

EC/CARIFORUM States Economic Partnership Agreement (EPA)

2008/0061(NLE) - 18/03/2008 - Preparatory document

PURPOSE: to propose the conclusion of an Economic Partnership Agreement (EPA) between the European Community and its Member States and the CARIFORUM States.

PROPOSED ACT: Council Decision.

CONTENT: the CARIFORUM EPA was negotiated in accordance with the objectives for EPAs set out in the Cotonou Agreement (the ACP-EC Partnership Agreement was signed in Cotonou on 23 June 2000 and revised in Luxembourg on 25 June 2005) and the negotiating directives for the Economic Partnership Agreements with ACP States adopted by Council on 12 June 2002.

Trade Agreement: negotiations were concluded by the initialling of the EPA on 16 December 2007 before the expiry of the trade regime set out in Annex V of the Cotonou Agreement on 31 December 2007 and the World Trade Organisation (WTO) waiver covering that trade regime.

As a result, all CARIFORUM States comprising:

- Antigua and Barbuda,
- The Commonwealth of the Bahamas,
- Barbados,
- Belize,
- The Commonwealth of Dominica,
- The Dominican Republic,
- Grenada,
- The Republic of Guyana,
- Haiti,
- Jamaica,
- Federation of Saint Kitts and Nevis,
- Saint Lucia,
- Saint Vincent and the Grenadines,
- The Republic of Suriname,
- The Republic of Trinidad and Tobago

were included in the list of countries in Annex 1 of the EPA Market Access Regulation adopted by Council on 20 December 2007 that have benefited from the Community market access offer made in the context of EPAs from 1 January 2008. Their inclusion on this list will become permanent following ratification of the EPA by all parties. This will ensure a single harmonised trade regime with the EU providing improved market access for all CARIFORUM States, including Haiti which is recognised as a Least Developed Country by the United Nations.

Free Trade Area and other areas of cooperation: the Caribbean EPA is the first comprehensive Economic Partnership Agreement to be concluded. It includes all the measures necessary to establish a Free Trade Area compatible with the provisions of Article XXIV of the GATT 1994. It also includes a Title on Services, Investment and E-commerce and the related schedules of commitments, which are compatible with the provisions of Article V of the GATS (General Agreement on Trade in Services).

The EPA also contains provisions on Customs and Trade Facilitation, Technical Barriers to Trade, Sanitary and Phytosanitary Measures, Agriculture and Fisheries, Current Payment and Capital Movements, Competition, Innovation and Intellectual Property, transparency in Public Procurement, dialogue on finance issues, transparency and best practices in the area of tax policy, as well as Environmental and Social Aspects. Sustainable development is further promoted through the involvement of civil society and parliamentarians in joint committees, and special consultation mechanisms.

Development Cooperation provisions: there are also Development Cooperation provisions setting out priority areas of action for the implementation of the EPA. Each individual substantive chapter of the Agreement includes specific areas of cooperation and a Development Cooperation declaration establishes the link with the EU Aid for Trade strategy and recalls the Commission's and Member States' intention to contribute to a regional development fund.

Institutional and monitoring provisions: the institutional provisions include a Joint CARIFORUM-EC Council ("Joint Council") to supervise the implementation of the EPA. The Joint Council shall be composed of representatives of the CARIFORUM States as well as members of the Council and of the Commission. The Joint Council will be assisted by a CARIFORUM-EC Trade and Development Committee.

The EPA includes provision to establish comprehensive monitoring of the impact of the EPA. This will be supported by the provision for a CARIFORUM-EC Parliamentary Committee to provide a forum for members of the European Parliament and the CARIFORUM States legislatures. A CARIFORUM-EC Consultative Committee will furthermore assist the Joint Council to promote dialogue and cooperation between civil society representatives.

Provisional application: pending the entry into force of the EPA, the Agreement foresees the provisional application of the Agreement.

It should also be noted that the European Parliament will be called upon to give its assent to the conclusion of the EPA.

