

Towards a new partnership between the EU and the ACP countries after 2020

CONCORD position

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Setting the scene

When signed in 2000, the Cotonou agreement (CPA) was seen as an innovative agreement. However, implementation of the principles and commitments entered into via the agreement has been unequal and a lot has happened over the past 15 years. These changes and their impact on the implementation of the CPA should be taken into account when discussing future ACP – EU relations.

Of central importance for future ACP-EU relations are the new Sustainable Development Goals (SDGs), as outlined in the 2030 Agenda for Sustainable Development which was adopted by all UN Member States in September 2015. Although the SDGs build on their predecessors - the Millennium Development Goals (MDGs) -, they go much further: they apply to all countries and thus to all ACP-EU countries; they integrate all four dimensions of sustainable development (social, economic, environmental and governance); and they aim to leave no one behind.

In addition to a new geopolitical reality, peace, security, migration and the fight against terrorism and organised crime are getting greater attention from policymakers. Furthermore, both ACP and EU countries face increasing climate change and environment-related challenges, as well as growing inequalities due to the unsustainable and inequitable use and management of natural resources. This undermines a sustainable and inclusive development process, especially for LDCs and SIDs. Last but not least, the intended economic integration of ACP countries in world markets has not shown the positive results which were anticipated. With the stalling of negotiations under the WTOs, growing numbers of bilateral trade agreements are producing unforeseen impacts on the economy of ACP countries.

ACP – EU Cooperation after 2020?

Given the considerable changes in the international context since 2000 and the universal responsibilities borne out of the new 2030 Agenda for Sustainable Development, the relations between ACP and EU countries must adapt to this new reality.

1. Overarching principles

No matter what form ACP-EU relations take after 2020, several overarching principles must be respected. These include new principles, but also existing principles in the CPA in need of adaptation to fit today's international context.

The future partnership between ACP and EU countries must be framed in the context of the **2030 Agenda for Sustainable Development** and should contribute to its implementation at all levels. It should support a development model that is people and planet-centered, addresses all dimensions of sustainable development and respects human rights; a path that meets the needs of today without limiting opportunities available to future generations. The SDGs address global challenges in an integrated manner and provide a great opportunity for multi-stakeholder approaches to tackle them jointly, moving away from a donor-recipient relationship.

The CPA promotes equality **of partners** and this should be kept. Although this principle did not always work in practice, with the EU acting as the dominant partner due to the economic gap between the two parties and the donor-recipient character of their partnership, the principle should be maintained **and reinforced** in future ACP – EU relations. This is also in line with the need for full ownership of the partnership as well as the universal and inclusive nature of Agenda 2030.

Civil society (CS) should always be recognized as an official actor of cooperation (art. 6 CPA) and should be recognized in all its forms and diversity. CS organisations can act as both service providers and governance actors and, as such, must participate in political dialogue at all different levels of the partnership, including in the area of development and trade cooperation. However, despite the provisions of the CPA, specific mechanisms for CS participation at these different levels were never defined, leading to CS cooperation and involvement on an ad hoc basis. This situation concerns CS participation both within and outside the institutional framework of the partnership, including in programming processes. Future ACP-EU relations should therefore continue recognizing CS as a key actor, while also putting into place specific implementation mechanisms and sufficient resources to ensure the effective involvement of CS in all levels of EU and ACP dialogue. CSOs should be involved at every stage of the process, i.e. designing implementation strategies, governance and accountability mechanisms, reviewing and negotiating budgets, drafting new or revising existing policies, legislative acts, instruments and programmes.

The protection of **human rights** should be at the core of future ACP-EU relations. Indeed the respect for human rights, including fundamental social rights, democracy based on the rule of law and transparent and accountable governance, are qualified as an integral part of

sustainable development in article 9 of the CPA, and should thus be integrated in the next ACP-EU framework. This includes amongst others the systematic and consistent protection and promotion of human rights' at all levels of the political dialogue. Particular attention should thereby be given to marginalised groups, including children and youth, women, persons with disabilities, minorities.

Policy Coherence for Development (PCD) is currently addressed in article 12 of the CPA. In line with Agenda 2030, the next ACP-EU cooperation framework should be guided by this principle as it is an important mechanism to improve the delivery of sustainable development in all its dimensions and to promote and protect human rights. This means the EU must consider the impact of all its policies on the achievement of sustainable development in and by other countries. At present however, implementation of this principle is weak. Examples of incoherencies include financing for development and concurrent illicit financial flows, as well as incoherencies within specific sectors such as food and nutrition security, trade and climate change. More political commitment towards increased coherence is therefore required from the EU institutions and Member States to improve the situation in developing countries, and more evaluations need to be done to insure better results regarding PCD.

Future EU-ACP decision-making, negotiations and cooperation should be underpinned by **solid and transparent mechanisms of accountability** allowing citizens and their elected representatives to play their role in public monitoring and scrutiny. The role of national parliaments, the European Parliament and joint parliamentary bodies should be strengthened in the governance and accountability mechanisms of the next ACP-EU framework. More information should be made available through public media and dedicated means to enable citizens to assess, at their level and in their own environment, the outcome and impact of political, economic and development cooperation between EU and ACP countries. Possible binding elements of the agreement and PCSD should be subject to regular review, eg. scrutiny by Parliaments and Court of auditors, and grievance and remedy mechanisms should be put in place to address violations, in particular when human rights, justice and rule of law are at risk. Moreover, the EU should also conduct impact assessments and regular monitoring in order to formulate recommendations about policy changes that prevent and or remedy problems and incoherence.

2. Implementation of the principles in a number of thematic areas

All the above-mentioned principles must be implemented in all areas of future ACP – EU cooperation, including in relation to economic and trade cooperation, human and social development, and migration.

As set out in articles 34 and 35 of the CPA, it is essential to ensure that the next ACP-EU framework sets out clear objectives, principles and conditions for **economic and trade cooperation**. Trade and economic cooperation should **aim to achieve sustainable development as set forth in Agenda 2030**, promoting a new balance between state and market, with the state taking more responsibility to prevent and redress market failures in the social, environmental and economic domains. Trade cooperation with ACP countries must prioritise regional integration within ACP countries and their region. It must also take into account the economic choice of ACP countries; their institutional, fiscal and productive capacities which they need to build before any trade liberalisation kicks in; and the inclusion of development benchmarks in EU-ACP trade agreements so that trade liberalisation is synched to the development process of ACP countries. This was not the case with the EPA Linking inclusive economic development with decent work and social protection floors is a prerequisite to eradicating extreme poverty while leaving no one behind, especially given that higher levels of economic output do not automatically generate more and higher quality jobs, and thus do not necessarily contribute to transforming economies and reducing inequalities.

In the area of private sector cooperation, the new relations should strongly support small-scale producers and farmers in ACP countries. It is important to focus on the sustainability of the private sector (in agriculture and other areas), to foster decent work and to secure an enabling environment for micro, small and medium-size enterprises (MSMEs). When the EU uses ODA to support the development of the private sector or to leverage private finance, for example via its blending facilities and Public-Private Partnerships (PPP), it is of utmost importance to apply strict criteria and to put in place fair, independent and transparent selection processes which abide by the principles of development effectiveness, in particular ownership, mutual accountability and transparency. Private sector support should be based on the Busan commitments and should at all times respect the UN Guiding principles on Business and Human Rights. The EU should also be bold and put forward clear steps and initiatives to address the responsibility of its private sector companies operating in ACP countries, ensuring they adopt sustainable, equitable and responsible practices all throughout their supply chains.

Contrarily to the CPA, which restricts **human and social development** to economic progress, future ACP – EU relations should use a broader definition of development in line with Agenda 2030: development should be people-centered, going beyond poverty reduction to include a focus on equality, empowerment and human rights. In practice this means that the EU should encourage partner countries to adopt non-discriminatory and pro-poor budgets, and that the EU should support monitoring and evaluation of Human development, including through the collection of disaggregated data. This would also mean recovering support to basic social sectors, such as health and education, whose budgets have decreased over the years. Finally, the only way to ensure human development is by consulting targeted communities and by putting them at the centre of processes aiming at lifting them out of poverty. Consulting

communities in a participatory manner is the only way to target development sectors that adequately match existing needs. CSOs play an essential role in bringing community voices to decision-makers. This approach reinforces evidence-based needs assessments, ensuring that policy recommendations and public policies and programmes are both people-centred and based on a sense of ownership and shared responsibility among communities and all levels of government.

Another principle enshrined in the 2030 Agenda is the need to **respect planetary boundaries**. EU-ACP cooperation should shift away from the current economic and exploitative model of GDP growth, to one that recognises the need to address climate change and to protect and sustainably manage natural resources, water and the environment, and one that endorses the multiple dimensions of poverty, recognising that environmental degradation and climate change threaten livelihoods, access to resources, health and wellbeing. Such a shift implies addressing Europe's development model and footprint which is so dependent on natural resources, including forests, fish, productive land and agricultural commodities.

The CPA deals with **migration** in a rather limited way. There is a rather narrow focus on legal residents, migrants legally employed in the EU and ACP countries, and returns and readmissions of migrants. However, the current international context shows that migration is a multi-dimensional reality which requires coherent and comprehensive responses. International cooperation to ensure safe, orderly and regular migration involving full respect for human rights and the human treatment of refugees and displaced persons should be stimulated. All of this should be fully in line with the recently-adopted 2030 Agenda for Sustainable Development and efforts should be made to ensure that EU development instruments serving the EU-ACP partnership are not diverted to pursue military objectives. Furthermore with South-South migration becoming an increasingly important factor in the economic and social development of many developing countries, the ACP and the EU should strengthen their future cooperation on this issue. The intra-ACP envelope of the EDF had previously attempted to address some of these challenges, but this proved to be insufficient.

3. Tools for cooperation

The ACP – EU partnership seems to have lost considerable influence in terms of its **political relevance**. The political dialogue, which is an important pillar of the CPA, is seen by ACP CS as rather EU-dominated and there are several other mechanisms outside the CPA that are playing this role of dialogue fora, for example the EU-AU dialogue under the Joint Africa – EU Strategy. Furthermore, although civil society participation in the political dialogue is enshrined in the CPA, it is far from meeting expectations. Political dialogue should definitely be kept in future EU-ACP relations, but its scope should be decided by the two parties depending on the level at which the dialogue is taking place, and it should complement other dialogue mechanisms. For

the different aspects and levels of the political and policy dialogue, it will be important for both parties to identify and engage the actors that have the legitimacy to participate and can be made accountable for the commitments and decisions taken. Meaningful involvement of Civil Society in the dialogue at all levels must be ensured.

Currently the **European Development Fund** is dedicated to support the ACP – EU partnership. We support the existence of an instrument which is tailor-made for ACP countries, but this instrument should also be harmonized with other existing EU funding instruments and be subject to parliamentary scrutiny. Whether the EDF will be budgetised in the future or not, its key principles should be safeguarded. This means that the integrity of funds should be ensured; and that the principles of the CPA (equality of the partners and ownership of development strategies, participation, role of dialogue etc.) should always apply.

With regards to the **allocation of resources**, it seems fair to focus on fragile states, LDCs and SIDs. When discussing the allocation of resources, it is essential however to go beyond GDP as a key proxy for sustainable and inclusive growth. GDP fails to measure existing inequalities, vulnerabilities and the value of natural capital and related externalities. Therefore it does not provide a clear picture of the environmental, human and social situation in the country concerned. Such an approach will always neglect the most marginalised and poorest in society and fail to address the growing inequalities within countries. Moreover, the current environmental and climate challenges put an additional burden on poor populations and additional funds are needed to deal with their immediate and future impacts.

Decisions on **country differentiation** should not be taken solely on the basis of GDP criteria. Furthermore, should certain ACP countries be upgraded, it is essential that the overall level of ODA for ACP countries is kept and that the countries to be graduated are subject to a transition phase. Moreover, with regards to the specific case of fragile states, there is a need to develop a proper strategy to support institutional strengthening and develop adequate answers to address crisis situations, including the protection of civil society.

Even though there is a co-management system to ensure ownership by partner countries, the EU is still the dominating partner because of the donor-recipient nature of the partnership. This has an impact on the effectiveness of the **joint institutions**. This situation has been aggravated by the low involvement and lack of interest of officials from both Parties and the limited political weight of decisions taken by the institutions. In addition, although the involvement of Civil Society in the joint institutions is legally embedded in the CPA, it could be much higher. All future joint institutions should foresee proper mechanisms for accountability and participation, in order to ensure that ACP and EU civil society can channel their opinions and concerns. Additionally, institutions should be equipped with adequate expertise and resources. This would also enhance the transparency of the institutions, which is currently of concern. Moreover, whatever format the revised partnership takes, the established institutions need to

be legitimate in their representation of the 79 ACP countries, even if these are subject to regionalisation.

The lack of available and adequate information about the different options for the revised partnership does not enable this position paper to include specific recommendations in this regard.

CONCLUSION

Progress has been made under the ACP-EU partnership, but not enough to promote sustainable development. Future relations between ACP and EU countries should hence reflect the following:

- Be framed in the context of the recently adopted 2030 Agenda for Sustainable Development: country ownership should be ensured in a democratic and inclusive way, and no longer from a donor-recipient perspective. This implies a people-centered approach ensuring CS participation.
- ACP countries remain a heterogeneous group. Therefore the new agreement should leave the option to countries to join or not.
- PCSD needs to be further promoted, as a key mechanism to improve the delivery of sustainable development and to protect human rights and the rule of law in developing countries. This should be done through consistent political dialogue and concrete accountability mechanisms including possibility for grievance and remedy with the involvement of civil society.
- Tools for cooperation should be reinforced and adapted to the current reality: political dialogue should continue and multi-stakeholder participation should be encouraged, paying special attention towards ensuring sufficient resources and transparent processes.
- Critical issues linked to migration, security and trade policy should not condition cooperation between both parties.
- The post-Cotonou framework should not contain commitments to negotiate free trade and/or investment agreements with calendars or deadlines as in the CPA. ACP countries should be free to decide when and how they would enter into any trade and investment negotiations with the EU, provided that these would not undermine their efforts towards regional integration.
- CSO participation is essential and must be promoted for all of the above reasons: this principle should be enshrined in the next agreement and sufficient implementation modalities must be foreseen; otherwise the overarching principles of ownership, participation and equality will not be guaranteed.