

Low Down on EPAs

Issue 5: July-September 2006

Welcome to the latest update from Traidcraft on all things new in the world of Economic Partnership Agreements. In this issue:

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As the deadline approaches ‘few outside of DG Trade have a good word to say about EPAs’

“EPAs must not become instruments of oppression.”

(Dame Billie Miller at 11th session of ACP-EU Joint Parliamentary Assembly, Vienna, 20 May 06)

“We urge the European Commission to ... desist from exerting pressure at the highest political level by taking advantage of the information gap that may exist between the negotiators and the political leadership. ... (and) in view of the complete lack of delivery so far on the development component of EPA negotiations, request the EU Council and its EU Member States to urgently review the negotiating directives of June 2002 and the current negotiating structure.”

(ACP Trade Ministers joint statement at the 83rd session of the ACP council of Ministers, Port Moresby, May 06)

“EPA impact assessments are unanimous in showing the threats to our economies.”

(Francis Manganji, AU Commission, at EPA experts meeting hosted by UNECA, Cairo, 18 Sep 06)

“Cotonou is not the problem, but EPAs are a step too far.”

(Glenys Kinnock MEP at the Economic Affairs Standing Committee, Brussels, 13-14 Sept 2006)

“There is a clear credibility and confidence gap between the ACP and EU. The EU wants us to believe EPAs are in our interests. But we are hard pushed to believe EPAs are going to be pro-development and in our interests.”

(Nigerian delegate at EPA experts meeting hosted by UNECA, Cairo 18 Sept 06)

“There’s evident agreement in the room that things need to change. Why are we pushing the ACP to do things they don’t want to do? The Doha Development Round was pulling wool over people’s eyes regarding development. Does the same apply to EPAs?”

(Nirj Deva MEP at the Economic Affairs Standing Committee, Brussels, 13-14 Sept 2006)

“African countries’ rejection of Singapore Issues in the WTO was not about capacity; it was about policy space. Why is it that the EU accepts these issues were placed outside of WTO, but they won’t accept that they remain outside of EPAs.”

(Mr. Hakim Ben Hammouda, Director of Trade and Regional Integration Division, UNECA, Cairo 18 Sept 06)

“The Malawi Farmers Union is urging the government and its partners in the Southern and Eastern African region to seriously reconsider the implications of these new trade deals before signing the deal with the European Union.”

(quoted The Nation Newspaper, 16 Aug 2006, Malawi)

“No-one is clear where we are heading in negotiations, or comfortable with the current situation. There are lots of question marks and we are in darkness about where we’re going.”

(Mr Deerpalsing MP of Mauritius at the Economic Affairs Standing Committee, Brussels, 13-14 Sept 2006)

“Outside of DG Trade it has been impossible to find anyone with a good word to say about EPAs.” (Robert Sturdy MEP, who is in charge of a European Parliamentary Trade Committee inquiry into EPAs, at the 11th session of ACP-EU Joint Parliamentary Assembly, Vienna, 20 May 06)

The so-called EPA Review

Remains ‘opaque’

Given the extent and range of concerns about EPAs – particularly concerning their ability to meet the development objectives of Cotonou - a thorough, fully consultative, EPA Review could not be more critical. Yet the EPA Review mandated by the Cotonou Agreement (Article 37.4) to take place during 2006 still remains shrouded in vagueness.

In theory, the review - following a terms of reference adopted in July – will be a joint undertaking between the EU and ACP, will take place at a technical regional level first and then at all-ACP level. The results will be passed to the EU-ACP joint trade ministers committee by the end of the year. The EU-ACP Council in the first half of 2007 will adopt the joint recommendations from the review.

However, there remains widespread confusion about how the Review will take place in practice. ACP governments lack information about the process; there are no clear mechanisms for consultation with civil society, parliamentarians and private sector, within the short time-frame allowed; and the Commission is still resistant to discussing Alternatives. EU member state government officials have recently been complaining that “nothing is happening” with regard to the review, or at best that the process is “opaque”.

With no civil society consultation

ACP Trade Ministers meeting in Port Moresby back in May of this year called for review to be “all inclusive and consultative with all stakeholders including non-state actors and parliamentarians”. This would be in keeping with the Cotonou Agreement, which mandates full involvement of a range of stakeholders.

In line with their governments, ACP civil society and private sector continue to call for their voices to be listened to in the Review. For example, at a regional meeting in Harare on 7-8 September, hosted by the Trade and Development Studies (TRADES) Centre, members of civil society and private sector, as well as representatives of government within the ESA & SADC regions collectively called for the ACP-EPA review process to be “conducted in a transparent and participatory manner ... [to] include all the stakeholders including government, regional economic community secretariats, regional and continental bodies, local communities and Non State Actors (NSAs)”.

Yet the terms of reference for the Review say nothing about consultation with these actors.

And no consideration of Alternatives

Cotonou article 37.6 mandates the EC to ‘examine all alternative possibilities’ for those countries not in a position to sign an EPA. Such a consideration of Alternatives was initially to take place in 2004, but was then postponed to 2006 (at the request of the ACP countries). The 2006 Review, therefore, provides the obvious opportunity for such Alternatives to be considered. ACP governments and civil society have spoken with one voice on the need for Alternatives to be discussed as part of the review:

The ACP Trade Ministers (meeting in Port Moresby in May) and the African Union Trade Ministers (meeting in Nairobi in April) each called for “Alternatives to EPAs [to] be fully explored” as part of the Review.

ACP Parliamentarians: recently Ambassador Joseph Ma'ahanua of the Solomon Islands and Chairman of the ACP Subcommittee on Trade and Commodity Protocols, stressed that "some non-LDC ACP States are still keen to be informed of possible alternatives to EPAs, should they be unable to sign up to EPAs, as provided in Article 37.6 of the Cotonou Agreement, as part of the review process". (13 Sept 2006)

Civil society networks across the ACP have called for the same. In the ESA region civil society organisations have called for "a radical rethink to the issue of retaining preferences that still exist with the EU. As such we advocate for an alternative to the Free Trade Agreement (FTA) and the proposed current text for an Economic Partnership Agreement with the EU. Such an alternative is allowed for in the Cotonou Agreement. [We therefore] urge Ministers and the ESA secretariat to thoroughly review the proposed form of an EPA and to seriously consider and propose alternatives."

In the face of all of this, the Commission and even the most progressive of EU member states continue to claim that ACP countries have expressed no interest in Alternatives...

The Negotiations: State of Play

SADC:

Early this year the SADC region produced a framework EPA calling for LDCs to be exempt from liberalisation commitments and instead to have their current market access under Everything But Arms (EBA) legally bound. Over six months later the region is still waiting for the EC to formally respond to its proposals.

ESA:

ESA has now joined SADC in calling for LDCs to be exempt from tariff liberalisation commitments in their EPA. The EC has been quick to dismiss attempts by ESA to retain such flexibilities in its liberalisation commitments as "not acceptable". It also opposes the ESA proposal for a periodic review in which progress would be assessed against development benchmarks and ESA countries would retain the flexibility to raise as well as reduce tariffs as appropriate. The EC opposes such flexibility because "while we are not against well defined review clauses, we think that they should be limited in their scope and mainly aimed at accelerating or extending liberalization". Again, they go on to say that the proposed review clause is "not acceptable".

ESA is also seeking guarantees that current levels of market access for LDCs under EBA arrangements should be bound and contractualised. However, the EC finds such a request (you guessed it) "not acceptable".

Meanwhile, efforts on the part of ESA to tie EPAs to the necessary development finance to meet supply-side constraints and develop regional infrastructure also have been whole-heartedly dismissed by the EC.

Pacific:

A full draft EPA has recently emerged from the Pacific region, which civil society representatives are currently analyzing. Please see next issue of Low Down on EPAs for analysis.

ECOWAS:

Trade Ministers of the ECOWAS region met in Niamey during the first week of October, for a negotiating meeting with the EC. A number of civil society representatives were in attendance at this meeting. See next issue of Low Down on EPAs for report back and the latest state of play in the ECOWAS region.

See also next issue for updates on the **Caribbean** and **CEMAC**. In the meantime, for intelligence on the negotiations in all 6 regions, see Trade Negotiation Insights updates at: <http://www.ictsd.org/tni/index.htm>

Stop EPA Day highlights

On the 4th anniversary of the launch of the EPA negotiations citizens across the ACP and Europe mobilised to call for EPA negotiations to be halted. Just a few of the actions to take place included:

Kenya: members of the Kenya Small Scale Farmers Forum delivered a statement to an EC trade representative, calling for EPAs to be stopped. The farmers' statement demanded that the "EC give African governments the space and the right to protect small scale farmers through the use of tariffs and that these tariffs are not dismantled through a Free Trade Agreement with the EU as the current Economic Partnership Agreement outlines".

The KSSFF statement pointed out the threat already posed by imports of EU milk powder and other dairy products to the 600,000 small-scale dairy farmers in Kenya, would be exacerbated under an EPA. Pointing out that the government had raised tariffs on dairy products from 35% to 60% to protect the livelihoods of dairy producers, they stressed that an EPAs would restrict such efforts on the part of the government to protect food security crops and infant industries as it currently does.

On the export side, the farmers' statement also pointed to the severe limitations, noting that "where attempts have been made to access the EU market by small-scale farmers through the export of mangoes and cowpeas, we have come up against SPS standards and non-tariff barriers that have prevented this crop entering the EU market. Any possible benefits offered within an EPA such as improved rules of origin, SPS requirements or investment in agro processing are unlikely to be captured by small-scale farmers, rather by richer agribusinesses".

Moreover, they said, in a severely drought-affected region like East Africa, "EPAs give no guarantee that key food security crops will be protected. This is because by restricting the level of protection that can be offered under an EPA (in line with WTO rules), our negotiators are being forced to choose between the competing interests of manufacturing, government revenue, jobs and agriculture for those protected products".

Meanwhile, in Nairobi, non-governmental organizations including Econews Africa, Oxfam and ACORD successfully highlighted their concerns in the national media. "The EU should give our government space to formulate policy with domestic relevance," EcoNews Africa programme officer, John Ochola, told reporters in Nairobi. The organisations called on the EU to use the formal review of the EPAs process over the next few months to redirect negotiations onto a different path.

Ghana: hundreds of civil activists staged a demonstration in Central Accra in protest against EPAs. The protesters ranged from members of the Ghana Trades Union Congress, the umbrella organization for the main national trade unions in Ghana, networks of peasant farmers' cooperatives, the Ghana Agricultural Workers Union (GAWU), college students, and prominent Trade Justice organizations such as Third World Network Africa, Action Aid and the FoodSpan network on food security and rural livelihoods.

The protesters carried placards with slogans such as "EPA = European Power over Africa", "Stop EPAs now", "EPA = Economic Poverty in Africa. They handed over a resolution to 'Stop the EPA Free Trade Agreements' to the Ministry of Trade and Industry and to the Ghanaian Parliament, denounced EU demands in the EPAs for binding rules on Investment, Competition policy, Government Procurement, and Services Liberalisation.

Like their counterparts across the ACP, and with wide and growing support from European citizens' organizations, the Ghanaian trade justice activists are also demanding an alternative EU-ACP trade cooperation based on non-reciprocity and special and differential treatment for ACP countries; and, the defense of the sovereign autonomy of ACP countries to democratically define and pursue their own development strategies.

In Ghana, campaigners have dedicated the whole week to intensified campaign activities against the EPAs. Apart from the demonstration, there have been rallies, teach-ins and public forums, including a huge forum of market women, against the EPAs and the neo-liberal economic globalization agenda more generally.

Uganda: during the week of Stop EPA day, SEATINI in Kampala has organised a regional meeting for civil society to strategise for the next phase of its Stop EPA campaigning. (Fuller report in next issue).

UK: two campaign reports on EPAs were released, along with press releases, generating media coverage in the Financial Times and the Guardian. Letters were also sent to newspapers, resulting in a response from government ministers. New materials and logos were also launched on the Trade Justice Movement website to its wider membership.

Belgium: a consortium of NGOs (Broederlijk Delen, CNCD-Opération 11.11.11, FOS, GRESEA, Oxfam Solidarité-Solidariteit, Oxfam Wereldwinkels, Socsol, SOS Faim, Vredeseilanden, 11.11.11 Koepel van de Vlaamse Noord-Zuidbeweging) denounced EPAs as 'David vs Goliath negotiations' and demanded a different approach. The organizations delivered 25,000 signatures to their Minister of Development Cooperation.

Other Campaign activities – current and future

Europe-wide

Throughout the month of October a delegation of farmers and workers from a range of ACP countries are touring Europe to meet with EU representatives and put forward their concerns about EPAs, in Belgium, Netherlands, Germany, Ireland and the UK. They will also be raising awareness at a series of public meetings in key cities in each of these countries. For details of where they will be on what dates, see the website:

www.maketrade-fair.com/en/index.php?file=workers_eu_tour_home.html&cat=5&subcat=7&select=1

Italy

In Italy the EuropaAfrica campaign and Trade Watch have just launched a public petition to be signed on-line and at EPA-related initiatives that they will be organizing over the coming months. EuropaAfrica (of which ROPPA is the African partner) has published a booklet on EPAs intended for a motivated but not well-informed general public. Links to the English and French versions:

http://www.europafrika.info/pubblicazioni/epa_en.pdf

http://www.europafrika.info/pubblicazioni/epa_fr.pdf

A 4 page leaflet on EPAs has just come out (in Italian only for now). The Italian campaign is looking to emphasise links between domestic rural smallholders and farmers in ACP to promote a sustainable model of agriculture. A motion in this sense will soon be put to a vote in the Italian State-Regions Conference. They are also holding a seminar in Rome on 23 October looking at these issues from the viewpoint of women farmers in Italy and Africa.

Brussels

On 12th October, the South Centre, in partnership with a consortium of ACP and European NGOs, is hosting a high-level conference on EPAs. NGO co-hosts include: Africa Trade Network, CPDC, Traidcraft, Christian Aid, ICCO, 11.11.11, Oxfam International and SOMO. The

conference will provide a platform for ACP governments to voice their views on these negotiations, in particular in the light of the EPAs review expected before the end of this year. Ministers from various ACP regions will participate in this event, whose audience will also comprise: European Member State policy-makers and parliamentarians, as well as representatives from the European Parliament and European Commission, intergovernmental agencies, journalists and civil society.

Brussels

On 19th October, the the Socialist Group of the European Parliament (the PES) hosts a conference – EPAs: Fostering Regional Integration and Development? - at the European Parliament in Brussels. For further details see:

www.socialistgroup.org/gpes/agendaevent.do?lg=en

Amsterdam

On 15-16 November, there will be a European popular campaigning strategy meeting in Amsterdam, hosted by Both Ends, NOVIB and ICCO and the invitation is issued jointly with the UK Trade Justice Movement. The aim of the meeting will be to build on plans for European-wide campaigning developed at the Brussels conference on 12-13th October. It will include sharing information and materials, working on campaign messaging, and identifying target countries in the ACP and EU. It will also cover joint campaigning into 2007 (European and global) and plans for Stop EPA Day 2007. If you would like to come please reply by 24 October 2006 to Burghard at bi@bothends.org

France

A major postcard campaign is being launched in October by Agir ici (the French member of Oxfam international), the GRET and Peuples solidaires. Called '*Economic partnership agreements : worse than WTO?*', it is being run in collaboration with the Coalition pour des Alternatives Africaines Dette et développement (CAD) in Mali, and ACORD in Kenya.

The campaign will be launched in Bamako in mid-October, and will last until February 2007. Farmers and workers from ACP countries will be welcomed to France in late October to explain how their lives are threatened by future EPAs. From 11-19 November the campaign will also be highlighted at public events during the annual 'International Solidarity Week'.

In France, the campaign will target the French Ministry of Trade, calling for:
enough flexibility for ACP countries to protect sectors essential for present and future development
more time for the negotiation and implementation of any future trade agreement
effective consultation of civil society and parliaments in the EU and the ACP.

French citizens will be also invited to send a letter of support to CAD Mali, presenting demands to to ECOWAS negotiators. CAD and ACORD will be campaigning in their own countries to ensure that ACP negotiating bodies hear the demands of civil society.

French and African organisations plan to make the World Social Forum in Kenya on 20-25 January 2007 another moment of mobilisation on EPAs.

Other NGOs active on EPAs in France include CFSI, CCFD, and IRAM - as well as trade unions (CFDT, CGT).

Finland & UK

In partnership with Finn Church Aid and Kepa (of Finland), supporters of Christian Aid and Traidcraft (of the UK) sent more than 10,000 cards to the Finnish government this summer. The postcards targeted the Finnish government on the EPA review ahead of its EU Presidency.

UK

The UK Trade Justice Movement (a coalition of more than 80 organisations) is campaigning on EPAs for the second half of 2006 under the banner 'New Deal, New Dangers':

More than 150,000 postcards are being distributed, along with e-mail actions, targeting Alistair Darling, the UK Trade Minister, and Angela Merkel, the German Chancellor. The message is for Darling and Merkel to listen to the concerns of poor countries, to use their influence to stop the agreements going ahead in their current form, and to work with poor countries to develop alternative deals.

Work is progressing on European campaigns strategies leading into the World Social Forum in January. Contact Martin Gordon [mgordon@christian-aid.org] for more information.

Some TJM organisations are also sending campaign emails to UK Secretary of State for Development, Hilary Benn, and organisations are working hard to ensure that Benn is challenged on EPAs whenever he speaks publicly during the autumn. Plans are currently being worked out to target UK and possibly European government figures before Christmas, and to raise EPAs profile in the House of Commons.

Ireland

Irish campaigners are sending postcards to their Minister for Enterprise, Trade & Employment, Micheál Martin, which point to the incoherence between the government's support for EPAs with their poverty eradication policies and calling on the government to work with poor countries to develop alternative deals that will help bring about trade justice.

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