

Midterm Review of the Economic Partnership Agreements (EPAs)

According to the terms of article 37,4 of the Cotonou Agreement

Independent Contribution of the Regional Networks of Farmers' Organizations

Synthesis of the regional assessments

Working document – 10 December 2006

SUMMARY

1. The networks of farmers' organizations of five ACP sub-regions (Central Africa, East Africa, Southern Africa, West Africa and the Caribbean) have carried out their own mid-term assessment of the state of progress in the negotiation of the Economic Partnership Agreement (EPA) in order to contribute to the formal review foreseen in article 37,4 of the Cotonou Agreement.
2. The reflections and the comments of the farmers' organizations were focused on an analysis of (i) the structure and the process of the negotiations; (ii) the content of the negotiations; (iii) the preparatory phase to the introduction of changes in the trade regime.
3. The farmers' organizations note the accumulated delay in most regions in relation to the calendars foreseen in the road maps adopted by the Regional economic communities and the European Commission. They maintain that these delays testify to:
 - a. the deep imbalance in human and institutional capacities between the negotiating parties;
 - b. the underestimation of the scope of the preliminary reforms to be designed, negotiated and implemented both at national and at regional levels in order to create the conditions for an effective participation of the ACP regions in an EPA (customs union, common external tariff, competition and investment policies, measures to facilitate exchanges, harmonization of technical norms, suppression of technical obstacles to trade, harmonization of sanitary and phytosanitary norms, etc.); and, finally,
 - c. the divergences in views between the ACP and the European Commission on certain points, notably the "development content" of the EPAs.
4. The farmers' organizations hold that it would be extremely dangerous to artificially accelerate the formal process of the negotiations in order to close them over the coming months at whatever cost and to implement the EPA by the projected deadline of 1 January 2008.
5. The farmers' organizations recall that in most of the ACP regions formal texts have been adopted by their decision-makers, but they note with regret the minimal degree to which these texts have actually been put into practice, in particular regarding the creation of integrated regional markets: harmonization of public policies, effective suppression of formal and informal obstacles to exchanges, application of harmonized tariffs at the borders, etc. If the EPAs are really to function as instruments for reinforcing regional integration processes, they must look seriously at these obstacles and find solutions to them before considering any liberalization of exchanges. Otherwise the result will not be regional integration, but disintegrated, ungovernable and instable zones.

6. In most regions the negotiations on trade liberalization in the proper sense of the term have not really begun: the breadth of the liberalization, the rhythm, the selection of sensitive products and the specific treatment to afford them, etc. This is the most critical subject of the negotiation and it is the one which must absolutely not be sacrificed in the interests of meeting deadlines. The future of the ACP production sectors is directly dependent on the conditions of trade liberalization, starting off with agriculture given its predominate role in providing employment and ensuring livelihoods, contributing to the GNP and to foreign trade, ensuring management of the environment and natural resources.
7. Regarding the agricultural sector, the farmers' organizations identify the major challenges which they expect the negotiators to take fully into account. These challenges are linked to :
 - a. the effective creation of regional customs unions and the adoption of common external tariffs,
 - b. improving the competitiveness of the ACP agricultures;
 - c. liberalization of trade in agricultural and food products imported from Europe;
 - d. improving access to European markets for ACP exports;
 - e. evolutions in customs revenues and fiscal reform;
 - f. an EU-ACP alliance in the multilateral negotiations.
8. The farmers' organisations understand the need to negotiate EPAs in relation to the trade rules of the WTO. However, they insist on the following requirements:
 - a. the new regime must substantially improve the trade environment and offer development perspectives to both LDC and non LDC countries;
 - b. the creation of a free trade zone with the EU is totally inappropriate for the agricultural sector given the enormous differences between the ACPs and the EU in productivity and competitiveness, differences which are amplified by the considerable public support from which European agriculture benefits;
 - c. the need for regulation, which most often requires a certain measure of protection of the agricultures taking into account market imperfections, the "public goods" nature of the food sector (food security, protection of the environment and of common resources, etc.), and the uncertainties of production, particularly in ACP countries;
 - d. the absolute need to first conclude the Doha Cycle in order to have a multilateral framework which clearly responds to the developing countries' expectations and in accordance with which bilateral agreements (like the EPAs) can be put into conformity.
9. In conclusion, our farmer organization networks put forward four priorities:
 - a. ***Give priority to regional integration*** : the development of regional markets offers more promising perspectives for the fight against poverty and for economic development than does the hypothetical growth of international markets;
 - b. ***Define a trade regime based on asymmetry and equity*** : this is the only way to reduce the gap between the EU and the ACP and to infuse real content into the principle of special and differential treatment, recognized both in the context of the WTO and in the Cotonou Agreement. This asymmetry must absolutely lead to excluding sensitive agricultural products, that is those products imported from the EU which compete with local products in the ACP regions.

- c. ***Improve participation by farmers' organizations and other actors in the preparation and negotiation of the EPAs*** : this participation, beyond the principles of democracy included in the Cotonou Agreement, constitutes a guarantee of the relevance of the choices made in the negotiations and a precondition to their effective implementation.
 - d. ***Take the time and avail the means necessary for thorough preparation*** : it is necessary to implement the regional policies, to carry out deeper assessments of the impacts of different trade regimes, to strengthen the capacity of each region (decision-makers and civil society actors) to define and defend a negotiating position in conformity with the challenges and the interests of each ACP region;
10. To this end, alternatives to the EPAs must be studied in order to design a trade environment which is resolutely oriented towards the objectives of sustainable development. New impact studies, including environmental and social impacts, need to be conducted in each region, effectively involving the farmers' organizations.
11. Finally, it is opportune to review the negotiation mandate (objectives and structure) and to conceive of the 2020 deadline as an opportunity to assess the effective achievement of the ambitions and the challenges of regional integration of economies, exchanges and societies.

The document of which this note is the summary synthesizes the diagnostics and the conclusions of five regional reports prepared under the responsibility of farmers' networks in each region: East African Farmers Federation (EAFF) in East Africa, Sub-regional Platform of Peasant Organizations of Central Africa (PROPAC) in Central Africa, Network of Peasant and Agricultural Producers' Organizations in West Africa (ROPPA), Southern African Confederation of Agricultural Unions (SACAU) in Southern Africa, and Winward Island Farmers Association (WINFA) in the Caribbean). The work has been coordinated by ROPPA, with the technical assistance of the Bureau Issala. The farmers' networks have benefited from the financial support of IFAD and the technical support of IFAD, FAO and the European NGO partners of the "EuropAfrica" campaign (Terra Nuova, Collectif Stratégies Alimentaires, Crocevia and others). The full reports are available from roppa@roppa-ao.org or info@europafrika.info.