries' national parliaments, the SADC Parliamentary Forum and the ACP-EU Joint Parliamentary Assembly should be better involved in programming, implementation, monitoring and evaluation of the SADC Regional Strategy Paper.



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Conclusions on the Regional Strategy Paper (RSP) and Indicative Regional Programme (IRP) for 2008-2013 (10th EDF) Central Africa

Co-rapporteurs: Gilbert Kiakwama (Democratic Republic of Congo) and Kader Arif

1. The regional context

a) Regional Integration

Regional integration in Central Africa is marked by an as yet imprecise definition of the region, and the superimposing of two regional organisations with partially identical objectives and varied composition. The Economic and Monetary Community of Central Africa (CEMAC)³ has been operational since 1999, while the Economic Community of Central African States (ECCAS/CEEAC)⁴ has been in existence since 1983. The first of these is focused mainly on monetary union, in that its Member States share the CFA franc. CEMAC therefore aims essentially to construct a common market when CEEAC has achieved more results in terms of political integration, including peace and stability. However, the institutional weakness of the regional organisations continues to be a problem, as does the implementation of their decisions by the Member States.

The Democratic Republic of Congo also belongs to the Economic Community of the Great Lakes (CEPGL).

As regards the negotiation of Economic Partnership Agreements and the Indicative Regional Programme, the region is made up of the CEMAC countries plus the Democratic Republic of Congo and São Tomé e Príncipe.

b) Other challenges at regional level

The region is characterised by the current or recent instability of some countries (Chad, Central African Republic, DR Congo). Two countries (Chad and CAR) are enclaves, there are few interconnections between the Central African states, and the region suffers from great poverty among its people. Nevertheless, Central Africa has many assets. All the countries have great natural wealth, including major forestry and agricultural potential. In order to

³ Made up of Cameroon, Congo, Gabon, Equatorial Guinea, the Central African Republic and Chad.

⁴ Made up of Angola, Burundi, Cameroon, the Central African Republic, Congo, Gabon, Equatorial Guinea, Chad, the DR Congo and São Tomé e Príncipe.

overcome the ‘abundance paradox’ – i.e. the fact that natural wealth is not synonymous with development – the Central African States must ensure that wealth is better used and distributed. Democracy and good governance are also major challenges for these States.

2. The answer proposed in the RSP/IRP

The Indicative Regional Programme provides for EUR 165 million, 15 million of which are for the CEPGL, in the following concentration sectors:

- Concentration Sector 1 – Economic and commercial integration and accompaniment of the EPA (EUR 97 million, i.e. 65%) – should enable the efforts of the regional organisations to be supported in terms of establishing a common market, interconnecting road, telecommunications and electricity networks etc., and developing a regional agricultural and food security policy.
- Concentration Sector 2 – Management of renewable natural resources (EUR 30 million, i.e. 20%) – should help to improve good governance of the forestry sector and protected areas with fisheries potential.
- Concentration Sector 3 – Political integration (EUR 15 million, i.e. 10%) – is intended to help reinforce the region’s capacity in terms of conflict prevention, management and resolution, inter alia by reinforcing civil society.
- Extra-concentration areas – Institutional support and technical cooperation facility (EUR 8 million, i.e. 5%) – inter alia for strengthening coordination between CEMAC and CEEAC.

3. Analysis of the Central Africa RSP/IRP

The 2008-2013 RSP/IRP was published very late, which poses a problem for, inter alia, the comprehensibility of the European strategy in the region. According to the Commission, the delays were due to problems encountered in the context of the simultaneous consultations with the two regional organisations concerned. They were only able to concentrate their efforts as of February 2009 on deciding on their respective roles and the distribution of resources. Nevertheless, three projects are in preparation in the areas of peace and security, natural resources, and regional integration. Other projects are still under way under the 9th EDF. Because of this delay in the preparation of the RSP/IRP, the mid-term review has also been postponed by a year. The Assembly emphasises that greater efforts should be made to promote coordination of the two regional organisations and to intensify the shared regional integration project, which would also help to avoid delays in programming, which detract from better predictability and effectiveness of aid, giving rise inter alia to problems in disbursing EDF funds in Central Africa.

It seems also that a great many programmes within the first Concentration Sector are dedicated to improving standards (in the areas of trade, health, services, investment, etc.) rather than to implementing specific projects. And, while harmonisation and modernisation of standards are essential tasks, the creation of genuine regional synergies will take place via manufacturing and trade more than through standardisation.

Negotiations on a regional EPA in Central Africa are currently at a standstill. But the main part of the strategy drawn up in the RSP concerns measures to accompany the EPAs. As far as the Commission is concerned, the relationship between the EPA and the IRP was discussed at the time of the preparation of the RSP, on the assumption that there would be an agreement,

and that the IRP would remain flexible. It nevertheless continues to be essential that mechanisms should be devised upstream to provide effective accompaniment for the region if it chooses to conclude an EPA. Inter alia, the specific priority aspects to be taken into account would have to be identified. In parallel, the region must not be penalised by the stagnation of the negotiations or by a choice not to continue any further with the process of negotiating the EPA, neither financially, including in terms of the funds granted by the EDF under Aid for Trade, nor in terms of the implementation of the programmes, which must remain consistent with the realities of the region.

The Millennium Development Goals (MDGs) are almost never mentioned in the RSP, which is unacceptable given that the EDF is the EU's principal instrument of aid to the ACP countries, and that its main priority must be to achieve the MDGs. The first area for intervention is the commercial area, but no reference is made to its impact on employment and poverty. And yet it is essential – and this is the declared objective of the EPAs – to place trade at the service of development. Measures that are more concrete and that have a direct impact on the achievement of the MDGs should be planned, inter alia in the areas of health and education, in accordance with the Development Cooperation Instrument and the political undertaking to devote 20% of resources to health and basic education. Even in commercial areas, the impact on the population, including in terms of employment, is crucial in order that the population should take ownership of the ongoing regional integration process and see the actual benefits of the policies jointly implemented by the EU and the Central African region. According to the Commission, the ultimate aim of the regional strategy is to reduce poverty (MDG 1). The Commission emphasises that more specific programmes, including those to promote employment, will be drawn up, even though this subject area is not mentioned directly in the PIR. It is regrettable, however, that this is not already the case, particularly as the indicative national programmes do not allow the current shortcomings of the PIR with regard to the achievement of the MDGs to be offset.

One important subject should be emphasised more in the document – agriculture, in conjunction with food security (while MDG 1 is to combat poverty and hunger). This is a subject area where there is a direct link between trade (in its dimension of improving and diversifying agricultural production, creating value added, and emerging from export monocultures), development (improving food self-sufficiency and the health of the people, job creation), and protection of the environment (development of new crop production techniques that are more economical of water, provide better soil protection etc.). Agriculture is also one of the main objectives highlighted by the Joint Orientation Document (JOD), an essential document since it genuinely constitutes a set of strategic guidelines drawn up jointly by the EU and the Central African Region. Agriculture therefore deserves to be more directly supported at regional level, and yet it is only mentioned in passing in the first concentration sector (support for the development of a regional policy, without further specification). The Commission, furthermore, recognises the need to reinforce this sector of aid concentration, in terms both of harmonising policies and of diversifying and processing products.

Recommendations

Reinforcing regional integration is certainly a justified priority, particularly for the countries of the region that are enclaves. Careful vigilance must be exercised, however, to ensure that the negotiations on the Economic Partnership Agreements do not run counter to the objective of regional integration.

While it is interesting to note that management of natural resources, with the emphasis on sustainable resource management, is one of the concentration sectors, it must be stressed that, taken overall, the link with combating poverty is very indirect. Achieving the Millennium Development Goals should be at the heart of the Regional Strategy Paper, and in view of this more space should have been devoted to agriculture.

In addition, the region is particularly badly affected by the world economic crisis, given that it exports raw materials for which demand has fallen on world markets. This is further proof, if any more were necessary, of the need to develop capacity for processing raw materials and diversifying these economies, which frequently depend on a single source of wealth. However, despite the delay in adopting the RSP, it would seem that this fundamental element has not been taken into account. The RSP should therefore develop a clear strategy of accompanying measures for trade for the region's countries in order to promote job creation and development.



16 March 2010

Analysis of the Regional Strategy Paper (RSP) and Regional Indicative Programme (RIP) for the period 2008-2013 (10th EDF)
West Africa

Co-rapporteurs: Aminu Waziri Tambuwal (Nigeria) and Charles Goerens

1. The regional context

This document that was signed by the European Commission (10th EDF) on one hand, and Economic Community Of Western African States (ECOWAS) and the Western African Economic and Monetary Union (WAEMU) on the other, was drawn up on the basis of a regional document.

The region of West Africa is marked by numerous disparities: economic and political development is very different between the 15 countries (plus Mauritania) that form this region. The majority are "Least Developed Countries "(LDC), except for Cape Verde, Côte d'Ivoire, Ghana and Nigeria (the latter being an important oil producer). In terms of political stability and democracy, differences are also striking between Ghana and Mali, not even mentioning the difference between Guinea and Guinea-Bissau. The situation is improving in Côte d'Ivoire although it is not completely stabilised. Liberia and Sierra Leone are still in a post-conflict phase. In general, 9 of the 15 ECOWAS countries can be regarded as countries in a situation of fragility.

However, West Africa is one of the best "integrated" regions of the ACP, with regional institutions that also have an important political aspect. The ECOWAS is not only concerned with economic integration but it also plays an important role in terms of promoting good governance, of preventing and resolving conflicts, and of peacekeeping. Obviously its structures remain weak and integration is not yet as thorough as wished. But it is within West Africa that trade is the bulkiest, in comparison to other ACP regional integrations. Moreover, the countries of the African Financial Community (AFC) area formed a customs and monetary union, the WAEMU.

The main obstacle to the development of the region is due to the structure of region's economy. The majority of the countries are non transformed raw material exporters, particularly exporting agricultural products. Development aid should therefore encourage the emergence of industrial structures, but especially help these countries to respect the sanitary and phytosanitary measures of the export markets (primarily the EU).

2. The answer proposed in the RSP/RIP

The Regional Indicative Programme (RIP) of the RSP provides a budget of € 597 million, in the following concentration sectors:

Concentration sector I: Deepening of regional integration, improvement of competitiveness and EPA	70% of the budget (€ 418 million)
Concentration sector II: Consolidation of good governance and of regional stability	20% of the budget (€ 119 million)
Other programmes	10% of the budget (€ 60 million)

Among the "additional" sectors, the EC should seek to improve involvement of civil society, which is insufficiently represented at regional level.

The RSP and its RIP will have to be revised halfway, which will be in 2010.

Analysis of the RSP/RIP West Africa

Food security is one of the priorities of the strategy. This topic is of primary importance in a region that produces and exports agricultural raw materials, but imports processed products. Besides, during the last 30 years, agricultural production did not develop as much as demographic growth, making food security of local people more delicate. Support from RIP for the regional agricultural policy (in particular of WAEMU), for regional strategy for food production and hunger relief does not appear to be very clear. For the European Commission, food security is one of the five axes of the RIP, but cooperation with the regional organisations still has to be finalised in a roadmap. Similarly, the EC should support one of the programmes of ECOWAS' agricultural policy.

Rightly, the RSP notes the weaknesses of the infrastructures in the region, in particular for transport, and points out that that is a genuine barrier to regional trade, and accordingly to development. Once again, there is no clear response in the RIP, even if the Commission ensures that the Economic Partnership Agreement's Development Programme (EPADP) will provide a useful framework to channel the aid of the various donors, particularly for infrastructure.

The first concentration sector is related to the Economic Partnership Agreement, which has not been signed yet. Questions also remain on the funding of the Regional Fund EAP and on the use of resources related to the development part of the EPA until it has been signed.

The document is missing precise details regarding possible actions on migration or on the EU fisheries policy and the effectiveness of the fishing agreements.

Recommendations

The JPA would like to know which documents or basic statistics were used by the Commission to start the discussions with the region.

The JPA would like to stress the important role of agriculture and points out the need to involve the regional farmers' trade unions more. It also stresses the need to set out plans at regional level to fight drought or desert locusts, in order to strengthen food security at regional level.

One of the aims of the RSP/RIP should be the creation of sub-regional markets because the countries of the region do not export to neighbouring countries, which represents underexploited commercial possibilities. It is consequently absolutely necessary to open up the countries and to integrate the markets. Also, the problem of local transformation of products should be addressed because, at this moment, the region exports raw materials and imports manufactured goods. This aspect is missing in the RIP. Additionally, the RIP also pays too little attention to the development of regional infrastructures.

Even if the ultimate aim of cooperation is the poverty alleviation, the link between the RIP and the Millennium Development Goals seems too tenuous. A clearer articulation between the national strategies and the regional strategy would certainly make it possible to improve.

The JPA insists that the PAPED will be financed by additional funds and not by the EDF. Lastly, the JPA also insists that the ECOWAS Parliament should be involved in monitoring the regional strategy.



25 February 2010

**Conclusions on the Pacific Regional Strategy Paper (RSP) and
Regional Indicative Programme (RIP) under the 10th EDF**

Co-rapporteurs: Samiu Vaipulu (Tonga) and Frank Engel

Regional Integration in the Pacific

The Pacific region comprises 15 small island states spread over an ocean area the size of Africa. As a region it has unique characteristics found nowhere else in the world: small population (9.55 million, the same as Belgium), a land area of only 560,000 km², spread over 29 million km², an extremely wide degree of dispersion. In fact 80% of the land area is accounted for by Papua New Guinea and many of the smaller island states have the surface area of small cities in Europe. The concept of regional integration is therefore fraught with challenges.

Overall, the Pacific ACP nations are diverse in terms of economic development and natural resources but share many human and cultural characteristics, including sport, in particular rugby union. Many of the countries share the same ocean resources, such as fisheries and tourism potential, but are also exposed to rising sea-levels which impact coastal areas. Regional trade remains to be developed due to inadequate transport infrastructure and the distances involved. In economic and social terms most Pacific states are highly dependent on their larger neighbours Australia and New Zealand.

It is in this context that regional cooperation takes place, with the overarching Pacific Islands Forum (PIF) in which the 15 states plus Australia and New Zealand meet once a year. The PIF Secretariat, which also chairs the Council of Regional Organisations in the Pacific (ten other regional intergovernmental organisations), implements the RIP on behalf of the Pacific ACP States. The PIF was also behind the creation of the Pacific Plan (2006-2015) which defines regional cooperation and integration as:

- Setting up dialogues or processes between governments;
- Pooling national services (such as customs, health, education and sport) at regional level;
- Lowering market barriers.

The Pacific Plan contains initiatives to promote development in the region centred round the four pillars of economic growth, sustainable development, governance and security. Overall there has been some progress in aviation and maritime services, security and

telecommunications infrastructure, but differences between Pacific ACP economies have made it difficult to implement trade agreements and to establish a sound economic infrastructure. Many challenges remain.

As regards the EU, it adopted its first "EU Strategy for the Pacific" in 2006 which aims to complement the Pacific Plan and focus on enhancing political dialogue, placing greater emphasis on regional cooperation and improving aid effectiveness. This strategy underpins the terms of the current RSP/RIP.

Overview of the Pacific RSP/RIP

The first RSP/RIP for the Pacific region for 2002-2007 provided €29 million (increased to €39 million in the Mid-Term review of the RSP) broken down as follows:

- Regional integration and trade €9 million
- Human resources development €8 million
- Fisheries €5 million
- Non-focal (existing projects/technical assistance) €7 million

The current RSP/RIP for the 10th EDF is much more ambitious, with €95 million allocated for 2008-2013 broken down as follows:

- Focal Sector 1 (Regional economic integration) €45million
- Focal Sector 2 (Sustainable Management of Natural Resources and the Environment) €40 million
- Non-Focal (non-state actors, technical cooperation etc) €10 million

The first two pillars of the Pacific Plan therefore receive 90% of the funding. The other two pillars, governance and security, will receive support from structured EU-Pacific ACP dialogue and mechanisms such as the Stability Instrument.

Analysis of the Pacific RSP/RIP

The RSP/RIP focal areas are clear priorities set by the region itself and reflect the major needs for the region to develop further in a sustainable way. Both focal areas continue the momentum achieved through the first RIP in the crucial sectors of economic integration and support for the fisheries sector, although human resources development is no longer a specific focal area.

Focal area 1 is spread over four main areas of intervention:

- Economic Integration and Trade (the EPA and other regional trade agreements)
- Support for the private sector (private sector mechanisms, key sectors such as tourism and fisheries, promoting entrepreneurship)
- Mechanisms for economic growth (fair trading, competition, consumer protection, customs and international standards)
- Human Resources (integrated education programmes and access to technical and vocational training).

Many of these sectors are focussed on the implementation of the EPA, despite the fact that only Fiji and Papua New Guinea have so far signed up to it.

Focal Area 2 has the following areas of intervention:

- Climate Change and disaster risk reduction
- Sustainable management of marine resources (including fisheries)
- Sustainable management of land resources
- Ecosystems and biodiversity
- Waste and pollution
- Environmental monitoring and information management

These areas are a constructive extension of the scope of the RIP and fully reflect the needs of the Pacific ACP states as well as sustainable development priorities.

Finally, the non-focal area provides for technical support for the Pacific Islands Forum as regional authorising officer (€3 million) and €4 million for non-state actor activities. The level of development of the non-state actor sector in the Pacific region varies enormously and there is a clear need for assistance in capacity-building in this area.

Recommendations

Overall the JPA welcomes the RSP/RIP under the 10th EDF as a positive contribution to the economic and social development of the Pacific ACP States. It draws the following conclusions for consideration under the mid-term review.

1. The fact that the Pacific EPA has so far only been signed by Papua New Guinea and Fiji calls into question the focus in the RIP Focal Area 1 on EPA implementation, since many of the States in the region are not yet concerned. There needs to be a clear analysis of the impact of this delay in terms of how resources under Focal Area 1 are spent.
2. While there are positive measures in the RIP to promote education and training in the region, one of the major concerns is the migration of skilled labour to the USA, Australia and New Zealand. Although their remittances are important, most of these professionals are trained at high cost to local economies. There needs to be a greater focus in the RIP Focal Area 1 not only on providing these skills but on establishing measures to ensure that the Pacific ACP States benefit themselves from having their own skilled workforce. The same argument applies to Pacific Island sportsmen and women who are recruited by clubs in Australia and New Zealand and are then given nationality of those countries in order for them to play for the national side, which has a negative impact on Pacific national sides such as Fiji, Samoa and Tonga in the field of rugby.
3. The JPA welcomes to detailed focus on developing the fisheries sector but calls for more emphasis to be placed on the issue of illegal fishing which has hugely damaging effects on fish stocks and the livelihood of local fishermen. Illegal fishing is carried out by vessels from countries outside the region that show scant regard or respect for international regulations governing exclusive zones or stocks. Aquaculture should be promoted in local communities of the Pacific to ensure food security and exports of fisheries products.

4. The JPA is concerned at the lack of parliamentary consultation in the preparations of the RSP/RIP, and hopes to encourage this process through its enhanced role of scrutiny over CSPs and RSPs. Not only is there a need for greater consultation of national ACP parliaments in the creation and implementation of the RIP, but also for capacity-building of parliamentarians and their staff in this area.
5. While welcoming the non-focal emphasis on non-state actors the JPA is concerned over which recipients will benefit from funding and hopes that proper care will be taken to verify the credentials and reputation of those concerned. It also calls for NGOs to be more involved in the consultation procedure for the RSP/RIP.
6. The emphasis on climate change and its impact on small island states is welcomed, as is the funding to assist in protection against this growing problem. It is important, though, for funding not to be diverted to support the growing lobby which pins overall responsibility for climate change on industrialised nations and their activities. There is a marked difference between combating climate change and using the phenomenon for political ends.
7. Transport infrastructure needs to be a top priority in any regional development activities for the Pacific region, since the distances between member states and domestically as well as poor infrastructure hamper any progress towards regional trade or the development of tourism and other sectors which would enhance growth of benefit to the local population.