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## ECONOMIC PARTNERSHIP AGREEMENTS : MAKING EPAs DELIVER FOR DEVELOPMENT

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EPAs must be designed to deliver long-term development, economic growth and poverty reduction in ACP countries.

We believe that:

- In its work on EPAs with ACP regional groups, the EU should take a non-mercantilist approach and not pursue any offensive interests.
- Developing countries can benefit from liberalisation in the long run, provided they have the economic capacity and infrastructure they need to trade competitively. However, without the capacity or the right conditions, trade liberalisation can be harmful.
- Each ACP regional group should make its own decisions on the timing, pace, sequencing, and product coverage of market opening in line with individual countries' national development plans and poverty reduction strategies. Regional groups should have the flexibility to move towards more open markets along a non-linear path if necessary. We will not force trade liberalisation on developing countries either through trade negotiations or aid conditionality.

Implementing this in practice:

- EPAs must ensure that ACP regional groups have maximum flexibility over their own market opening. The EU should therefore offer all ACP regional groups a period of 20 years or more for market opening, on an unconditional basis. Each regional group should be offered this full period.
- Within EPAs, the EU should make an upfront offer of complete duty and quota-free market access to each ACP regional group, with no strings attached. In addition, the EU should further simplify and liberalise rules of origin under EPAs.
- There should be an effective safeguard mechanism for ACP countries to use if faced with a surge of subsidised EU imports.
- EPAs should be accompanied by additional resources to enable the ACP countries to benefit from trade reforms and build their export competitiveness. The EU, in coordination with international financial institutions and other donors, must provide additional financial assistance to support the ACP countries. This assistance must support them in building the infrastructure and economic capacity they need to benefit from trade with the EU and the rest of the world, and put in place the institutions to help manage change and protect vulnerable people, supporting poorer countries with the cost of transition.
- Investment, competition and government procurement should be removed from the negotiations, unless specifically requested by an ACP regional negotiating group. It is for ACP regional groups to judge the development benefits of any agreements on these issues and the EU should not push for them to be discussed. If included, any negotiations on government procurement should be limited to transparency.
- A review mechanism for EPAs - with full ACP regional group ownership and participation - should be introduced to ensure they are delivering the intended developmental benefits.

- The Commission should be ready to provide an alternative to an EPA at the request of any ACP country. Any alternative offered should provide no worse market access to the EU than is currently enjoyed under Cotonou preferences.
- In addition, the EU should propose within the WTO that Article XXIV of the General Agreement on Tariffs and Trade, should be reviewed as suggested by the Commission for Africa, in order to reduce the requirements for reciprocity and increase the focus on development priorities.

Implemented along these lines, Economic Partnership Agreements should provide real development benefits to the ACP countries.

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