Resolution on the Interim Economic Partnership Agreement between the EC and the South African Development Community (SADC) States

2009/2540(RSP) - 25/03/2009 - Text adopted by Parliament, single reading

Following the debate which took place during the sitting of 23 March 2009, the European Parliament adopted by 539 votes to 98 with 17 abstentions a resolution on an Interim Economic Partnership Agreement between the European Community and its Member States, on the one part, and the SADC EPA States, on the other part. The resolution was tabled on behalf of the Committee on International Trade.

Parliament reaffirms its view that EPAs should be driven by the needs of ACP countries and should be designed so as to revitalise ACP-EU trading relations, promote ACP development and economic diversification, as well as regional integration, the reduction of poverty, the respect of fundamental human rights, and therefore as a whole to the achievement of the millennium development goals (MDGs). It stresses that, in guaranteeing protection from potential negative consequences in opening the SADC region's economies, support from the EU must be provided in order to bring real benefits though trade preferences and to build economic and social development. Members underline the importance of regional integration and preventing the break-up of the Southern African Customs Union (SACU).

The resolution states that the current Interim Agreement devotes neither space nor attention specifically to the issues of food sovereignty and the right to food and does not favour agricultural and trade policy instruments which make for market regulation and the protection of sustainable family agriculture. It stresses that these topics must be placed at the centre of the negotiations in order to ensure that trade policy and all the EU's other policies are consistent with the principles of food sovereignty and the right to food.

Parliament calls for the following:

- clarification on the actual distribution of funds throughout the ACP region stemming from the pledged priority spending within the increased Aid for Trade budget;
- an early determination and provision of the share of the Aid for Trade resources. These funds should be additional resources and not be merely repackaging of funding under the European Development Fund (EDF), They should conform to the priorities of the SADC States and that their disbursement should be timely, predictable and in line with the execution schedules of national and regional strategic development plans. Parliament opposes any kind of conditionality linked to the EPAs in the matter of granting European aid and calls on the Commission to guarantee that access to the funds of the 10th EDF is kept separate from the results and pace of the negotiations;
- the negotiators of any full EPA to account fully for the transparent management of natural resources and to outline the best practices necessary;
- the Commission to ensure that EU-based transnational companies with production facilities in ACP countries abide by core ILO standards, social and environmental covenants and international agreements to achieve a worldwide balance between economic growth and higher social and environmental standards;
- the Commission to do its utmost to restart the negotiations on the DDA and to ensure that the trade liberalisation agreements continue to promote development in poor countries;

- the Commission to demonstrate flexibility in addressing Angola, Namibia and South Africa's key substantive concerns on issues such as the MFN clause, as well as export taxes and infant industry protection;
- the Commission not to put undue pressure on the SADC countries to accept liberalisation commitments and regulatory obligations regarding services and the so-called 'Singapore issues';
- a strong regulatory framework to be put in place in the event of negotiations on services to ensure that there is universal service provision.

Parliament supports the efforts of both sides to ensure the active participation of South Africa throughout the negotiating process. It recognises that South Africa's involvement is key to promoting economic coherence, regional integration and further developing trade and investment relations between the region and the EU. The Commission is asked to develop this association in negotiating a full and comprehensive EPA.

Lastly, Parliament notes the intention of the SADC region to participate in the creation of a new Free Trade Area with the East African Community region and the Common Market for Eastern and Southern Africa (COMESA). It calls on the Commission to follow developments in order to secure full EPA compatibility.

This resolution should be read in parallel with the SADC Agreement which is the subject of a separate assent procedure (see AVC/2008/0177).