

To: ACP-EU Joint Ministerial Trade Committee
**Trade Ministers of ACP Countries; and
Commissioner for Trade of the European Commission**

Monday, 26 February 2007

Dear Excellencies,

Later this week, on March 1st, you will be meeting in the ACP-EU Joint Ministerial Trade Committee (JMTC), to discuss the findings of the 'formal and comprehensive review' of the negotiations on Economic Partnership Agreements, as mandated by the Cotonou Partnership Agreement. The Review is meant to assess what progress has been achieved, if African, Caribbean and Pacific (ACP) countries are in a position to implement EPAs, and whether more time is needed to effectively conduct the negotiations. The EPA negotiations are at a critical juncture.

In our view, the meeting of the JMTC provides an important opportunity to redress the imbalances against ACP countries and their development prospects which have so far characterised the negotiations. We strongly urge you at this occasion to take the pressure off the negotiations, by allowing sufficient time for the negotiation of agreements that truly serve as development tools.

On the 19th January 2007, in Addis Ababa, African Heads of State endorsed the preliminary findings of the All-Africa EPA Review Report commissioned by the ACP Secretariat. The report summarises the views of technical negotiators and other stakeholders on the state of current EPA negotiations across Africa. Many of the reports' conclusions reflect the views of civil society and we trust that they will be reflected in the conclusions of the JMTC. We would like to take this opportunity to highlight some of the report's conclusions that we find most pertinent.

The Continental EPA Review is unequivocal in its assessment that more time will be needed to complete negotiations: *'In each and every region delays in the negotiations are looking more and more likely. It appears very unlikely that any of the four regions will be able to complete the negotiations and come-up with an EPA agreement before 31st December 2007.'*

The Review finds that all African regions are facing severe constraints in negotiations: *'there is a clear lack of capacities to prepare and conduct the negotiations, at all levels,'* as well as a clear lack of capacity *'to implement the agreed EPAs.'* The lack of objective information on which to develop negotiating positions is of particular concern to

negotiators: *'All the regions have expressed important concerns with regard to the lack of impact analysis in individual sectors or sub-sectors (e.g. agriculture, tourism).'*

Above all, fundamental differences between the negotiating parties still persist, essentially due to the *'EU's intransigence or non acceptance of the development dimension as the core and heart of the negotiations.'*

In view of the above, the danger of rushing to conclude negotiations before the deadline is recognised by negotiators in all regions, for instance by the Pacific lead negotiator Samoan Minister of Trade Hans Joachim Keil in a letter to EC Commissioner Mandelson on 21 December 2006. Mr. Keil described the prospect of concluding the EPA negotiations by the end of 2007 as *"somewhat bleak"* and stressed that the Pacific would not *"rush to conclude negotiations due to the deadline and risk ending up with a bad EPA. That would be disastrous."*

Despite the unequivocal evidence that no ACP region feels that it is in a position to conclude an agreement in 2007, civil society organisations in the EU and the ACP regions are deeply concerned that ACP countries are under severe pressure to conclude negotiations by 31st December 2007. This pressure stems from the fear of losing preferential market access to the European Union. The EC has declared that from January 1st, Cotonou preferences will no longer be in place and that LDC countries will have to rely on the Everything But Arms scheme and non-LDC ACP countries on the General System of Preferences (GSP). We would like to draw your attention that the EU has a legally binding obligation under the Cotonou Agreement to continue to provide Cotonou equivalent levels of market access to ACP countries, irrespective of whether an EPA is agreed. By threatening to end current preferences without providing a comparable substitute, the EU would be in direct contravention of its obligations under the Cotonou Agreement. Furthermore, pushing ACP regions to complete negotiations merely to avoid higher tariffs on 1st January 2008, could seriously jeopardise the development prospects of ACP countries.

We strongly urge you to take this undue pressure off the negotiations, in order to allow sufficient time to negotiate agreements that truly serve as instruments for the promotion of sustained development and eradication of poverty in the ACP countries. To this end:

- We call on the European Commission to arrange for an interim regime of equivalent ACP-market access to the European Union to guarantee the continuation of ACP exports to the EU, in view of the fact that negotiations cannot be completed by the end of 2007, and in order to allow ACP regions to put in place the conditions which are necessary to effectively negotiate advantageous agreements. This must be arranged for as soon as possible, in order to give exporters and importers certainty about the terms of their market access. Such an interim arrangement must remain in place until the end of negotiations, so that no country will be negotiating under excessive time pressure.

- We call on the parties to urgently reconsider the contents of the agreements which have so far been proposed, in compliance with Article 37.6 of the Cotonou Agreement, and to examine proposals which will advance the development needs of the ACP countries. These must include proposals without reciprocal market liberalisation, without Singapore Issues, and without WTO-plus provisions, particularly in relation to intellectual property and services. In order for ACP countries to have a true choice of options, various alternative scenarios of cooperation should be jointly elaborated. The expected impacts of the different arrangements must be assessed, so that all parties can judge what arrangement would best contribute to sustainable development and poverty reduction in the ACP countries.

Yours sincerely,

Africa Trade Network
 ACORD International
 ActionAid International
 Environnement et Développement du Tiers Monde (ENDA)
 Oxfam International
 Third World Network Africa
 Africa Europe Faith & Justice Network (AEFJN)
 Southern and Eastern African Trade Information and Negotiations Institute (SEATINI)
 Windward Islands' Farmers Association (WINFA)
 Pacific Islands Association of NGOs (PIANGO)
 Pacific Conference of Churches (PCC)
 Pacific Network on Globalisation (PANG)
 World Council of Churches Office in the Pacific (WCC-Pacific)
 Pacific Islands Private Sector Organisation (PIPSO)
 South Pacific and Oceanic Council of Trade Unions (SPOCTU)
 Centre National de Coopération au Développement (CNCD) – 11.11.11, Belgium
 Coalition of the Flemish North-South Movement - 11.11.11, Belgium
 Groupe de recherche pour une Stratégie économique alternative (GRESEA), Belgium
 Vredeseilanden, Belgium
 GRAPAD, Benin
 Plate-forme des Acteurs de la Société Civile au Bénin (PASCiB), Benin
 Association Citoyenne de Défense des Intérêts Collectifs (ACDIC), Cameroon
 Southern Africa Contact, Denmark
 InterAfrica Group, Ethiopia
 Changemaker, Finland
 FinnChurchAid, Finland
 Finnish NGDO Platform, Finland
 Kepa - Centre for Development Cooperation, Finland
 French committee for international solidarity (CFSI), France
 Coordination Southern Africa (KOSA e.V.), Germany
 Kirchliche Arbeitsstelle Südliches Afrika (KASA), Germany
 Netzwerk Afrika Deutschland (NAD), Germany
 World Economy, Ecology & Development (WEED), Germany
 Ghana Trades Union Congress (TUC), Ghana

Christian Aid Ireland
CRBM, Italy
Fair Italy
Manitese, Italy
EcoNews Africa, Kenya
Gender Sensitive Initiatives, Kenya
Kenya Human Rights Commission, Kenya
Social Development Network (SODNET), Kenya
Madagascar Peasant's Coalition, Madagascar
Economic Justice Coaliton, Mozambique
Afrika-Europa Netwerk, the Netherlands
Both ENDS, the Netherlands
FairFood, the Netherlands
GATS Platform, the Netherlands
ICCO – Interchurch Organisation for Development Cooperation, the Netherlands
SOMO, the Netherlands
Trans-National Institute (TNI), the Netherlands
National Association of Nigerian Traders (NANTS), Nigeria
Social Action Port Harcourt, Nigeria
Samoa Umbrella Organisation of NGOs (SUNGO), Samoa
Women in Business Incorporated Samoa (WIBDI), Samoa
World Rural Forum, Spain
Civil Society Forum of Tonga (CSFT), Tonga
Christian Aid United Kingdom
Trade Justice Movement, United Kingdom
Traidcraft, United Kingdom
Participatory Ecological Land Use Management (PELUM) Association, Zambia

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