

Discussion Paper

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The Future of ACP-EU Relations Beyond 2020

**An update of my personal
reflections**

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Never abandon an established policy that can be overhauled unless you have devised a better, politically feasible alternative!

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2015 is the year when thorough preparations should start regarding the future of relations between the African, Caribbean and Pacific (ACP) group of countries and the European Union (EU) post-2020.

A lot of thinking on this subject has already taken place, but more in think tanks than in the relevant administrations and political fora.

The ACP seems at this stage further advanced in their preparatory work than the European side. The EU seems to have waited for the new political actors (new European parliamentarians, new High Representative/VP, new Development Commissioner etc.) to be in place to organise some systematic reflection on this issue.

1. The present ACP position

As the ACP are in advance, it is important to analyse their position as it emerges from the Report of Ambassadorial Working Group on the Future Perspectives of the ACP Group of States and from the Progress Report of the Eminent Persons Group dedicated to the same subject (both December 2014).

Although focused on the future of the ACP Group and its internal organisation – more than on future ACP-EU relations – their position is clear enough to be seriously taken into account by the EU:

- The ACP Group will stay united (“remain as an entity”), considering its economic and cultural diversity and its transcontinental dimension as enriching assets;
- As a consequence, possible regionalisation is seen as a real danger of fragmenting the Group;
- While stressing the model character and the uniqueness of their partnership with the EU, the ACP strive for more autonomy and less dependence on what is perceived as a too exclusive relationship;
- They would like the Group to have a *raison d’être* even outside of their relations with the EU and, at least, to feel free to diversify their partnerships beyond their long-standing relationship with the EU;
- There is a clear call for more financial self-reliance of the Group, at least for the functioning of its secretariat and institutions;
- Although the recent ACP documents do not yet deal with precise orientations for their post-2020 relations with the EU, it seems evident for them that they have to prepare for launching the negotiations on what they call a “Revised Cotonou Agreement” or a “new post-Cotonou partnership accord”.

My advice to the ACP Group would be to remain anchored in their partnership with the EU and to build from there a diversified network with other partners.

2. What should be the EU position?

2.1. The EU interest to maintain a structured relationship with the ACP

As the ACP clearly state that they will remain united as a Group, it does not seem conceivable that the EU would attempt to dismantle them. This is all the more so, as it was the challenge of negotiating in 1973/75 a fair deal (“Lomé”) with the European Economic Community (EEC) that was at the origin of the formation of this grouping of initially 46 ACP countries.

The EU has a clear political and economic interest to maintain a structured relationship with an intercontinental group of now 79 ACP countries. The African component of the Group –all sub-Saharan States are members of the present agreement– presents a specific interest for Europe: given the growing attraction exerted by the African continent and the harsh competition with new actors, in particular emerging countries, the EU should do its best to maintain an active presence on the neighbouring continent. The same is true for political and security reasons (Sahel, Horn of Africa...).

There is nothing wrong with the ACP striving for more autonomy and for more geographic diversification of their partnerships. The EU must understand that the ACP do not feel comfortable with an exclusive dependence on their relations with Europe. This should not be interpreted as the ACP turning their back on the EU!

2.2. with a legally binding agreement

If the EU wants to maintain a structured cooperation partnership with the ACP, this must be based on a legally binding agreement. Experience shows that strategies, partnerships, even “strategic partnerships” alone are by no means equivalent alternatives. They are useful political statements, but they can remain empty shells as partners are not legally committed.

The political and economic landscape has changed so much since the outset of EU’s relations with the ACP that some may think that one should re-write an agreement from scratch. There again, on the basis of some decades of experience, I must warn against such an approach. The EU-ACP relationship has shown since Lomé I (1975) an enormous capacity for adaptation, evolution and innovation. Each negotiation (Lomé II, III, IV, Cotonou) took account of new developments in the EU, in ACP States and on the global scene. The same would be true for post-2020 negotiations. Conversely, negotiating a new agreement would be a politically risky, very time-consuming exercise which would almost certainly end up with the loss of important elements of the Lomé/Cotonou “acquis”.

2.3. innovative, building on the “acquis”

A first step should be to establish an inventory of the “acquis”, listing all the elements which have given concrete positive contents to the present Cotonou Agreement (such as legally binding rules, joint institutions, guaranteed financial allocation, joint financial management, information / consultation of the partners concerning emerging legislation which could affect their interests...) and which are mostly not part of other cooperation agreements concluded by the EU.

A second step should be to identify the necessary changes and innovations by going through the Cotonou Agreement, chapter by chapter, with a view to determining:

- what has worked well and therefore should be maintained or strengthened;
- what has not worked and should therefore either be dropped if deemed superfluous or revitalised if considered “untapped potential”;
- what should be fundamentally changed;
- which new elements/dimensions should be added.

A large space should be dedicated to identifying innovations beyond the existing text.

2.4. substantially amending the existing text

On this basis negotiations should be organised, taking the present text as starting point and adapting it by amendments, introducing all necessary changes and innovations while saving the “acquis”.

Negotiators should be encouraged to go beyond a simple revision of Cotonou and work for a completely overhauled, substantively modernised and very profoundly revised agreement (just like the Lisbon Treaty took up by amendments to the existing treaty the main elements of the failed Constitution).

3. What could be some basic features of the future agreement?

It should set out in a first part principles and objectives shared by all partners, including values and interests, and of course, global issues. Among the basic orientations, special mention should be made of regionalisation and differentiation.

3.1. Regionalisation

According to the principle of subsidiarity only subjects of interest to all partners should be dealt with at the ACP-EU top level. For reasons of consistency, this should also include common rules governing operational aspects of cooperation (e.g. joint management), whilst operational cooperation proper should move as much as possible to the regional level. Due to the approach on Economic Partnership Agreements (EPAs), regionalisation is already largely valid for trade and economic cooperation. It could also be applied to other forms of operational cooperation.

Regionalisation could be framed in sub-agreements or, possibly, in strategies within the overall agreement. In this perspective, EPAs should become an integral part of any future agreement. Keeping all stipulations under a common umbrella would show to ACP partners that regionalisation is not meant to dismantle the Group but, on the contrary, to consolidate its regional building blocks.

It would have to be decided whether this regionalisation would mean dealing with 3 (A-C-P) or with 6 (4A-C-P) subregions; the latter following the EPA scheme.

3.2. Differentiation

How to take into account the heterogeneity of a transcontinental group of 79 countries? Regionalisation would cover part of this concern. One should indeed try to determine for each subregion the appropriate “cooperation mix” drawing on all available instruments, including trade, aid, and private investment. But even within subregions; cooperation arrangements - in particular the utilisation of financial instruments - could vary according to the different partners’ level of development and their respective needs. The ACP would certainly accept for example that grant aid should be targeted on the poorer members of the Group and could be phased out vis-à-vis the better-off countries, replaced towards the latter by other forms of cooperation.

3.3. Budgetisation of the European Development Fund (EDF)

Running the EDF alongside the EU budget has represented an anomaly since Lomé I. The reasons for leaving the EDF outside the budget were different at different moments of EU-ACP history. Contrary to a widespread opinion, it was never considered as normality, let alone a privilege! The problem will emerge again in the view of the 2020 deadline. I see no reason to fight against budgetisation (which would, by the way, spare ratification by all EU Member States), provided that the financial allocation for a 5 or 7 year period remained legally binding. It seems to me that a firmly allocated global amount could also be “ring-fenced” within the budget (as were, for example, the financial protocols of the first generation of Euro-Mediterranean (MED) agreements).

3.4. Globalisation

As the international development discourse is now firmly focused on “Sustainable Development Goals” (SDGs) - post-2015 Millennium Development Goals (MDGs) -, the question arises how the future ACP-EU relationship will fit into this new global framework. Clearly, the global approach does not replace North-South relations like the ACP-EU partnership. The first objective of the EU-ACP cooperation has indeed been and will remain the development of the ACP countries. But North-South relationships – together with South-South, East-South, BRICS-South and triangular relations – should become components / dimensions of the broader global approach.

As a consequence, first of all, future ACP-EU cooperation should be consistent with, be framed by, and contribute to the GDGs. Furthermore, the ACP-EU cooperation experience should as an enrichment be brought into the global framework. Moreover, the EU and the ACP should regularly exchange their views and experience on global issues and, as much as possible, define and defend common positions in international fora (this will not always be easy given the objective differences of EU and ACP interests).

3.5. ACP versus “whole of Africa” approach?

ACP-EU relations are sometimes presented as an obstacle to African continental integration. Some would like to replace them by an EU-African Union (AU) partnership.

In this respect, it should be recalled in the first place that Lomé/Cotonou has made a significant positive impact on African integration as it brought together the whole of sub-Saharan Africa (in the beginning without South Africa, during the apartheid period), the first initiative since their

independence to negotiate together an operational cooperation agreement with an external partner, the EU (Lomé: 1975). Meanwhile, this relationship has made a concrete contribution to structuring and consolidating subregional groupings in Africa, which are becoming the building blocks of continental integration. In this respect, North Africa is a problem area: there is almost a complete lack of regional integration among North African countries; this is indeed the least integrated region of the continent. And yet, subregional cooperation should be the first step towards pan-African initiatives. North African fragmentation is the reason why the EU had to conclude bilateral agreements with the individual countries. Pending change and progress in this respect, we have to live with this split, help to build bridges between North and sub-Saharan Africa (e.g. with the Pan-African Programme) and to sustain the AU (e.g. with the African Peace Facility).

The ACP and the “whole of Africa” approaches should become complementary (not competing) and even lead to a certain division of labour.

In any future agreement, just like in the revised Cotonou Agreement (2010), there should be bridges (“passerelles”) which bring the AU closely into the EU-ACP relationship as a partner in political dialogue, as the key player in peace building and conflict prevention, as a beneficiary of EDF finance.

Conversely, compared with the ACP who have their institutional machinery on the spot and their longstanding negotiation experience with the EU, the AU would have neither a mandate to negotiate on behalf of all their Member States a comprehensive cooperation agreement, nor the organisational capacity for such a negotiation. At any rate, negotiating with a new partner a completely new agreement would entail all the risks mentioned above, in particular a loss of main elements of the “acquis”, the danger of being downgraded to the level of other cooperation agreements concluded by the EU or even ending up in some “JAES plus” (Joint Africa Europe Strategy, 2007).

In consequence, the AU is not an alternative to the ACP.

About ECDPM

ECDPM was established in 1986 as an independent foundation to improve European cooperation with the group of African, Caribbean and Pacific countries (ACP). Its main goal today is to broker effective partnerships between the European Union and the developing world, especially Africa. ECDPM promotes inclusive forms of development and cooperates with public and private sector organisations to better manage international relations. It also supports the reform of policies and institutions in both Europe and the developing world. One of ECDPM's key strengths is its extensive network of relations in developing countries, including emerging economies. Among its partners are multilateral institutions, international centres of excellence and a broad range of state and non-state organisations.

Thematic priorities

ECDPM organises its work around four themes:

- Reconciling values and interests in the external action of the EU and other international players
- Promoting economic governance and trade for inclusive and sustainable growth
- Supporting societal dynamics of change related to democracy and governance in developing countries, particularly Africa
- Addressing food security as a global public good through information and support to regional integration, markets and agriculture

Approach

ECDPM is a “think and do tank”. It links policies and practice using a mix of roles and methods. ECDPM organises and facilitates policy dialogues, provides tailor-made analysis and advice, participates in South-North networks and does policy-oriented research with partners from the South.

ECDPM also assists with the implementation of policies and has a strong track record in evaluating policy impact. ECDPM's activities are largely designed to support institutions in the developing world to define their own agendas. ECDPM brings a frank and independent perspective to its activities, entering partnerships with an open mind and a clear focus on results.

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