EU/ACP Agreement: second revision of the EC /African, Caribbean and Pacific States' 2000 Cotonou Partnership Agreement

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PURPOSE: to conclude the Agreement amending for the second time the Cotonou Agreement signed on 23 June 2000.

PROPOSED ACT: Council Decision.

BACKGROUND: by decision of 23 February 2009, the Council authorised the Commission to open negotiations with the African, Caribbean and Pacific Group of States ('the ACP States') with a view to undertaking the second revision of the Partnership Agreement between the ACP States, of the one part, and the European Community and its Member States, of the other part ('the Cotonou Agreement').

In line with Article 95 (3) of the Cotonou Agreement, the negotiations were successfully concluded by an extraordinary Joint Ministerial meeting on 19 March 2010 with the negotiators initialling the texts which aimed at amending the Agreement, the parties thus endorsing the outcome of the negotiations.

By Decision 2010/648/EU of 14 May 2010, the Council authorised the signing of the agreement. The Amending Agreement, which is the result of the negotiations, was consequently signed by both sides on 22 June 2010 at the ACP-EU Council of Ministers held in Ouagadougou, subject to its conclusion at a later date.

Article 95(3) of the Cotonou Agreement authorised the Joint Council to adopt transitional measures in respect of the amended provisions until they come into force. By Council Decision 2010/614/EU of 14 June 2010, the Council approved the position to be adopted by the European Union within the ACP-EU Council of Ministers concerning the transitional measures, and by Decision No 2/2010 of the ACP-EU Council of Ministers of 21 June 2010, the amending provisions are provisionally applied, **as from 31 October 2010**. This decision also calls on Parties to complete all the necessary procedures to ensure the full entry into force of the Agreement within two years from the date of its signature.

IMPACT ASSESSMENT: no impact was carried out.

LEGAL BASIS: Article 217, in conjunction with Article 218 paragraph 6, 2nd subparagraph, littera (a) of the Treaty on the Functioning of the European Union.

CONTENT: under this proposed Decision, the Agreement amending for the second time the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000, as amended for a first time in Luxembourg on 25 June 2005, is hereby concluded on behalf of the Union.

To recall, the Cotonou Agreement is the most comprehensive partnership agreement between developing countries and the EU. Since 2000, it has been the framework for the EU's relations with 79 ACP countries. The first revision took place in 2005. It prepared the ground for the second revision which **adapts the partnership** to changes which have taken place over the last decade, in particular:

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The growing importance of regional integration in ACP countries and in ACP-EU cooperation is reflected: its role in fostering cooperation and peace and security, in promoting growth and in tackling cross-border challenges is emphasized. In Africa, the continental dimension is also recognized, and the African Union becomes a partner of the EU-ACP relationship.

- **Security and fragility**: no development can take place without a secure environment. The new agreement highlights the interdependence between security and development and tackles security threats jointly. Attention is paid to peace building and conflict prevention. A comprehensive approach combining diplomacy, security and development cooperation is developed for situations of State fragility.
- Our ACP partners face major challenges if they are to meet the Millennium Development Goals, food security, HIV-AIDS and sustainability of fisheries. The importance of each of these areas for sustainable development, growth and poverty reduction is underlined, and joint approaches for our cooperation are now agreed.
- **Climate change**: For the first time, the EU and the ACP recognize the global challenge of climate change as a major subject for their partnership. The parties commit to raising the profile of climate change in their development cooperation, and to support ACP efforts in mitigating and adapting to the effects of climate change.
- **Trade**: the trade chapter of the Agreement reflects the new trade relationship and the expiry of preferences at the end of 2007. It reaffirms the role of the Economic Partnership Agreements to boost economic development and integration into the world economy. The revised Agreement highlights the challenges ACP countries are facing to integrate better into the world economy, in particular the effects of preference erosion. It therefore underlines the importance of trade adaptation strategies and aid for trade.
- **More actors in the partnership**: the EU has been promoting a broad and inclusive partnership with ACP partners. The new agreement clearly recognizes the role of national parliaments, local authorities, civil society and private sector.
- **More impact, more value for money**: this second revision is instrumental in putting in practice the internationally agreed aid effectiveness principles, in particular donor coordination. It will also untie EU aid to the ACP countries to reduce transaction costs. For the first time, the role of other EU policies for the development of ACP countries is recognized and the EU commits to enhance the coherence of those policies to this end.