

## AFRICA TRADE NETWORK

### **A call for Equitable and Transformative ACP-EU relations**

From the 20-22 of March, 2018, civil society organizations from Africa, the Caribbean and the Pacific (ACP) and Europe met at a consultative seminar of the Africa Trade Network in Accra, Ghana, to discuss on-going preparations towards a successor ACP-EU framework to the Cotonou Partnership Agreement which expires in 2020. We reached the shared understandings and adopted the demands that follow for a post-Cotonou framework that supports equitable socio-economic transformation in ACP countries.

It is close to two decades since the Cotonou Partnership Agreement (CPA) came into being. Its promise was that European aid, in the context of comprehensive reciprocal trade liberalization and economic deregulation, and managed by politics of mutual respect, would contribute to modernize the ACP economies and deliver the proclaimed benefits of globalisation. That has turned out to be a false prospectus.

Attempts to conclude the Economic Partnership Agreements (EPAs), a key element of the CPA, soon got stranded over the EU's predatory agenda. That agenda sought to open up ACP economies for the free entry of European goods and free operation of European investors while undermining the capacity of ACP governments to give preferential support to domestic products, producers and investors. The EU's promises to address the so-called "supply side constraints" and provide funds to meet the "adjustments costs" of EPAs turned out simply to be so many empty promises.

Due to relentless resistance from ever widening circles of citizens in ACP countries and in Europe, as well as by ACP governments and inter-governmental organisations worldwide, the EU agenda has been partially frustrated, with only patchy outcomes of the EPA negotiations. A few countries, including Nigeria and Tanzania, have refused to sign any form of the EPAs. Nevertheless, the entire process has been at immense cost to ACP countries, leading above all to new forms of regional incoherence among ACP countries.

In the meantime, the global financial and economic crisis of 2008 exposed the shaky foundations of economic growth across the world, including in Europe and the ACP, and questioned the legitimacy of the economic paradigm at the heart of the CPA and the EPAs. ACP governments woke up to the reality that continued dependence on primary commodity exports and the imports of most of their industrial needs was no basis for inclusive and sustainable development, and began to consider initiatives to develop domestic productive capabilities.

Arguably one of the biggest fall-outs of the global crises and the way they were handled in Europe was the decision of the United Kingdom to end its membership of the EU, known as Brexit. In its turn, Brexit has brought fresh challenges to the ACP in their dealings with Europe. Not only does the expected departure of UK devalue whatever it was that ACP countries thought they were getting with the EPA; it also sets up new threats to their own economies.

The ramifications of the 2008 global financial and economic crises still haunt the world in many of other forms. The phenomenal levels of inequality among and within nations – particularly related to class- and gender-based power relations and monopoly over economic resources – linked to the very types of economic activity that led to the crises, have grown even sharper in its aftermath and through the inequitable measures adopted by many governments in response to the crises.

Added to this are the effects of climate change – arising from global systems of production and patterns of consumption fuelled by developed countries – including sea level rise, extreme weather events, and

ocean acidification which pose an existential threat to the very survival of humanity. Here, the poor and vulnerable societies and sections of societies, in particular women, children and persons living with disabilities – least responsible for climate change and least able to cope – suffering the worst effects.

The adoption of the SDGs is global acknowledgement of these challenges and the need for interlinked global policy alternatives to the neo-liberal dogma and for transformation. Paradoxically, instead of applying the lessons of the above experiences, governments from both the EU and the ACP seem determined to continue with those very practices and policies of the past.

The core of the draft negotiating mandate produced by the EC for adoption by EU members comprises the same list of issues that the EU has been seeking to impose on ACP (and other developing) countries in the aftermath of the establishment of the WTO and throughout the EPA negotiations – ranging from enhanced access for and protection of European investors in ACP countries to undisturbed access to ACP natural resources, including marine resources. Furthermore, just as in the EPAs, the European Union has given itself the prerogative of deciding on the configuration of the ACP that it would prefer for the new agreement. In addition the EU wants to use the post-Cotonou agreement to bind the ACP into compulsory coordination and joint positioning in international organisations and meetings, including at the WTO.

On their side, ACP institutions are only now scrambling to put together their own negotiating mandate. But elements of such a possible mandate do not seem to arise from any strategic coherence among the ACP countries of a shared agenda for transforming their colonially constructed primary commodity economies that have been perpetuated in the essentially neo-colonial economic patterns with the EU. Instead, such indicators for a mandate as contained in the documents such as the "ACP We Want" seem limited to a vision of a global role of improved versions of ACP institutional structures combined with vague principles of equality, defence of the Cotonou acquis, and so on.

Given the rushed time frame for the preparations for and the launch of the negotiations, the relative unpreparedness of the ACP compared to the EU is likely to repeat the familiar template in which, rather than enter negotiations on autonomous terms, the ACP adjusts itself to the negotiating agenda of the EU and thereby reproduce the imbalances at the heart of earlier negotiations.

A future relationship between ACP and EU cannot be built this way. An alternative approach is needed and is possible. In this light:

We reject the attempts to resurrect and extend the failed paradigm and agenda of the current Cotonou Partnership Agreement (CPA) into a future relationship between ACP countries and the EU. A future relationship between the ACP and the EU must be one that creates space and support for strategic initiatives in ACP countries, individually and collectively, to transform their primary commodity economies and industrialise, and adopt strategies for development based on the needs and priorities of the peoples therein.

We call upon ACP countries to rise above their narrow and increasingly fruitless obsession with aid from the European Union, already diminished in value, and increasingly transformed by EU into a means for promoting European corporate interests. Instead, they must concentrate on delivering on their long-standing obligation to their peoples of a vision and agenda for the inclusive, equitable and gender-sensitive transformation of their economies, driven by their own self-determined national and regional imperatives, built primarily on their human and natural (including marine) resources, and in a manner that best equips their societies to meet the challenges of our times. Only this can serve as a meaningful frame of reference for future engagement with the EU (and other third-party countries)

We demand that:

### **Future trade and investment relationship**

Any future EU-ACP trade and investment framework should protect ACP producers, as well as domestic and regional markets; respect the principles of non-reciprocity and special and differential rights; exclude the pressure for trade and investment liberalisation; and support the space of ACP countries to formulate and pursue their own development strategies, and choose their own allies and formulate their own positions in international fora, including at the WTO.

### **Economic Partnership Agreements.**

As free trade agreements, the discredited Economic Partnership Agreements have no place in any future relationship with Europe. Thus, further planned or intended negotiations aimed at broadening or deepening the EPAs must cease. The EPAs that have been so far adopted must not be implemented. We express solidarity with the countries that have so far refused to sign any form of EPAs. ACP countries and EU must seek among the many existing viable alternatives options most suited to the development goals of ACP countries.

With regard to Brexit, the UK should not replicate the existing, discredited EPAs in its future relationship with the ACP. We call on ACP countries to reject any such attempt. Instead, the UK must take the opportunity to work together with the ACP to define a framework for the ACP that supports ACP initiatives for their own development. At the same time, until its future relationship to the EU is clarified and suitable alternatives are in place, the UK should continue its obligations to ACP economies.

### **Aid and Domestic Resource Mobilisation.**

We reiterate our call for ACP countries to move beyond dependence on aid. Any form of aid can only supplement the primary need for ACP governments to harness resources generated in ACP economies and to reinvest these resources in the economies for further development. Therefore ACP governments must concentrate on domestic resource mobilisation, and adopt policies and measures to stop the net outflows of ACP resources into Europe and other developed economies, including through illicit financial flows, unregulated profit repatriation, indiscriminate capital account liberalisation, and illegal, immoral and unfair tax practices. Europe and other developed countries must support ACP countries in this regard.

### **Climate Change**

We demand action by all countries to implement their obligations under the Paris accord and to take further and enhanced steps to ensure that the threats of climate change are effectively addressed.

### **Migration**

Migration, including all forms of forced migration, has risen as a critical issue, with Europe seeking to compel ACP countries to adopt measures that are contrary to international norms. We demand that the complexity of migration in all its forms, root-causes and impacts must be addressed in the appropriate multilateral fora and must not become another means of European imposition on ACP countries.

### **Gender-based exclusion and vulnerabilities**

We call attention to the specific challenges of gender-based exclusion and vulnerabilities in all the above areas and demand action by all countries to facilitate women's socio-economic rights and economic participation in accordance with international conventions and commitments.

### **Citizens' Participation**

We demand the establishment of a structured mechanism to enable timely, effective and sustained participation by citizens and other stakeholders in the processes towards a post-Cotonou framework.

**Above all**, ACP countries must not allow themselves to be bounced unprepared into post-Cotonou negotiations and deals, for fear typically created by the EU of some vague consequences if a replacement framework was not immediately in place upon the expiry of the CPA.

We call on people of the ACP to join the movement of citizen's groups against Europe's self-serving agenda, and to strengthen the demand on our governments to stand firmly together in the interests of our peoples and our countries and regions.

We call further for the continued solidarity of citizens in Europe, and all over the world, in the face of the aggressive 'global Europe' agenda from Brussels, to act with us to safeguard and promote the right of the people of the ACP to develop in response to their own needs and imperatives.

We pledge to strengthen civil society solidarity across the ACP and reinforce our alliances with other social constituencies to work together in Africa, the Caribbean, the Pacific, Europe and globally to realise our demands.