

## Doha suspended: what's at stake for the ACP countries?

The eyes of all those who are interested in multilateral trade negotiations were focussed on Geneva in July. On Monday 24 July, Pascal Lamy, the Director-General of the World Trade Organisation (WTO), reported that all efforts to unlock the Doha Round of talks had failed. 'There are no winners and losers in this assembly. Today, there are only losers,' he said, using words that were echoed around the globe by policy-makers, businesspeople, farmers, NGO leaders and the press.

It was a case of brinkmanship taken to the extreme. In the event, the remaining members of the WTO found themselves hamstrung by the intransigence of the big players. Peter Mandelson, the EU's trade commissioner, suggested that the members should salvage those elements that were particularly relevant to the Least Developed Countries (LDCs), as the commitment in Doha in 2001 was to make it a Development Round. This means offering duty-free, quota-free market access to LDCs; delivering on past promises made about aid-for-trade; and improving coherence between trade and development policy.

So what does the suspension of talks mean for the ACP countries? Despite the general sense of let-down, a number of ACP countries also breathed a sigh of

relief. Some of them even regard the collapse of the talks as the lesser of two evils, providing as it does a welcome opportunity for them to define more sharply what they see as essential in a development round, what their offensive interests are in these multilateral negotiations, their priorities in terms of market access, technical assistance, aid-for-trade, etc. Besides giving them an opportunity to redefine their market access objectives, this period could also allow them to take a fresh look at the rules that determine how multilateral trade is governed and what exceptions should be permitted to allow developing countries the latitude they need in order to stimulate their economic growth.

Some ACP actors see the failure of the talks as an opportunity to be more ambitious in pushing the EU to sign Economic Partnership Agreements (EPAs) that are genuinely development-oriented trade agreements. Others take a more cautious line, as the EU is keen to sign agreements with other regional blocks and developing countries that wield more economic clout than the respective ACP regions. For this reason, the EU might not be willing to take a flexible, innovative approach to its dealings with the ACP countries, as this could set precedents for other free trade agreements.

The Cotonou Partnership Agreement refers explicitly to the need for EPAs to be compatible with WTO rules. The thinking at the time was that EPAs would build upon the outcome of multilateral negotiations. However, the time lines are now crossed. The question is: will the EU and the ACP countries use this as an opportunity to think outside the box and sign trade agreements that genuinely foster development, *de facto* setting new standards for making the rules of multilateral trade more development-friendly?

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**ECDPM Annual Report 2005**  
The year 2005 marked the completion of the first five-year cycle of the Cotonou Partnership Agreement. The Annual Report 2005 gives insights on how ECDPM responded during 2005. [www.ecdpm.org/aros](http://www.ecdpm.org/aros)

# Helping to translate local-government participation into practice

## Interview with Lala Elisa Rafamatanantsoa

Since November 2004, Lala Elisa Rafamatanantsoa has been the Brussels-based coordinator of the ACP Local Government Platform, an umbrella organisation of local government associations. We asked her to tell us about the challenges facing the Platform at a time when local governments are gaining prominence in ACP-EU cooperation.

### Can you tell us first of all why the Platform was created?

"The initial push came from regional organisations of local governments in Africa, back in the late 1990s. They were frustrated that local governments were not consulted during the negotiation of the successor agreement to the Lomé Convention, despite the increasingly important role that they were playing in the development process. This was why plans were laid for building an alliance to promote the integration of local governments - as fully-fledged partners with a distinct identity - into ACP-EU cooperation. Regional associations from the Caribbean and the Pacific joined the club at a later stage, and the ACP Local Government Platform was formally launched in 2001."

### What are the Platform's main roles and activities?

"From the outset, the Platform was conceived as an apex organisation that would operate in accordance with the principle of subsidiarity. In other words, the Platform is not there to do jobs that can better be done by its members, i.e. regional and national local-government associations. Hence the focus on ACP-EU cooperation (as existing local government associations did not concern themselves with the Cotonou Partnership Agreement) and on the Brussels-based institutions, so as to complement advocacy efforts at national and regional levels.

As regards its actual activities, basically, the Platform does three main things. First, it seeks to defend the interests of local govern-

ments vis-à-vis key ACP-EU institutions at a global level. Second, it collects and disseminates information on ACP-EU cooperation strategies, funding opportunities, new policy trends, and so on. Third, it seeks to build the capacity of its members to take part in ACP-EU cooperation. This is quite a demanding agenda to pursue and the Platform was fortunate to obtain strategic funding - seed money if you wish - from Britain's Department for International Development (DFID) in 2004 to create a small secretariat in Brussels with a full-time coordinator."

### Has the Platform been able to gain credibility and legitimacy?

"I believe so. With hindsight, governments have made a quantum leap forward since the end of the 1990s, by officially recognising the critical role that local governments can play in achieving key development objectives such as poverty reduction, the Millennium Development Goals, conflict prevention and sustainable development. At the same time, both the Cotonou Partnership Agreement and EU policy documents still contain a striking 'policy deficit' on the relationship with local governments. In practice, however, local governments are increasingly considered as partners in dialogue and cooperation processes. The Platform has helped to push for such changes. In the process, we have gained credibility, mainly by delivering concrete products. For instance, in 2005 we performed the first ever survey on local government participation in ACP-EU cooperation. We are now working on a 'user's guide to the Cotonou Partnership Agreement' for our members, in addition to organising regional seminars on the same topic. The Platform's legitimacy rests on the mandate it receives from its members, i.e. representative national and regional associations, and on ACP-EU institutions formally recognising its role as an 'interlocutor'. The task in the years to come will be to strengthen both sources of legitimacy, by consolidating links with members and by



Elisa Rafamatanantsoa

improving the Platform's capacity for dialogue and advocacy."

### What sort of challenges lie ahead?

"I see three main challenges ahead of us. First, there is a need to translate the new opportunities for local government participation into the day-to-day practicalities of ACP-EU cooperation. It is not yet clear how exactly local governments can participate in the programming process, for example, and how they can obtain access to funding. Second, further investments will need to be made in capacity development if local governments are to be genuine 'actors' in ACP-EU cooperation. The official parties have been responsive to this and have agreed to set aside 6.6 million euros from all-ACP funds for regional initiatives in support of local government capacity-building. Finally, local governments face the challenge of building constructive partnerships with central governments and civil-society actors. All too often, local governments are

*(Continued on page 4)*



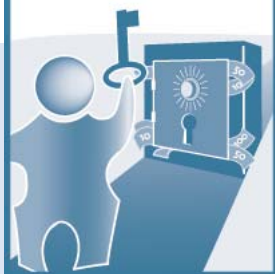
[www.acplgp.net/news](http://www.acplgp.net/news)

# ACP-EC cooperation in practice

## Facts and stories

Hard facts and stories on four aspects of ACP-EC cooperation: money, politics, policies and the EU.

### Where does ACP-EC money go?



One of the main actions underpinning the EU's Strategy for Africa is the Partnership on Infrastructure. It aims to secure the interconnectivity of the African continent and its regions.

The Partnership encompasses the trans-border regional and national infrastructure in the widest sense: transport networks, the water and energy infrastructure as well as telecommunication networks.

The Partnership will be supported by a new EU Infrastructure Trust Fund for Africa, set up in conjunction with the European Investment Bank. The Fund's grant income will be provided by the EU (i.e. 60 million from the 9th EDF). The first batch of projects should be ready for approval at the end of 2006.

### What policy debates are taking place?

The European Commission is rethinking its strategy for the Pacific region, in consultation with the countries involved. The new strategy will be based on the Cotonou Partnership Agreement and will revolve around the following points:

- peace and stability,
- the management of natural resources,
- the prevention of natural disasters,
- the attainment of the Millennium Development Goals,
- political dialogue,
- conflict prevention.

Emphasis will be given to remedying the causes of weaknesses in the regions. Extra resources may be needed to meet obligations in relation to regional cooperation.

The EU is also reviewing its strategy for promoting democratic reform abroad, with Members of the European Parliament and campaign groups pressing for a US-style system that would reduce the constraints on funding opposition groups.

### Where is Europe going?

Europe is keen to strengthen the development of the private sector in Africa and to encourage European investors to be more active on the continent. To this end, it is planning to organise the first EU-Africa Business Forum in November 2006. One of the main ideas behind the Forum is to give businesses an opportunity to help shape EU cooperation policies. The Forum may become an annual event, modelled on existing forums for dialogue between the private sectors in Europe, Asia and Latin America.

On-line discussions have already started at <http://www.acpbusinessclimate.org/forum>



### What's new in the political arena?

In June, the three EU institutions reached a political agreement on the new financial instruments for external relations for 2007-13. The financial instruments include cooperation

and development, economic cooperation, European Neighbourhood and Partnership Policy, aid for stability and pre-accession. The European Parliament has added an additional instrument on human rights. The instrument for development cooperation and economic cooperation has a budget of 15.1 bn for 2007-13. The three other instruments are for the European Partnership and Neighbourhood programme ( 10.5 bn over seven years), a pre-accession instrument ( 10.2 million) and a stability instrument for dealing with crises and instability in non-EU countries ( 2.5 bn). The Development Cooperation Instrument is still under negotiation, and should be finalised by October 2006.

(Continued from page 3, interview with Lala Elisa Rafamatanantsoa)

perceived as 'competitors' rather than as allies in pursuing pressing development challenges. The EU's new financial instrument for non-state actors and local governments is a case in point. The NGO

community is nervous about sharing this budget line with local governments. Yet at the end of the day, development progress depends on the effective mobilisation of all actors. It's time to join forces and to build

synergies (using our respective comparative advantages) rather than to fight rearguard battles."

## EVENTS

The **Thematic Evaluation of EC Support for Good Governance**, in which ECDPM took part, has now been published:  
[http://ec.europa.eu/comm/europeaid/evaluation/document\\_index/2006/884\\_docs.htm](http://ec.europa.eu/comm/europeaid/evaluation/document_index/2006/884_docs.htm)

Building on the Evaluation's conclusions and recommendations, the European Commission wants to take the opportunity to start discussing **future EU support for governance** with a wide range of actors. A seminar is being held to discuss this point on 18 September.  
[www.dgroups.org/groups/CoOL/docs/GG-EC\\_Evaluation-Restitution\\_Seminar\\_180906.doc?ois=no](http://www.dgroups.org/groups/CoOL/docs/GG-EC_Evaluation-Restitution_Seminar_180906.doc?ois=no)

18-24 November 2006: The 12th session of the **ACP-EU Joint Parliamentary Assembly (JPA)** will be held in Barbados.

## READINGS

2006 *Annual Report* on the European Community's Development Policy and the Implementation of External Assistance in 2005:  
<http://register.consilium.europa.eu/pdf/en/06/st10/st10875.en06.pdf>

The *EU's Directorate-General for Development* has been restructured. The new organisational chart has now been posted on the following website:  
[www.dgroups.org/groups/CoOL/docs/EC\\_DG\\_DEV\\_Organigramme\\_010806.pdf?ois=no](http://www.dgroups.org/groups/CoOL/docs/EC_DG_DEV_Organigramme_010806.pdf?ois=no)

The *EU 2006 Atlas maps donor assistance* provided by the European Union. It contains

maps of both the sources and recipients of donor aid, as well as development indicators and trade and migration flows illustrating this aid. [http://ec.europa.eu/comm/development/body/publications/docs/eu\\_donor\\_atlas\\_2006.pdf#zoom=100](http://ec.europa.eu/comm/development/body/publications/docs/eu_donor_atlas_2006.pdf#zoom=100)

### *Three-Cs.net*

The Heads of Evaluation for External Cooperation of the EU Member States and the European Commission have initiated a series of joint evaluation studies with a view: (1) To explore and assess the role played by the Maastricht Treaty precepts of coordination, complementarity and coherence (3Cs) in the EU's development co-operation policies and operations; and (2) to determine how far these have been applied in practice and with what impact. In June this year, a public website was launched which gives access to the six final reports from the 3Cs evaluation initiative and is a key electronic resource on coordination, complementarity and coherence for development. Furthermore, it features relevant news and events. [www.three-cs.net](http://www.three-cs.net)

### *EU-Africa e-alert*

This e-alert provides actors interested in the implementation of the new EU Strategy towards Africa with relevant information and analysis on the decisions and processes that will have an impact on the implementation of the strategy. It is part of a project funded by the European Commission and implemented by ECORYS, aiming at reinforcing the coordination, complementarity and coherence (the "three Cs") of EU action towards Africa. The first EU-Africa e-alert, launched and sent in August to 2300 stakeholders, primarily focused on the EU and AU levels ([www.ecdpm.org/eu-africa-alert](http://www.ecdpm.org/eu-africa-alert)). Please do not hesitate to send interesting

links and articles which can contribute to enriching this e-alert, in particular by African partners who can contribute to the AU news section and provide an African perspective on the follow up of the EU Strategy towards Africa. Contact: [europafrika.e-alert@ecdpm.org](mailto:europafrika.e-alert@ecdpm.org)

### *ECDPM InBrief serie on FTAs*

Two ECDPM InBriefs on the Rules of Origin ([www.ecdpm.org/inbrief6i](http://www.ecdpm.org/inbrief6i)) and Fisheries ([www.ecdpm.org/inbrief6j](http://www.ecdpm.org/inbrief6j)) of the series 'Comparing EU free trade agreements' are available in both electronic and hard copy format. Each InBrief provides a synthesis of various chapters of the ten free trade agreements (FTAs) recently concluded by the European Union with developing countries, as well as other relevant trade agreements when appropriate. [www.ecdpm.org/ftainbriefs](http://www.ecdpm.org/ftainbriefs)

### *Changing aid modalities in Tanzania*

The year 2005 will enter the history books as the year in which the donor community again committed itself to increasing the volume of development aid and in which donors pledged to transform the ways in which aid is planned, delivered and evaluated. One of the documents in which donors have joined with partner countries in committing themselves to this transformation is the 2005 Paris Declaration. This Brief takes a look at the way in which these changes are currently being made in Tanzania. [www.ecdpm.org/pmb17](http://www.ecdpm.org/pmb17)

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'InfoCotonou' highlights key debates, activities and events related to the implementation of the Cotonou Partnership Agreement, an agreement between the African, Caribbean and Pacific (ACP) countries on the one hand, and the European Union (EU) on the other. ACP-EC actors are encouraged to share their opinions, reports and other resources on ACP-EC cooperation. The ECDPM is a non-partisan organisation that seeks to facilitate international cooperation between the ACP and the EC. Information may be reproduced as long as the source is quoted.

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