Resolution on the Interim Economic Partnership Agreement between the EC and the Eastern and Southern African States

2009/2542(RSP) - 25/03/2009 - Text adopted by Parliament, single reading

Following the debate which took place during the sitting of 23 March 2009, the European Parliament adopted by 501 votes to 114 with 18 abstentions a resolution on the Interim agreement establishing a framework for an Economic Partnership Agreement (EPA) between Eastern and Southern Africa States (ESA) on the one part and the EC and its Member States on the other part. The resolution was tabled on behalf of the Committee on International Trade.

Parliament reaffirms its view that, if appropriately designed and accompanied by effective development-oriented policies, EPAs represent an opportunity to revitalise ACP-EU trading relations, promote ACP economic development and diversification, as well as regional integration, and reduce poverty in the ACP countries. However, EPAs cannot be regarded as satisfactory unless they achieve three objectives: offering the ACP countries support for sustainable development, promoting their participation in world trade and strengthening the regionalisation process. One key aim of this agreement is to contribute, through development goals, poverty reduction and respect for fundamental human rights, to achieving the MDGs.

Members call on the Commission to ensure that, if this is the ESA region's wish, it is able to renegotiate any provisions on the contentious issues that it wishes to amend or withdraw. They point out that there is a huge imbalance between the economies of EU and ESA countries which can never be bridged, even partially, by free-trade policies alone. The ACP countries are urged to further the process of liberalisation, and encourage the extension of such reforms beyond trade in goods, to also increase the liberalisation of trade in services.

Parliament calls for the following:

- the EU to provide increased assistance both to the authorities in the ACP and to the private sector in order to facilitate the transition of the economies following the signing of the IEPA and to ensure that measures are taken to protect vulnerable groups (elderly people, people with disabilities, single mothers) during the economic transition period;
- the Commission and Member States to clarify the actual distribution of funds throughout the ACP region stemming from the pledged priority spending within the increased Aid for Trade budget;
- an early determination and provision of the share of the Aid for Trade resources;
- the West African Region receive an equitable share of the commitment to increase the EU's collective trade-related assistance to EUR 2 billion (2 000 000 000) annually by 2010 (EUR 1 billion from the Community, EUR 1 billion from the Member States);
- the relevant countries to provide transparent information about the economic and political situation and development in these countries in order to improve cooperation with the Union;
- the negotiators of any full EPA to account fully for the transparent management of natural resources and to outline the best practices necessary in order that the ACP countries make the maximum gains from such resources, including combating potential money laundering;
- any agreements between the Union and countries of the ESA region not to contradict each other or impede regional integration in this wider region;
- transparent monitoring mechanisms to follow the impact of EPAs, with a comprehensive review of the interim EPA with ESA not later than five years after the date of signature regarding its socioeconomic impact;
- the Commission to promote the crucial role of ACP parliaments and non-state actors in the ongoing negotiation procedures;
- the ACP must put forward, with appropriate EU assistance where required, detailed proposals of why additional EPA-related funds are needed;
- the Commission to do its utmost to restart the negotiations on the DDA and ensure that the trade liberalisation agreements continue to promote development in poor countries;
- on the chapter on trade defence with, both parties should avoid unnecessary use of bilateral safeguards and the Commission should accept, with a view to concluding a comprehensive EPA, a revision of the safeguards contained in the interim EPA in order to guarantee quick utilisation provided that the criteria for their application are met;
- the full EPA should encourage processed exports with simpler and improved rules of origin, particularly in key sectors such as textiles and agriculture;
- the Commission not to put overambitious pressure on the ESA region to accept liberalisation by the end of 2009 and in this regard to take into consideration the ESA Parliament's views;
- both parties to adhere to their agreed commitment to conclude negotiations on competition and government procurement, taking into account the capacity of ESA countries;
- the negotiating parties to include binding arrangements regarding public procurement, investment and competition which could boost interest in doing business with, and investing in, the ESA countries;

Parliament insists that it must be fully involved during the transitional negotiating process, through an active informal trialogue with the Council and the Commission.

Lastly, Members encourage the Commission to address the so-called 'contentious issues', such as trade coverage of the agreement, the MFN clause, export taxes, safeguards and rules of origin, in the context of the negotiations on a full regional EPA, in a manner that will be in the interest of the EU and its citizens and will support sustainable development in the EU and the ACP countries.

This resolution should be read in parallel with the ESA Agreement which is the subject of a separate assent procedure (see AVC/2008/0251).