

Second revision of the Partnership Agreement ACP-EC (Cotonou Agreement)

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The Committee on Development adopted the report drawn up by Eva JOLY (Greens/ALE, FR) on the second revision of the Partnership Agreement ACP-EC (the "Cotonou Agreement").

MEPs consider that the second review of the Cotonou Agreement (last revision was in 2005) should be an occasion to adjust it in the light of recent and current crises including climate change, soaring food and oil prices, financial crisis and abject poverty in Africa. They recall that the areas notified for revision on the part of the EU or the ACP group include, inter alia:

- a regional dimension;
- a political dimension, including migration and good governance in the fiscal area;
- an institutional dimension;
- promoting the MDGs and policy coherence for development;
- humanitarian and emergency assistance, including clarification on procedures applied in situations of crisis;
- programming and implementation of aid, including programming of the intra-ACP envelope;
- climate change and food security as cross-cutting issues (notified by the ACP group).

MEPs deplore, yet again, the fact that the European Parliament, the ACP-EU Joint Parliamentary Assembly (JPA) and the national parliaments of the ACP States as well as civil society organisations and non-state actors were - once again - not involved in the decision-making process that led to the identification of areas and articles of the Cotonou Agreement for revision and to the establishment of the negotiating mandates. According to MEPs, this omission **affects the transparency and credibility of the revision process**. They consider that this situation must change. In this respect, they call on the EU and ACP authorities to launch a debate on the future of ACP-EU relations post-2020 and to involve non-state actors in that process.

ACP countries becoming equal negotiating partners: MEPs emphasise the importance of the ACP countries being regarded as equal negotiating partners of the EU. They stress the need to consolidate the political dimension of the Cotonou Agreement, particularly in respect of the commitment of the parties to implement the obligations stemming from the Rome Statute of the International Criminal Court. MEPs consider that policy coherence for development, particularly between policies on trade, development, agriculture and fisheries, should be a guiding principle of EU development cooperation.

Development cooperation and trade arrangements: Members consider it necessary, firstly in view of the entry into force of the EPAs for certain ACP countries only, to revise the part of the ACP-EU agreement concerning trade agreements in order to incorporate provisions concerning all the existing ACP-EU trade arrangements (Generalised System of Preferences (GSP), GSP plus, interim EPAs, etc) and to uphold a number of principles and commitments which should not be lost from the Agreement, namely:

(i) consistency between all the trade frameworks governing relations between the ACP and EU countries; (ii) the guarantee that all the ACP countries will have the benefit of a trade framework which is at least equivalent to their previous situation; (iii) the guarantee that, for all the ACP countries, the new trade framework will take account of sensitive sectors, particularly agricultural food production and to improve the market access which ACP countries enjoy, particularly by means of a review of the origin rules.

Strengthening financial governance and combating tax havens: Members call on ACP-EU negotiators to review the European Investment Bank (EIB) policy on offshore financial centres and to make changes to the EIB's organisational and governance structure. They call on the Commission and ACP governments to include the **fight against abuses of tax havens, tax evasion and illicit capital flight as a matter of priority in the Cotonou Agreement**. They call therefore for a **binding mechanism, which forces transnational corporations to disclose automatically the profits made and the taxes paid in every ACP country where they operate**. They suggest that the negotiators address the tax-related aspect of development and put in place effective and viable tax systems in the ACP countries in order to ensure sustainable source of development financing with the long-term objective of replacing foreign aid dependency. Members also propose that the negotiators include in Article 9.3 of the ACP-EU agreement, concerning the proper management of public affairs, the principle of good fiscal governance. In addition, they call for a new global financial architecture to be worked out and agreed upon, which would allow developing countries to be represented through their respective regional organisations and to address their legitimate sustainable development concerns based on their specific situation.

Development and climate change: MEPs call on the Commission and ACP governments to address the structural causes of climate change by putting in place an automatic climate change risk assessment in national development strategy and plans and in country and regional strategy papers. They believe that renewable energy is vital for the economic and social development of ACP countries, as they are endowed with considerable renewable energy resources (solar energy, wind power, geothermal energy and biomass). Members urge the negotiators to pay particular attention to reducing ACP countries' dependency on fossil fuels and decreasing their vulnerability to price rises, by giving priority to renewable energy in the Cotonou Agreement.

Food sovereignty: Members deplore the fact that despite the majority of ACP countries' population living in rural areas and the fight against poverty being a primary objective of the Cotonou Agreement, **agriculture remains a neglected sector in ACP-EU cooperation**. They call on the Commission, when implementing EU development policy, to incorporate the concept of **food sovereignty**, i.e. the right of every people to decide their own agricultural policies with regard to food, by regulating national agricultural production so as to guarantee fair prices for products and protect national markets. They express deep concern about the current farmland acquisition (particularly in Africa) by government-backed foreign investors, which, if not handled properly, threatens to undermine local food security and lead to serious and far-reaching consequences in the ACP states. In this context, members urge the negotiators to avoid the adverse impacts of **farm land acquisition** (such as expropriation of small farmers and unsustainable use of land and water) by recognising the right of the population to control farmland and other vital natural resources and by adopting guiding principles in this line.

Improving the application of human rights clauses: MEPs call for negotiations to reinforce the principle of non-negotiable human rights clauses and sanctions for failure to respect such clauses (*inter alia* with regard to discrimination based on sex, racial or ethnic origin, religion or beliefs, etc). They call on the Commission and the ACP countries to include in Article 13 of the ACP-EU agreement on migration, the principle of circular migration and its facilitation by granting circular visas. Overall, they call for the respect of migrants' rights, which is put in jeopardy under the current readmission policy.

Improving medical infrastructures: MEPs emphasise that medical infrastructure and public health systems need a boost through development strategies. They recall that the ACP public health systems' capacity to provide health assistance to the population and also for victims recovering following

humanitarian crisis, conflict or post conflict, or natural disasters, is one of their main duties and of permanent immediate concern and should be accordingly promoted by ACP-EU cooperation.

Improving the Agreement's institutional framework and strengthening the EPA: Members consider that the second revision should also update the text of the Agreement to reflect explicitly the establishment of new EPA institutions. They underline the importance of the parliamentary dimension of the Cotonou Agreement, embodied in the ACP-EU JPA. In this context, MEPs emphasise their implacable opposition to any attempt to reduce the role of the JPA. They call, with the aim of enhancing the parliamentary, representative and democratic character of the JPA, for all ACP countries to be genuinely represented by parliamentarians in the JPA in future and not by representatives of governments. Members also believe firmly in the key role that ACP national parliaments may play in all aspects of development cooperation actions. They call for the strengthening and upgrading of the ACP-EU JPA and insist that provisions be made in the Cotonou Agreement to allow the JPA and ACP parliaments to scrutinise the country and regional strategy papers, the ACP-EC EPAs and the EDF. Lastly, they call for genuine synergy to be established between, on the one hand, the new parliamentary committees created by the EPAs (created at the initiative of the European Parliament) and, on the other hand, the JPA.