

Do Economic Partnership Agreements between the EU and ACP countries (EPAs) contribute to the elimination of poverty?

AGEZ Position Paper Short Version in English

Economic Partnership Agreements between the EU and ACP countries which are currently under negotiation, are tied to the principles of the World Trade Organisation WTO and are thus hardly contributing to poverty eradication and a Human Rights´ oriented development. They are following a neo-liberal agenda geared to opening new markets for European companies and promoting free trade, liberalisation and privatisation policies. Although there has been massive resistance against this type of “co-operation” within the frame of the WTO negotiations, this approach is pushed also in bilateral agreements. The EPAs are not least massively rejected by governments and civil society in ACP countries.

Demands for a development policy

The WTO free trade model must be questioned in principle, as it applies the same rules for all and does not permit any special or protective mechanisms. In order to shape future bilateral trade agreements in a more just way, the WTO, as the multilateral instrument for world trade, must urgently undergo reform and respond to the needs of all member states.

„Alternatives to EPAs (must) be fully explored“.

Both the ACP Trade Ministers (meeting in Port Moresby in May 2006) and the African Union Trade Ministers (meeting in Nairobi in April 2006)

We say No to the Economic Partnership Agreements (EPAs) between EU and ACP countries in their present form!

They are not aimed at development and poverty reduction but following primarily free trade principles according to the WTO-plus agenda.

We say No to the resumption of negotiations on the Singapore Issues through the back door!

The EU should reject all agreements on investment, competition policy, transparency in government procurement and trade facilitation, as they might weaken local markets and expand the market dominance of multinational companies. Many poor countries have already expressed their complete disagreement within the frame of WTO negotiations and fear that these issues will show up again through the back door.

We say No to the principle of reciprocity as binding agreement!

A full opening of the markets in two unequal regions, such as the EU and ACP countries, will bring about severe problems for the weaker partner.

We say no to the binding opening of the markets in ACP countries, unless all European export subsidies or export-promoting measures for agriculture were abolished or had expired!

There must not be any free trade agreement without a previous analysis of its implications for small farmers and small scale agriculture both in the North and the South.

We say No to the loss of tariff revenues which are an important income for governments to be spent on social services (education, health, etc.), without offering a meaningful alternative!

It must be prevented that this source of revenue which is of special importance for poor countries, were lost thus reducing government expenditure for social services, already at low level.

We say Yes to the promotion of regional self-determined trade areas!

In order to achieve this aim, the local and regional markets must be protected to safeguard the ACP producers' interests; there must be no pressure exerted by the EU to sign doubtful "Partnership Agreements" which will only open up new markets for European multinationals.

We say Yes to financial support from the EU especially for LDCs, in order to reach the UN-Millennium Goals.

Without substantial support it will be impossible to reduce poverty by half until 2015, especially for sub-Saharan Africa. It is high time to comply with the goal of spending 0,7 % of the GNP for development co-operation, which had been already promised 36 years ago. In case the EPAs should come into effect, additional resources are needed to mitigate the implementation costs.

We say Yes to a close political and economical co-operation with ACP countries geared towards a development policy which is based on Human Rights (the right to food, the right to water, the right to education, the right to health, etc.), the primary focus of which is poverty reduction.

As the EU is close to Africa, it should be interested in a long-term, sustainable development on this continent and offer support, without giving preference to short-term profit goals.

We say Yes to a prolongation of the term for negotiations and a consultation of civil society!

As long as the term for finalising negotiations is rigid, ACP countries will undergo heavy pressure. Instead of imposing a free trade agenda within a limited period, deliberations on alternative trade arrangements must be launched which would enable ACP countries to pursue their own nation development strategies. To achieve this goal, comprehensive consultations with civil society organisations should be held, as they might be the most affected by possible negative consequences.

Concrete Demands on the Austrian negotiators/ Government/ Parliament

- **The Austrian Ministry for Foreign Affairs should finance a study on the implications of EPAs on men and women in the African priority countries of the Austrian Development Cooperation.**

The assessment should include possible positive and negative effects on poverty reduction and safeguarding the Human Right to food, education and health, with the inclusion of all relevant sectors.

- **A joint round table at Parliamentary level should be held (Committees for Economy, Agriculture and Foreign Policy, as well as the Sub-committee for development policy), including the bodies representing interests and NGOs with the aim of drawing up a coherent Austrian position on the EPA issues.**

Such a round table should take place before the EU-Africa summit (to be held in autumn 2007 in Portugal).

- **The Austrian decision makers in the various sections of the European Union should bring forward the above demands on development policy issues.**

„EPAs make concessions to Europe more than we are making to the rest of the world in the WTO Doha Round. To make poverty history, you have to also make EPAs history”.

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