# Procedure file

Basic information	
COS - Procedure on a strategy paper (historic) 1997/2259(COS)	Procedure completed
EC/ACP agreement: new cooperation agreements with the African, Caribbean and Pacific States	
Subject 6.40.06 Relations with ACP countries, conventions and generalities	
Geographical area ACP countries Caribbean islands	

# Key players

European Parliament	Committee responsible	Rapporteur	Appointed
	DEVE Development and Cooperation		26/11/1997
		PSE ROCARD Michel	
	Committee for opinion	Rapporteur for opinion	Appointed
	AGRI Agriculture and Rural Development	The committee decided not to give an opinion.	
	BUDG Budgets		08/12/1997
		PSE COLOM I NAVAL Joan	
	ENVI Environment, Public Health and Consumer Protection	The committee decided not to give an opinion.	
	PECH Fisheries		
	FEMM Women's Rights		29/10/1997
		V VAN DIJK Nel B.M.	
Council of the European Union	Council configuration	Meeting	Date
	General Affairs	2078	30/03/1998
	Economic and Financial Affairs ECOFIN	2072	09/03/1998
	Development	2052	28/11/1997
	General Affairs	2041	10/11/1997

Key events			
29/10/1997	Non-legislative basic document published	COM(1997)0537	Summary
10/11/1997	Debate in Council	<u>2041</u>	
17/11/1997	Committee referral announced in Parliament		
28/11/1997	Debate in Council	2052	

25/02/1998	Vote in committee		Summary
25/02/1998	Committee report tabled for plenary	A4-0085/1998	
30/03/1998	Debate in Council	2078	
01/04/1998	Debate in Parliament	<b>W</b>	
01/04/1998	Decision by Parliament	T4-0199/1998	Summary
01/04/1998	End of procedure in Parliament		
04/05/1998	Final act published in Official Journal		

Technical information		
Procedure reference	1997/2259(COS)	
Procedure type	COS - Procedure on a strategy paper (historic)	
Procedure subtype	Commission strategy paper	
Legal basis	Rules of Procedure EP 142	
Stage reached in procedure	Procedure completed	
Committee dossier	DEVE/4/09460	

Documentation gateway				
Non-legislative basic document	COM(1997)0537	29/10/1997	EC	Summary
Committee report tabled for plenary, single reading	<u>A4-0085/1998</u> OJ C 138 04.05.1998, p. 0004	25/02/1998	EP	
Text adopted by Parliament, single reading	T4-0199/1998 OJ C 138 04.05.1998, p. 0079-0108	01/04/1998	EP	Summary

## EC/ACP agreement: new cooperation agreements with the African, Caribbean and Pacific States

OBJECTIVE: the communication has the aim of identifying the foundations for a new relationship with the ACP countries as a whole in the light of the results of the Green Paper on the future of relations between the Union and the ACP (COS0497). SUBSTANCE: The Commission observes that relations between the developing countries of Africa, the Caribbean and the Pacific (ACP) are entering a new phase, and presents a strategy document proposing a new vision of relations between the EU and the countries concerned, the key concept being partnership. The new guidelines proposed by the Commission are based on a five-pronged strategy: 1) giving the partnership a strong political dimension: this means greater selectiveness in managing Community cooperation, more effective and open dialogue and a new overall contract based on a shared political vision. The idea is to serve the objectives of peace and stability in the countries concerned and to make more resources available to prevent and resolve violent conflicts. Partnership will support the promotion of human rights and democratic principles, consolidating the rule of law and good governance. An enhanced policy dialogue will be initiated, bringing together economic, political, social and environmental aspects in an integrated vision. 2) making poverty alleviation the cornerstone of the new partnership: the problem of poverty will have to be tackled by means of an integrated approach, with simultaneous consideration for economic growth factors (development of local markets), regional integration and integration of the countries concerned into the international economy, on the one hand, and the social and environmental impact of growth, on the other hand. The development of private initiative will be an integral part of this approach, as will development of the social dimension with specific measures to develop employment, access to productive resources and to basic social services (health) and taking account of the specific needs of women. Generally and horizontally, development must take account of environmental imperatives and the development of the institutional dimension and of local capacity. 3) opening up cooperation to economic partnership: the idea is to conclude with the ACP regional or subregional economic cooperation and partnership agreements linked to the overall EU-ACP partnership agreement. These regionalized agreements will seek to develop close cooperation in all areas of economic and trading relations: compliance with technical, health and safety standards, basic labour rights, environmental measures, protection of investment and of intellectual property, services, competition and public contracts. They will also include preferential trade arrangements, with reciprocity gradually being introduced for ACP countries or groupings that want it. This new economic relationship will take account of the situation of each country and will therefore be implemented gradually (with particular attention to the least-developed countries (LLDCs), for which new market access arrangements will be laid down). 4) overhaul of financial and technical cooperation arrangements: the instruments made available are to be rationalized and simplified, with a gradual transition to direct aid to the budgets of the countries concerned. Conditions must be met for this, particularly the application by each country of the principle of responsibility for its own development. This new

system of resource allocation will be based not only on a clear assessment of the needs of each country but also on its own merits within a framework of rolling programming (i.e. less determined a priori). This new approach to financing will require more decentralized and effective management of cooperation. 5) introduction of considerable geographical differentiation: a regional dimension is to be applied to economic and trade cooperation, and cooperation is to be adjusted in the light of the realities and specific character of the various components of the ACP group, seeking the most appropriate level for dialogue and cooperation. In conclusion, the Commission proposes entering into a new overall agreement with the ACP countries, with differentiated procedures and agreements, which should be flexible and open enough to respond to new needs and opportunities. Negotiations are scheduled to begin in September 1998.?

### EC/ACP agreement: new cooperation agreements with the African, Caribbean and Pacific States

The Committee has adopted a report by Michel ROCARD (PES, F) setting out guidelines for negotiations on new agreements between the EU and the ACP countries. In general terms, the report welcomes the fact that the group of ACP countries are regarded as a political entity. It also approves of the introduction of geographical differentiation to reflect regional diversity and the increased role of regional cooperation and integration as factors in development. The future ACP-EU agreement must, says the committee, be a global agreement, reaffirming the partnership between the two sides on new foundations while strengthening democracy and human rights as well as establishing a parliamentary and political dialogue. The committee calls for ACP-EU cooperation to be made subject to new political conditions (respect for democratic principles and human rights) and based on an assessment of the efforts made by individual governments. At the request of the ACP countries, the future Convention is expected to provide for new procedures and funding arrangements, involving programmes for training judges and lawyers and support for independent media organisations. As regards peace-keeping and conflict prevention, the committee is in favour of technical support from the Union for regional security agreements. It calls for the establishment of regionalised mediation arrangements using regional monitoring units to keep track of ethnic, linguistic, economic, social and religious tensions. New partnership The report emphasises the value of an integrated approach to the elimination of poverty, the inclusion of gender issues and the carrying out of environmental impact assessments, as ways of meeting fundamental human needs such as access to clean water, education, health care and housing. It approves of the principle of regarding the grassroots economy as a key factor in development policy. To help combat poverty, it calls for the development of systems of micro-credits as well as the use of the latest technology and believes that publicity for local products should be encouraged. The Development Committee fears that the Commission's proposal to negotiate regional economic partnership agreements and free-trade agreements may be premature and result in increased poverty and greater social tension in the ACP states. However, it endorses the Commission's proposal to preserve existing Lomé preference arrangements for the least advanced ACP countries and calls for these arrangements to be extended to the ACP countries with vulnerable economies, in particular the small island states and countries whose exports consist chiefly of primary products. It believes that economic cooperation agreements, entailing moves towards reciprocity in trade, should be organised on a progressive basis, in support of the regional integration process and in step with it. However, the report argues that the EU should use all available means to ensure that non-reciprocal preferences, as well as the protocols, continue as instruments in development policy for as long as the intended objectives have not been achieved. It believes that the process of adaptation and integration of regional markets requires the present trade system (preferences, protocols and compensation for loss of export revenues) to be preserved for a suitable transition period which should, however, not exceed 10 years after the expiry of the Fourth ACP-EU Convention (Commissioner PINHEIRO proposes a 5-year period). The committee calls for the next Convention to incorporate the principle of updating the resources of the EDF, at least in proportion to the increased population of an enlarged EU. It also calls for funding to be provided for non-governmental operators.

### EC/ACP agreement: new cooperation agreements with the African, Caribbean and Pacific States

In adopting the report by Mr Michel ROCARD (PSE, F) on new cooperation agreements with the ACP countries by 454 votes to 24 with 30 abstentions, Parliament clarified the guidelines set out by the Commission in its communication and the principles which should guide and shape the future negotiations of agreements between the ACP and the Union. In general, it welcomed the recognition of the ACP group as a political entity and the introduction of geographical differentiation reflecting regional diversities and the increasing role of regional cooperation and integration as a factor for development. Trade liberalization and economic growth alone were not sufficient to reduce poverty and European development cooperation must recognize the need to guarantee the poorest people in the world access to and control over resources such as land and credit. Parliament considered that the new ACP-EU agreement should be a global agreement reasserting ACP-EU partnership on a new basis, strengthening democracy and respect for human rights and establishing parliamentary and political dialogue. -Political dimension: Parliament called for ACP-EU partnership to be subject to a new type of conditionality with respect for the principles of democracy and human rights and based on an evaluation of the efforts being undertaken by a government which favoured long-term sustainable development achieved through good governance and respect for human rights. At the request of the ACP, the Convention should provide for procedures and funding to support the strengthening of democracy (training of judges and lawyers, participation of women in political, economic and social decision-making processes, aid to establish and spread independent media, support for traditional forms of dispute resolution and justice, capacity-building, particularly at municipal level, etc.). It also called for a new dimension to cultural and political cooperation. With regard to the prevention of conflicts and consolidating peace, Parliament favoured EU technical support for regional security agreements and called for the setting up of regionalised mediation structures, in particular of regional listening posts to monitor ethnic, linguistic, economic, social or religious tensions. It called for the new EU-ACP Partnership Agreement to incorporate a ban on anti-personnel mines for all member countries, a time schedule for the removal of existing mines and a special fund to achieve the goal of a mine-free EU-ACP zone within a reasonable time frame. It suggested that the ACP countries, through the OAU, should themselves propose the criteria for security, limitation of military spending, respect for human rights and good governance, which should be the criteria for the non-misappropriation of aid, and failure to respect which could involve penalties. - New partnership with poverty alleviation as the cornerstone of Community policy: Parliament stressed the value of the integrated approach with regard to poverty eradication, gender mainstreaming and environmental impact assessments with the aim of ensuring that basic human needs such as access to clean water, basic education, primary health care and housing are met. It welcomed the inclusion of the popular economy as a key element of development policy. In order to eradicate poverty, it called for the development of a micro-credit system, use of leading-edge technologies (hygiene, waste treatment, use of local medical resources, etc.), support for advertising of local products and environmental regeneration. It stressed the need for decentralized cooperation with local authorities, economic and social operators, training bodies and non-governmental development aid structures. Special attention must be paid to the situation of children and population growth. - Economic partnership and the WTO: Parliament feared that the Commission's proposal to negotiate regional free trade economic partnership agreements might be premature and lead to increased poverty and social tension in the ACP countries. It could involve large adjustment costs for non-industrialized countries, such as lost government

revenue and damage to domestic industrial production, affecting in particular the poor and most vulnerable. It called in particular for a study on the impact on ACP States of the establishment of regional free trade areas or graduation into the Generalized System of Preferences. However it welcomed the Commission's proposal to maintain the current Lomé preferences for the least developed ACPs and called for their extension to cover vulnerable economies of the ACP group such as small island States and countries highly dependent on commodity exports. It asked the Commission and the Council to inform and consult the ACP countries on the impact of the Multilateral Agreement on Investment (MAI) before signing. It considered that this agreement in its present form threatened the right of governments, local communities and citizens to control democratically investment in their economies. It therefore called once again on the Fifteen not to sign the MAI and asked the governments of ACP countries not to apply to join this agreement as it stands. It considered that economic cooperation agreements which imply moving towards reciprocity in commercial matters should be implemented gradually in support of regional integration processes and in phase with them. Nevertheless it considered that the EU must use all possible means to have it recognized that non-reciprocal preferences and protocols were instruments of development until the stated objectives were achieved. It believed it essential to accompany the process of adaptation and integration of regional markets while maintaining the current trading system (preferences, product protocols, and compensation for export revenue losses) for an appropriate transitional period which would not however exceed 10 years following the expiry of the Fourth ACP-EU Convention (instead of five years). It stressed the need to make European Union development cooperation policy genuinely consistent with the Union's other policies, in particular the CAP, fisheries, trade, the environment, gender, policy on arms exports, etc. It considered that the balance of programmes and strategies must ensure that growth in domestic production, purchasing power and consumption were encouraged at least as much as exports. It recalled the importance it attached to scientific research in ACP countries and the protection of intellectual property in all these countries. Parliament also called for a study into the economic and financial implications of the entry into force of the euro for the ACP-EU cooperation partners and, in particular, into how it would link in with the CFA franc zone. -Budgetary aspects: Parliament called on the Commission to involve Parliament more closely in the annual estimates of EDF expenditure it draws up. It regretted that, with regard to the financial implications, the information on the new financial instruments remained incomplete. It considered that these instruments ought to provide the necessary guarantees that expenditure programming would be predictable and that the objectives would be realized on schedule. It called on the Commission to present a mechanism for phasing the EDF into the budget, a subject to which the European Parliament had frequently returned. With regard to ACP migrants in the Union, Parliament stressed that many specific experiences of aid to return home would open the way for a general policy of joint development and partnership, based on assistance provided for migrants responsible for productive-investment projects in their countries of origin. Training in development-related trades (agriculture, craft trades, etc.) devised in accordance with the country of origin, to which the person was returning, could be implemented in developed countries temporarily accepting these workers in order to facilitate their return and to help them contribute to development. - Financial and technical cooperation: Parliament called for the next Convention to establish the principle of an updating of EDF resources which was at least proportional to the demographic consequences of enlargement of the European Union to include new States. It called on the Fifteen to contribute 0.7% of their GNP to official development assistance. It regretted that the Commission had not upheld the principle of a financial envelope for non-governmental operators and called for such an envelope to be set up. It considered that priority should be given to programmes for the management of natural resources, both renewable and non-renewable, in accordance with the principles of renewable development. ?