



Cotonou Infokit

History and Evolution of ACP-EU Cooperation

The Cotonou Agreement builds on different generations of cooperation between an expanding ACP group and an evolving European Community. Here, we show how ACP-EU cooperation has changed over time.

ACP-EEC Cooperation dates back to the Treaty of Rome that established the European Economic Community (EEC) in 1957. In it, the signatories expressed solidarity with the colonies and overseas countries and territories and committed themselves to contribute to their prosperity.

The first association of ACP and the EEC countries took shape through the so-called Yaoundé I (1963-69) and Yaoundé II (1969-75) agreements, named after the city where they were signed. The lion's share of the resources then went to French-speaking Africa to build infrastructure in the wake of decolonisation. Economic cooperation was the leitmotiv.

EEC membership by the United Kingdom in 1973 led to the signing of the wider Lomé I agreement between 46 ACP countries and then 9 EEC member states (1975-80) and the effective creation of the ACP group. The formation of the ACP (Georgetown Agreement) came about as a result of a number of common interests (sugar), but principally because the Caribbean and Pacific contingent wanted to take advantage of the bargaining power of Africa, which was then quite considerable.

The first Lomé Convention was very much a child of its time. It reflected the relative geopolitical power of ACP countries in the context of the Cold War, the oil crisis and the prevailing

ideological debate on a 'new international economic order.' Reviewed and updated every five years, successive Lomé Conventions represented the world's largest financial and political framework for North-South cooperation.

The Culture of Lomé

The Lomé Convention has long been considered as a highly innovative model of international cooperation. In many ways, it acted as a pilot scheme for other forms of cooperation. Some of the original features included:

Equal partnership. Partnership was the cornerstone of the first Lomé Convention. It gave ACP countries the responsibility for their own development by entrusting them with a lead role in managing Lomé resources, with the EU playing a supportive role only. This concept of partnership, together with the principles of dialogue, contractuality and predictability, add up to the so-called 'Lomé culture'.

Aid and trade. Lomé cooperation provided predictable aid flows over a five year period as well as non-reciprocal trade benefits (including unlimited entry to the EEC market for almost 99 per cent of industrial goods and many other products).

Commodities. Lomé I introduced the so-called Stabex scheme to help stabilise export receipts on a wide number of agricultural products such as cocoa, coffee, groundnuts, and tea. Lomé II created a similar mechanism (Sysmin) for countries that were heavily dependent on mineral resources and suffered export losses.

Protocols. The EU also agreed separate trading protocols on sugar, beef and veal, bananas, and rum. The banana protocol, for instance, gave duty-free entry to the EU market for specific quota of bananas and has been a lifeline for many small Caribbean states. Under the sugar protocol, the Community buys a fixed quantity of sugar each year from ACP producers at guaranteed prices, higher than world prices. This preference helped in the economic development of certain ACP states - Mauritius, Fiji, Guyana and Barbados.

Mutual obligations. The negotiated nature of the Lomé partnership made it possible to break new ground on sensitive matters. Lomé IV became the first development agreement to incorporate a human rights clause (article 5). It also contained a contractual agreement on structural adjustment, making it the first international text negotiated on this subject.

Joint administration. A unique feature of Lomé cooperation is dialogue and joint administration of its content. A set of joint institutions ensures a permanent dialogue.

Pressures on Lomé

While continuity was a key feature of successive Lomé Conventions, the nature of ACP-EU cooperation changed quite profoundly, particularly after 1990. The special relationship with the ACP came under growing pressure as a result of:

Dwindling common interests. When the first Lomé Convention was signed, there were strong historical ties and perceived mutual interdependencies between Europe and the ACP. This no longer holds true. The ACP countries are currently low on the EU's priority list in terms of geopolitical, economic and security concerns.

Politics. The first three Conventions were primarily concerned with economic cooperation. Europe adopted a neutral stance in political affairs. The democratisation wave that swept across the developing world at the end of the Cold War led to a growing 'politicisation' of ACP-EU cooperation. Respect for human rights, democratic principles and the rule of law became 'essential elements', whose violation could lead to partial or total suspension of development aid. While these changes reflected legitimate EU concerns to ensure a proper use of taxpayer's money, many ACP countries feel that in the process, the principle of 'equal partnership' has been eroded and replaced by conditionalities.

Trade liberalisation. Also the Lomé trade régime was increasingly challenged for reasons of both effectiveness and political acceptability. Despite preferential access to EU markets, ACP export performance has deteriorated over the last two decades (its share of the EU market declined from 6,7% in 1976 to 3% in 1998). Diversification away from traditional products also remained very limited (60% of total exports are concentrated in only 10 products). In addition to this, the Lomé trade provisions were seen to be 'incompatible' with the new international rules agreed through the World Trade Organisation (WTO). The battles around the banana regime are a case in point.

Complexity and questionable impact. On paper, the Lomé Convention may have been the finest and most complete framework for North-South cooperation. In practice, however, it evolved into a very complex tool, with too many objectives, instruments and procedures. The result was often reflected in long delays, bureaucratisation, reduced efficiency and questionable development impact.

Towards Cotonou

With such a range of pressures on the Lomé partnership, the EC took the initiative in 1996 to launch a broad-based consultation process on the future of ACP-EU cooperation. This process led to the so-called 'Green paper' (1996) and set the scene for the negotiations of a successor agreement (1998-2000).

From the outset of the negotiating process, it became clear that the new round would not be business as usual. From an EU perspective, the imperatives were to apply greater aid selectivity and differentiation in the treatment of ACP countries; to link aid and performance; to make the trade régime 'compatible' with the requirements of the WTO; to ensure a closer involvement of civil society, the private sector and the economic and social actors, as well as to rationalise Lomé cooperation instruments.

Evidently, this agenda caused major worries among the ACP countries. They feared a further marginalisation in the EU's geopolitical and aid priorities, increased interference and conditionalities, and most importantly, the loss of preferential access to EU markets.

Negotiations formally started in September 1998 and were concluded in February 2000. A new Partnership Agreement was signed in Cotonou in June 2000.