

# An overview of the EU-ACP countries' economic partnership agreements

# Building a new trade relationship

#### **SUMMARY**

In line with the objective enshrined in the Cotonou Partnership Agreement (signed in 2000), the EU has sought to update its preferential trade relationship with the ACP countries by establishing free-trade areas with regional groupings. As well as allowing ACP countries to continue exporting their products to the EU without any restriction, this would also ensure compliance with WTO rules.

The negotiation process has been longer and more complicated than initially expected. So far, it has ushered in nine agreements covering more than half (51) of the ACP countries. Some of these agreements are interim, others are final; seven are already under provisional application.

Economic partnership agreements are development-oriented asymmetric agreements providing important advantages and safeguards to ACP countries, in order to foster their sustainable economic development, regional integration and integration on world markets. They are the first attempt to liberalise trade between economies with such a disparate level of development, which also possibly explains the difficulties encountered during the negotiations.

Despite the EU's initial ambitions to conclude modern comprehensive agreements that also cover trade in services and trade-related issues, this has been fully possible only in the EPA with the Cariforum region; in the other EPAs, these elements have been left for future negotiations.



#### In this Briefing

- Background
- Regional configurations
- The need for EPAs
- Main content of the EPAs
- Impact of the EPAs
- Stakeholders' positions
- The European Parliament's role

## Background

In 2002, the EU decided to start trade negotiations with the ACP countries, in order to conclude economic partnership agreements (EPAs) – a form of free-trade agreement – with sub-regional groupings among them. The <u>negotiating mandate</u> adopted by the Council of the EU emphasised that the overarching objective of such agreements should be the 'smooth and gradual integration of ACP states into the world economy and the eradication of poverty'. It further underlined that the different levels of development of the EU and the ACP countries, as well as the latters' particular economic, social and environmental constraints had to be taken into account in the negotiations.

The new trade relationship to be established through such EPAs aims to preserve the free access to the EU market the ACP countries had enjoyed under the Cotonou Agreement's trade regime (expired in 2007) and its predecessors, the Lomé Conventions. During the current negotiations, the EU has provided temporary unilateral free access to its market (through Regulation (EC) No 1528/2007) for ACP countries that were making meaningful progress in the negotiations and that would otherwise not have qualified for it, given that they do not qualify as 'least developed countries' according to the UN classification. Least developed countries qualify for full duty-free and quota-free access to the EU market under the unilateral preferential regime established by the EU's 'Everything but Arms' scheme.

## Regional configurations

Currently, negotiations for seven regional EPAs have been concluded; five of these are with sub-Saharan African regional groups, one with the Caribbean region (Cariforum), and one with the Pacific region. Of the seven regional EPAs, four are considered 'final' and the other three 'interim', as they are expected to pave the way for future more comprehensive regional EPAs.

Figure 1: Coverage of ACP countries by economic partnership agreements with the EU, 2018



Data source: European Commission, DG Trade, 2018.

Two 'stepping stone' EPAs – one with Côte d'Ivoire and the other with Ghana – have been concluded to regulate trade relations pending the entry into force of the regional EPA with the entire west African region.

The nine EPAs altogether cover 51 ACP countries (including those which have not yet signed them but are explicitly mentioned as parties). The remaining ACP countries have taken part in talks with the EU on prospective regional EPAs. (They also have the legal possibility of joining existing EPAs whether final or interim (see table below for more details)). After years of fruitless efforts aimed at concluding regional EPAs, the latter approach seems to be the <u>preferred</u> one at present, in order to pave the way for the resumption of negotiations on final regional EPAs for those regions that still do not have them.

## Current state of application

Table 1: EPAs not yet provisionally applied

Economic partnership agreements	State of play	Date of signature	Date of provisional application	Туре
EPA with west Africa (covers the 15 ECOWAS states plus Mauritania, as well as ECOWAS and UEMOA)	Not yet provisionally applied  Awaiting signature by all African parties; signed (not yet ratified) by the EU and its Member States	12/2014 for all EU Member States and 13 west African countries, except Nigeria, Mauritania and The Gambia	_	Final
EPA with EAC (East African Community) states Open for accession to any other country that joins the EAC (South Sudan has recently joined it.)	Not yet provisionally applied  Signed (not yet ratified) by the EU, its Member States and Rwanda. Kenya has signed it and ratified it.	1/9/2016 for Kenya and Rwanda and the EU and all its Member States	_	Final
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Table 2: EPAs under provisional application

Economic partnership agreements	State of play	Date of signature	Date of provisional application	Type
EPA with Cariforum states  Open for accession to Caribbean states	Provisional application <sup>1</sup>	15/10/2008	29/12/2008 (except Haiti)	Final
Stepping Stone EPA with Côte d'Ivoire	Provisional application	26/11 – 17/12 2008	3/9/2016	Interim
EPA with central African states (Cameroon)  Open for accession to any state or regional organisation in central Africa	Provisional application	15/1/2009	4/8/2014	Interim
EPA with Pacific states (Papua New Guinea (PNG) & Fiji)  Open for accession to all Pacific Island states-party to the Cotonou Agreement and to Pacific Islands with a similar economic situation (Article 80(1))	Provisional application with Fiji and Papua New Guinea Samoa and the Solomon Islands have expressed a wish to join	30/7/2009 (EU and PNG) 11/12/2009 (Fiji)	With PNG as from 20/12/2009 With Fiji as from 28/7/2014	Interim

Economic partnership agreements	State of play	Date of signature	Date of provisional application	Туре
EPA with eastern and southern Africa (ESA) states (the text of the agreement covers the Comoros, Madagascar, Mauritius, the Seychelles, Zambia and Zimbabwe)  Open for accession to Djibouti, Eritrea, Ethiopia, Malawi, Sudan	Provisional application with Madagascar, Mauritius, the Seychelles and Zimbabwe	29/8/2009 Comoros signature 28/7/2017	14/5/2012	Interim
EPA with SADC (Southern African Development Community) states  Angola has an option to join	Provisional application	10/6/2016	10/10/2016, 4/2/2018 for Mozambique	Final
Stepping Stone EPA with Ghana	Provisional application	28/7/2016	15/12/2016	Interim
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Five of the seven regional EPAs are currently being applied provisionally, pending ratification by all EU Member States, while the two other regional EPAs, namely those with west Africa and the EAC, are not yet being applied provisionally, due to delays in their signature and ratification by some African partners. Both regions have decided to act as a bloc and therefore the EU expects all of the countries within them to sign before adopting the EPAs. The 'stepping stone' EPAs with Côte d'Ivoire and Ghana are being applied provisionally, as EU Member States have yet to ratify them. In west Africa's case, The Gambia, Mauritania and Nigeria are still delaying the signature of the final agreement initialled in 2014. In Nigeria, the economic powerhouse of the region, there is strong opposition to the agreement from manufacturers' associations and some political forces, including the president. The new Gambian administration has issued positive signals that it would sign.

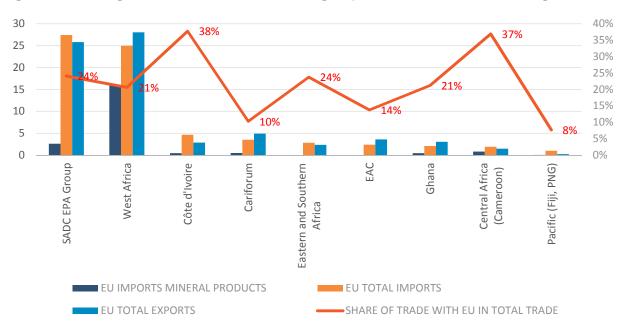
The situation is more complex in the EAC group. In February 2018, the EAC summit called for further negotiations with the EU on the agreement. The EAC is a well-integrated customs union and all of its members should ratify the EPA, in order to avoid disrupting its functioning. In particular, Tanzania's current administration has been opposed to the EPA, invoking among other things the Brexit prospect. Somewhat paradoxically, however, Kenya and Rwanda – the two countries that have signed the EPA – direct a significant share of their total EU exports to the UK (28 % and 21 % respectively). Conversely, according to Eurostat, this share is a modest 3 % for Burundi and Uganda and 4 % for Tanzania, though none of the three has signed the EPA yet. Burundi's situation is problematic, as it has faced 'appropriate measures' (sanctions) from the EU under the Cotonou Agreement for its human rights breaches. These sanctions have been limited to development cooperation and financing, without affecting Burundi's preferential trade regime under the EU's 'Everything but Arms' (EBA) scheme (although this would have been possible). It seems that Burundi is using the EPA as a tool to pressure the EU to lift these sanctions before it signs the agreement, and that it has received some support from other EAC members in this regard.

Haiti is the only Caribbean country covered by the regional EPA which has not yet ratified it. Although the country can continue trading with the EU under the EBA, ratifying the EPA would

provide it with additional benefits, particularly concerning rules of origin. The <u>cumulation of origin</u>, which the EPA allows, would be useful for textile exporters using imported materials.

#### The need for EPAs

Figure 2: Trade in goods between the EU and EPA groups, billion euros (left) and % (right), 2017



Data source: Eurostat COMEXT for volume of trade; IMF DOTS for share of trade.

The data in the table for the Cariforum, Eastern and Southern Africa, and SADC cover only the countries in which the EPAs provisionally apply (see table 2 above). The data on West Africa and EAC include all countries party to the EPA.

As shown in figure 1, the EU is a relatively important trade partner for most of the groups covered by the EPAs. In <u>most cases</u>, it is the largest trade partner of the group by volume of goods traded; in the case of the EAC and Cariforum, it is their second-largest trade partner. On the other hand, the importance of EU trade preferences varies among groups. Most <u>mineral products</u>, particularly crude oil and ores, are imported into the EU duty-free, even in the absence of any trade preferences for the countries in question. In the case of west Africa, more than half of the region's exports to the EU are made up of mineral products, predominantly crude oil from Nigeria, which partly explains this country's reluctance to join the agreement.

## Arguments in favour of the EPAs

The justification provided by the EU for establishing EPAs is that **they are necessary for bringing trade relations with ACP countries in line with WTO rules**, which allow granting trade preferences to developing countries, but prohibit discrimination *among* them. Otherwise, preferences granted only to ACP countries would have a discriminatory effect against developing countries that do not belong to this group. Any such preferences therefore require a WTO waiver. Such a <u>waiver</u> was granted to the trade pillar of the Cotonou Agreement for the 2001-2017 period. Critics<sup>2</sup> of the EPAs contend that in practice it would have been possible to further extend the EU's unilateral preferences by obtaining a new waiver. They point to the US Africa Growth and Opportunity Act (AGOA), which introduced a system of trade preferences targeting specifically African countries; in 2015, this system was renewed by the US Congress until 2025. The WTO Goods Council has granted a <u>waiver</u> to the US AGOA, which exempts the regime from the non-discrimination obligation but is only valid until 2025. The EPAs will eliminate this factor of uncertainty.

A second <u>argument</u> for the need to overhaul EU trade relations with ACP countries has been that decades of unilateral trade preferences have failed to increase and even maintain the ACP states' share in EU imports, and to spur economic diversification. Economic diversification requires intermediate goods and industrial equipment that liberalisation of EU imports into ACP countries could provide at lower prices. Furthermore, EPAs are also expected to attract EU investors to the region by offering them legal certainty. This would drive economic development in the region and create new jobs – a particularly important challenge for many ACP countries, which have large populations of young people affected by high unemployment rates and a very low share of formal employment in general.

Third, the EPAs aim to **modernise EU trade relations with ACP countries**. The EU's initial goal with regard to the EPAs was to shape them as comprehensive agreements by including broader trade-related matters (trade in services, investment, public procurement, intellectual property rights, competition policy) in them, within the scope of trade liberalisation. The EU has also sought to build sustainable development aspects into the EPAs, succeeding to varying degrees (see next section).

As many ACP countries have pursued regional integration, such as through free-trade areas or customs unions, the EPAs are expected to **strengthen this integration**, boosting trade between neighbouring ACP countries and regions. The EU-SADC EPA has consolidated the cohesion of the Southern African Customs Union, which would have been seriously undermined if the EPA was not in place, as South Africa had already got a free-trade agreement with the EU.

#### Main content of the EPAs

The final EPA texts are asymmetric trade agreements strongly oriented towards the economic development of the ACP partners. They reflect to a great extent these partners' needs, including with regard to protecting their agricultural markets, industrialising, countervailing the reduction of tax revenue and adjusting to EU standards. Despite frequent criticism that the EU has 'imposed' the EPAs on the ACP countries, leaving them no other choice but to accept, the reality is different. Negotiations have stretched over long periods of time, providing ACP countries with the opportunity to express their concerns. In some cases, these countries have significantly altered the final outcome of negotiations. For example, the final EU-SADC EPA text was hailed by some as a victory for the SADC countries, as they were able to extract important concessions on several central points. Many ACP countries that do not want to join an EPA have alternative choices. For instance, they can continue trading under the EBA regime if they are LDCs, as many actually do. Those that have graduated from LDC status can take advantage of the EU GSP or GSP+ systems, which provide wide preferences, although not fully free access. However, some 27 ACP countries are indeed without an alternative for trading on preferential terms with the EU as they do not or will not qualify for the GSP any more, being upper middle-income or high-income economies.

Under the EPAs, the EU provides duty-free quota free access to its market to all the ACP countries covered by the agreements, except to South Africa, for which some trade limitations, mainly for agricultural products, are kept in place to protect EU producers. The ACP partners, on the other hand, are opening their markets to EU exports only gradually, over periods of up to 25 years, and not completely.

The EPAs protect ACP countries' most sensitive local – particularly agricultural, but also industrial – products. Some are completely exempt from liberalisation, while others are subject to tariffs or quantitative limits, but at a reduced rate. This is important to underline, since numerous NGOs and analysts have called the EPAs a major threat to local agricultural production, food security and industrialisation efforts in ACP countries. For example, in the case of west Africa, the EPA tariff regimes are aligned with the ECOWAS customs union tariff categories, shielding ECOWAS' most sensitive products.

The EPAs make maximum use of the flexibility provided by WTO rules concerning the degree of protection from liberalisation, to the benefit of the ACP partners. WTO rules require that a foreign

trade agreement (FTA) liberalises 'substantially all trade'. There is no formal consensus on what this means, but it is usually assumed to amount to at least 90 % of bilateral trade. Since the EU is opening up its market completely, to comply with this rule, its ACP partners can maintain tariffs on around 20 % of imports from the EU,<sup>3</sup> which is roughly the case under the EPAs.

Not only is trade liberalisation asymmetric in favour of ACP countries compared to the EU, but so are many other provisions (export taxes, safeguards, 'most favoured nation' clause, rules of origin).

#### Scope of the EPAs

One of the EU's main initial objectives was to conclude comprehensive agreements that go beyond trade in goods to also include services and other trade-related areas, such as public procurement, investment, protection of intellectual rights, competition, as well as sustainable development provisions. Only one of the existing EPAs, namely with Cariforum, fully covers these <u>areas</u>, while the others include *rendez-vous* clauses providing for future negotiations. The degree of commitment with regard to the continuation of negotiations varies greatly among the EPAs: some contain strict schedules (e.g. EAC-EU negotiations have to be finalised five years after the EPA's entry into force), while the SADC EPA only makes references to the possibility of negotiating on such matters (this less compelling language was adopted due to the opposition of the African side). The west Africa EPA commits the parties to start negotiations on such matters shortly after its entry into force.

#### Human rights conditionality and non-execution clause

The EPAs reaffirm the parties' commitment to upholding human rights, democracy and the rule of law, as enshrined in the Cotonou Agreement, and refer - indirectly - to the possibility to suspend the agreement should these principles be violated. Some of the EPAs (Cariforum, SADC, west Africa and Pacific) contain a human rights clause in an 'article on principles' stating that the agreement is based on the essential elements of the Cotonou Agreement, referring explicitly to its Articles 2 and 9. The EPAs with the ESA and the EAC, contain an article referring to the Cotonou acquis in general terms. The EPAs with Ghana and Côte d'Ivoire only reaffirm the commitments of the parties to the fundamental principles of the Cotonou Agreement in the recitals, not in a binding article. The Central Africa EPA does not contain any reference in this respect. All the EPAs, on the other hand, contain an indirect non-execution clause stating that nothing in them prevents the adoption of 'appropriate measures' (which are applicable also to the human rights clause) under the Cotonou Agreement. There is some legal uncertainty concerning the validity of such provisions once the Cotonou Agreement expires, especially in case of non-replacement. The EPAs provide for the possibility of review after this agreement expires.

#### The institutional structure

All EPAs provide for a trade council (ministerial level) and/or trade committee (expert level) to supervise and to make joint decisions on issues related to the implementation of the agreement. Some EPAs provide for additional bodies, such as a joint parliamentary committee (Cariforum, west Africa), and for an advisory committee designed to ensure the involvement of civil society (Cariforum, west Africa, the EAC).

## Provisions on sustainable development

Sustainable development is recognised as a main objective to be pursued by the EPAs. Since 2008, the EU has included sustainable development articles or chapters, referring to social and environmental norms, in its FTAs. The EPAs contain provisions on labour and environmental standards to varying degrees. The Cariforum EPA has the strongest sustainable development chapter, being often referred to as a model in this respect; it also contains the most elaborate dispute-settlement procedure. The SADC EPA reaffirms the commitment of the parties to their international obligations in the field. However, the situation is different in other EPAs. Although the EU's starting position was to include a separate social and environmental chapter in all EPAs, the

final texts of the EPAs reflect the outcome of negotiations. Several EPAs (e.g. the EPAs with west Africa, the EAC and the ESA, as well as other interim EPAs) do not make any reference to social, labour and environmental norms (such as ILO standards) and to the parties' obligations. EPAs lacking such sustainable development provisions contain, on the other hand, commitments to start negotiations on them in the future. The assumption is therefore that such matters will be dealt with at a later stage.

#### Trade safeguards

Since they are development-oriented, EPAs provide robust safeguards to protect domestic industries and local producers from disruptive trade effects. Bilateral safeguards provide for the possibility of limiting trade temporarily (by way of re-imposing tariffs or quotas), when imports of a certain product take place in such quantities or in such a way that they pose a threat to a domestic industry or agricultural markets, or risk creating social disturbances in an economic sector. Tariffs may also be reintroduced to protect infant industries. The safeguard clauses come with strict procedural conditions attached (including notification to and examination by the oversight body), and can be applied during a limited period.<sup>4</sup> While <u>critics</u> argue that this can limit the clauses' practical usefulness,<sup>5</sup> it is, however, normal practice, since their purpose is to allow local producers enough time to adjust to competition, and infant industries enough time to grow and become competitive.

#### Policy space

It is generally agreed that ACP countries need policy space to develop their economies and particularly their industries. Beyond the safeguards mentioned above, EPAs provide additional instruments to this end. For instance, existing export taxes may be maintained. New export taxes in ACP countries are allowed by some EPAs, but not by all. They are allowed temporarily and for a limited number of products to support the development of domestic industries, for revenue needs, for food security and environmental protection, or for protecting the domestic currency. Again, there is a procedure involving notification of the trade committee and/or justification/consultation.

The most-favoured-nation clause has also been shaped in such a way as to allow ACP countries to develop their trade relations with the world. The clause provides that the two sides have to grant to each other any trade preferences they would grant to a third party. However, for the ACP side, this third party has to represent a 'major economy', which is defined on the basis of its share in world trade, and usually excludes African and/or ACP countries. Some additional safeguards are foreseen, such as the need to hold consultations on the issue (e.g. the EPA with the SADC).

#### Development and trade cooperation

The EPAs provide for cooperation and EU support in relevant areas, most importantly in the area of development. All EPAs include development chapters and commitments to provide targeted support to partner countries in their implementation of EPAs, but only the ECOWAS EPA provides for the establishment of a specific development fund. The EAC EPA, on the other hand, contains a matrix assessing the final needs (Annex III(a)), as defined by the EAC, but this is an annex attached to the text and does not represent a commitment from the EU side. Development chapters usually mention the Cotonou Agreement as a reference framework.

The EPAs also contain provisions on aid-for-trade measures. They provide for customs cooperation and cooperation on technical barriers to trade, and on sanitary and phytosanitary standards. Cooperation on taxation issues is also foreseen, particularly for those states whose budgets will be affected by the removal of customs duties.

#### Rules of origin

**More flexible, simpler rules of origin** should allow ACP countries to better <u>integrate</u> into global and regional value chains. They allow for cumulation such as with other EPA countries and any other ACP country benefiting from free access to the EU market.<sup>6</sup> They are considered a major advantage for the numerous LDC countries in the ACP region in comparison with the EBA scheme.

#### Impact of the EPAs

The question regarding the overall economic impact of the EPAs has sparked much controversy. Only one final EPA, that with Cariforum, has been in force long enough (since 2008) to allow for a meaningful ex-post assessment. An economic impact assessment of the Cariforum EPA, funded by the European Commission and published in 2014, concluded that its implementation has not had a major economic impact, that its role as a signal for attracting investors has been moderate; and that there is still a lack of awareness of the opportunities it provides. The economic crisis has affected its implementation, as have the capacity constraints in the Caribbean states.

Trade liberalisation by ACP partners is gradual and will take up to 15-25 years; therefore the full impact of the EPAs will be felt only once liberalisation is fully accomplished. The Commission's DG Trade has recently published its own estimates for the expected economic impact of the three final EPAs with Africa. These estimates are based exclusively on tariff reductions, and do not take into account other elements (such as rules of origin, trade facilitation and cooperation on norms) in the EPAs, which are expected to create a more significant positive impact. They show a modest, albeit positive impact on GDP growth in all three regions studied:

- The EPA with west Africa is estimated to generate an up to 0.5 % growth in GDP by 2035. West African exports to the EU are expected to increase by 4.1 %, while EU exports to west Africa are expected to increase by 23.3 % by 2035. On average, the import duties collected will be 11.7 % lower in 2035.
- The EPA with the SADC is expected to generate a 0.01-1.18 % growth in GDP by 2035. SADC exports to the EU are expected to increase by 0.91 %, and EU exports to the SADC by 0.73 % compared to a scenario without an EPA. Customs duties are expected to decrease for the SADC by 0.59 % by the end of the liberalisation period.
- In the case of the EAC, GDP should increase by 0.3 % on average by 2042 compared to a scenario without an EPA. Revenue reduction from excise taxes and duties is estimated to stand at between -1.09 % and +0.02 % (when considering the impact on total revenues).

Studies by the World Bank<sup>8</sup> on the EPA's impact in Nigeria and Ghana have also arrived at the conclusion that the economic outcome will be positive, with gains for local producers, albeit relatively modest.

**The reduction in government revenue** as a result of the EPAs has caused a lot of concern. Customs duties are an important part of government revenue in many ACP countries, which lack the capacity needed to collect other taxes efficiently. At the same time, liberalising imports from the EU has been predicted to lead to a serious reduction in ACP countries' government revenue. However, DG Trade estimates (see above) for African EPA groups show that the reduction is particularly significant only in west Africa's case. Such effects can be mitigated by improving ACP countries' taxation and tax collection systems. The EPAs contain provisions on EU cooperation in this respect and on EU financial aid to cover the losses (e.g. the EPAs with west Africa and the EAC).

## Stakeholders' positions

The EPAs have caused much controversy. <u>Development-oriented organisations</u>, <u>trade unions</u> and various activists have contributed to a lively debate. Their most radical <u>critics</u> consider them a <u>new form of colonialism</u>. Some organisations, particularly <u>EU-based</u> ones, have initiated campaigns to stop the EPAs. Some African trade and manufacturers' unions – particularly in <u>South Africa</u> and

Nigeria (Africa's two biggest economies) – have also opposed the agreements. Much of this criticism is considered, for instance by <u>Commission's officials</u>, the result of insufficient communication and <u>disinformation campaigns</u>. On the other hand, manufacturers' organisations <u>from Europe</u> and <u>Africa</u> have come out in favour of the agreements. The main concerns about the EPAs are based on the following arguments:

- they will mainly benefit the EU side, particularly multinational companies from the EU;
- the EPAs are a major threat to local agricultural production and food security in the ACP countries. It is feared that the 'heavily subsidised' EU agricultural production' will distort competition and ruin small ACP farmers, even though EPAs ban agricultural export subsidies;
- EPAs could <u>undermine African countries' efforts</u> to industrialise;
- EPAs have the potential to <u>undermine</u> regional integration, for example in <u>west Africa</u> or the EAC;
- labour rights commitments are weak and there is no guarantee that new jobs in ACP countries will enjoy stronger labour rights. Monitoring is also weaker than in other EU trade agreements;
- Brexit will reduce the benefits for ACP countries, as the UK is an important market for ACP exports.<sup>10</sup>

Taking into account that EPAs are long-term agreements expected to last for decades, very little attention, if at all, has been paid to the future impact of trade liberalisation on EU markets and producers. For the time being, most ACP countries are mainly exporters of commodities to the EU. However, the African states among them, in particular, are experiencing an unprecedented demographic boom, which means that around mid-century, a <u>significant share</u> of Africa's work force will be living in sub-Saharan Africa, creating very propitious conditions for industrialisation.

## The European Parliament's role

Adopting an EPA at EU level requires the Parliament's consent to a decision by the Council. This enables EPAs to enter into force on the EU side with regard to those elements that are of EU exclusive competence, as is the case of trade in goods. For full ratification of an EPA, each EU Member State has to ratify it. The EP has given its consent to the EPAs which are under provisional application (see table 2 above).

The EP's role in the negotiation of international agreements was strengthened by the Lisbon Treaty. Even though the EP does not have any formal role in starting and conducting trade negotiations, it must be informed at all stages of the procedure. The Parliament monitors the process closely from the early stages of negotiations and expresses its recommendations in resolutions. The Commission is not legally bound to follow the EP's recommendations, but it does take them into account with a view to securing political support for the ratification.<sup>11</sup>

The EP has adopted a series of resolutions laying out its vision for the outcome of EPA negotiations. In its <u>first resolution on the subject</u>, dating from 2002, the EP considered that EPAs should not make any ACP country worse off from the point of view of its access to EU markets. In other resolutions, <sup>12</sup> the EP has underlined that EPAs must remain development-oriented and promote the social and economic development of ACP countries, contribute to eradicating poverty in them and help them integrate on the global market. In this respect, it has asked for appropriate safeguards, as well as for 'aid for trade' measures and other development-oriented measures to be provided for. The Parliament has also called on the Commission not to put undue pressure on ACP countries to negotiate on trade in services and trade-related matters. The EP has further underlined the importance of sustainable development provisions and their monitoring, including through parliamentary oversight. The agreements reflect these concerns to a significant extent, as explained previously.

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#### **ENDNOTES**

- <sup>1</sup> The conditions for provisional application are established in the relevant provisions of each EPA. On the EU side, provisional application means that the EU has adopted the agreement, but Member States still have yet to do so.
- <sup>2</sup> A position also supported by some NGOs, such as <u>Coordination Sud</u>.
- <sup>3</sup> Some critics contend that there is still a small margin of flexibility that the EU has not used.
- <sup>4</sup> For a comparison of African regional EPAs, see Ramdoo I., <u>Comparing EAC, SADC and ECOWAS EPAs</u>, November 2014.
- <sup>5</sup> The EPA between the EU and West Africa: who benefits?, Concord, April 2015.
- There is, however, substantial variation among the EPAs as concerns rules of origin. For a comparison of African regional EPAs, see Ramdoo I., op. cit. The EPA with central Africa does not contain an annex on rules of origin, and therefore the EU GSP system applies in this respect.
- The Economic Impact of the West Africa EU Economic Partnership Agreement, DG Trade, March 2016.
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- For example, Accords de Partenariat Économique et agriculture : quels enjeux pour l'Afrique ?, Coordination Sud, juin 2014; Les Accords de partenariat économique (APE) entre l'Union européenne et les pays africains : des marchés de dupes?, De Gendt, P. 2015; L'impact des accords de libre échange de l'Union européenne sur la sécurité alimentaire, Veillard P., Défis Sud No 122, December 2014 January 2015; APE: Un accord politique au détriment du développement économique et de la coopération Europe Afrique, Sylla, K., Cissoko, M., Cisse M.L. 2014.
- <sup>10</sup> EPAs are also seen as <u>an advantage</u> in this context, as they set a benchmark for future negotiations with the UK.
- 11 A guide to EU procedures for the conclusion of international trade agreements, Puccio, L., EPRS Briefing, October 2016.
- <sup>12</sup> See e.g. Resolution of 26 September 2002; Resolution of 23 March 2006; Resolution of 23 May 2007; Resolution of 12 December 2007; Resolution of 5 February 2009; and other resolutions on particular EPAs.

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