Resolution on Economic Partnership Agreements

2007/2667(RSP) - 12/12/2007 - Text adopted by Parliament, topical subjects

Following the debate held on 28 November 2007, the European Parliament adopted a resolution on Economic Partnership Agreements (EPAs) by 271 votes for, 189 against and 10 abstentions. It reiterates its belief that EPAs must be instruments of development in order to promote sustainable development, regional integration, and a reduction of poverty in the ACP States and to foster the gradual integration of the ACP States into the world economy. It recalls that the Cotonou Agreement sets out the parties" agreement to conclude new WTO-compatible trading arrangements, progressively removing barriers to trade between them and enhancing cooperation in all areas relevant to trade and development. The waiver exempting the Cotonou Agreement from WTO law will expire at the end of 2007, and several ACP States are very reluctant to conclude EPAs and declare that they have been put under pressure by the Commission to sign an EPA, while others insist on the importance to their economy of EU market access. Consequently, negotiations on EPAs, which are to replace the Cotonou Agreement, are not progressing at the same pace in the six regions and are not likely to be completed in any event before the end of 2007. Parliament goes on to recall that in October 2007 the Commission made an offer to the ACP States concerning an interim agreement, as a first phase of the conclusion of EPAs covering trade in goods and all areas that can be already agreed on, such as rules of origin, to be implemented as from 31 December 2007.

Parliament notes with concern the slow pace of the negotiations, as a result of which, most probably, no full agreements will be signed with any of the ACP regional groups by 31 December 2007. It takes note of the conclusion of the interim Framework Agreement between the EC and the East African Community Partner States and several states of the Southern African Development Community, guaranteeing duty-free and quota-free access for those states' goods to the EU market. Members emphasise that establishing a genuine regional market represents an essential basis for successfully implementing EPAs and that regional integration is essential for the social and economic development of the ACP States. Therefore, agreements must help to keep regions united. They call on both parties to shoulder their responsibility to continue negotiations on the other issues as soon as possible, and stresses that a long-term agreement can only be reached if all parties concerned feel committed to it. Full asymmetry in the agreements, compatible with WTO requirements, should include maximum flexibility with regard to tariff cuts, coverage of sensitive products and an adequate transition time before the agreement has to be fully implemented.

Parliament stresses that the Commission's offer concerning rules of origin marks a relaxation of current provisions. It believes that the necessary flexibilities should be built into the agreement, taking into account the differences in level of industrial development between the EU and the ACP States as well as among ACP States. The Commission nneds to be flexible in the negotiations on investment and trade in services, as some ACP regions are reluctant to address these issues. Parliament recalls the commitments by the Council and the Commission not to negotiate pharmaceutical-related TRIPS-plus provisions affecting public health and access to medicines, such as data exclusivity, patent extensions and limitation of grounds of compulsory licences. It calls on the Commission to carry out a systematic analysis, during the negotiations and following their conclusion, of the social impact of EPAs on groups most at risk.

Trade rules must be accompanied by an increase in support for trade-related assistance particularly in support of regional trade, and interim agreements must include specific provisions for EPA-related aid for trade in addition to EDF (European Development Fund) funding. The resolution calls for concrete commitments to be made prior to the conclusion of EPA negotiations, addressing trade-related assistance and adjustment costs associated with EPAs, in full accordance with the EU aid-for-trade strategy.

Parliament notes with interest discussions for the establishment of EPA regional funds, which will facilitate channelling of EU donors' resources and provide financial assistance for revenue diversification initiatives. It considers that the conclusion of a new generation of free trade agreements with other developing countries should not lead to an erosion of the trade preferences that ACP countries currently enjoy. The Commission and the European Parliament's Legal Service should evaluate each individual agreement to ensure that the legal powers and prerogatives of the European Parliament are fully respected. Parliament asks for the assent procedure to be applied to each agreement, and considers that legal action should be taken in the event that the European Parliament's competence is not fully respected.

Lastly, it requests the Commission and the Council to seek Parliament's assent to the conclusion of EPA interim agreements.