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ACP-EU Relations beyond 2020: Exploring European Perceptions

Summary

The Cotonou Partnership Agreement (CPA), which governs relations between the African, Caribbean and Pacific (ACP) group and the European Union (EU), will expire in the year 2020.

While the three pillars of this framework addressing political dialogue, development cooperation and trade are generally considered to have served their purpose well, there are clear signs that significant changes within the ACP group, the EU and the wider international landscape demand a different articulation of the relationship.

A tacit understanding among Europeans is that the ball is in the ACP's corner in terms of defining and determining their own future as a group and its relationship *vis-à-vis* the EU as such. However, a momentum needs to be built for the coming 2015 revision of the Cotonou Agreement with a view to a plausible post-2020 scenario, in which the EU also needs to set out its own desires and priorities in giving shape to the cooperation. In previous years the EU Member States increasingly "outsourced" the management of the partnership to the European Commission, but there is a gradually growing recognition that the CPA is presently the principal functioning vehicle guiding EU-Africa relations.

European perceptions on the future of the Cotonou Agreement point to two sets of arguments, namely:

Reasons to do away with the ACP-EU partnership:

–! Weak rationale to keep a common framework with these very different regions, combined with weak evidence of the development of an ACP identity or intra-ACP trade;

–! Decreasing relevance of ex-colonial ties, particularly in the context of an enlarged EU, but also more generally of the agreement's strong focus on official development assistance;

–! Poor track record in shaping joint positions and interventions at international fora.

Elements in the partnership deemed worth preserving:

–! Legally binding nature that favours political dialogue as well as predictability and strategy ownership in development cooperation;

–! A relatively strong performance of the European Development Fund (EDF) compared to other EU development cooperation instruments, combined with its multi-stakeholder approach to the design and management of development strategies;

–! Potential alliance for global public goods provision.

Despite the fact that there is not yet an official position from the EU nor its Member States on what should happen after the CPA expires, European actors (European Commission, European Parliament, Member States) seem to be inclined to move towards a more regional approach of the Union's external relations while maintaining the valuable aspects of the present setup. While the EU's declining strategic interest in the Caribbean – and especially the Pacific – is no secret, too rejectionist a stance towards the cooperation framework by EU Member States could seriously harm the promotion of their values and interests in Africa.

The EU would currently seem most inclined to preserve key elements of the CPA in a "light version" of the current ACP-EU agreement, by transferring those elements into separate EU regional strategies towards Africa, the Caribbean and the Pacific, or a combination of both. European policy discussions on this matter are also long overdue, given that the preparations for the third revision of the CPA in 2015 will be a key "warming-up session" for the negotiations for post-2020. The EPA negotiations have seriously and negatively affected ACP-EU relations in the recent past and could also harm the EU's own position and trade with Africa in the medium- to long term if continued in the same manner.

Questioning a long-standing relationship

With its upcoming expiration in 2020, the Cotonou Partnership Agreement, which regulates the relationship between the Africa, Caribbean and Pacific group of countries and the European Union, is in need of rethinking. Although it is too early to have consolidated official positions on the future of ACP-EU relations and of the CPA beyond 2020, stakeholders are entering, in the coming months and years, a crucial stage of internal debate and negotiating on possible scenarios.

Ever since the signing of the Treaty of Rome in 1953, which "associated" the Overseas Countries and Territories to the European Economic Community, the EU has had a formal and privileged cooperation framework for its relationship with countries in Africa, the Caribbean and the Pacific. The ACP group, which its members created in 1972, today includes 80 countries, and since 2000 its cooperation with the EU is governed through the Cotonou Partnership Agreement. The new agreement builds upon the spirit and *acquis* of the previous Lomé conventions and lasts until 2020. At the core of the agreement lies the objective of "*reducing and eventually eradicating poverty, consistent with the objectives of sustainable development and the gradual integration of the ACP countries into the world economy*" (Art. 1). To reach this ultimate goal, the CPA focusses on three complimentary dimensions: political dialogue, economic and trade cooperation, and development cooperation. This unique configuration makes the CPA the most comprehensive North-South partnership, all the more because it involves both state- and non-state actors.

Currently, European circles display a combination of a moderately positive assessment and apparent signs of disinterest in the status quo of the relationship. Despite the high ambitions of the partnership and the comprehensive and legally binding nature of the CPA, current European perceptions coincide that key aspects of the partnership have been underused in the past 12 years of implementation and progress is generally deemed to have been made slowly. It is thought the partnership has also been influential in giving direction to the EU's overall development policy and its cooperation with other regions, as well as containing elements such as joint-programming and joint-accountability structures that represent a Paris Declaration on Aid Effectiveness *avant la lettre*.

Changes within the EU itself, and particularly the latest enlargement rounds, have been reflected in the increasing geopolitical priority given to the Eastern European Neighbourhood, while current developments in the Arab world have attracted increased attention. The EU's shift to more regional or continental approaches in dealing with the ACP's individual components – Africa, the Caribbean and the Pacific – and the ongoing negotiations on Economic Partnership Agreements for most ACP regions further urge stakeholders to reflect on how post-2020 ACP-EU relations may look. Meanwhile, discussions are ongoing on a new "deadline" for the completion of the negotiations on Economic Partnership Agreements, which have seriously strained ACP-EU relations recently. A continued dogmatic and inflexible management of these negotiations by the EU – in stark contrast to more pragmatic approaches to economic cooperation with Africa, as practiced by the United States and emerging countries – is not in the interest of either side of the partnership.

EU perceptions on the ACP-EU framework

There is a growing awareness about possible future changes in the privileged relationship on both sides of the partnership. On the side of the EU, a joint informal working group has been created by the European External Action Service and the European Commission (through its Directorate General Development and Cooperation – EuropeAid) to reflect on prospects for future cooperation. Interviews conducted with European officials allow us to identify a number of critical issues on which consensus seems to be emerging.

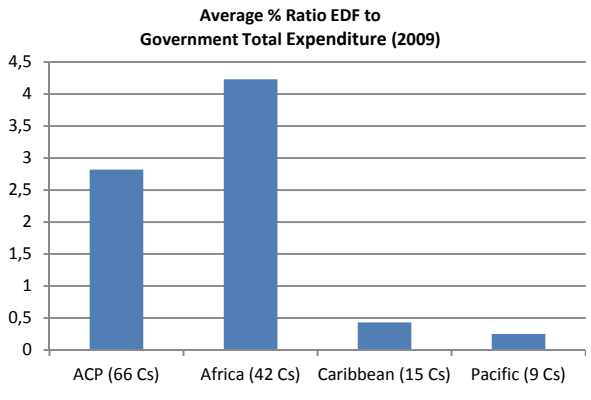
Reasons for EU stakeholders not to extend the Cotonou Agreement beyond 2020:

ACP / CPA rationale. European stakeholders tend to perceive the ACP as a rather loose grouping of countries that no longer has the same relevance nor presents common interests when compared to the past. Many interlocutors from Member States that joined the EU in the past decades perceive the framework as a historical relic. The prevalent view sees little evidence of a so-called ACP identity, or of common interests within the group – apart from a shared reliance on resources from the EDF and trade preferences (notably the Everything But Arms policy). The three regional components of the agreement, namely Africa, the Caribbean and the Pacific, are often considered too divergent to be effectively addressed through one and the same framework. The changing global landscape, the growing role of BRICS in ACP countries and the recent growth performance of resource-rich African countries have amplified these differences. The widespread belief is that intra-ACP cooperation has been poor, precisely because of these divergences in economic assets and interests.

Development cooperation. There is a widespread sense within the EU that working with the ACP group is no longer the best way to address current challenges in development politics. Whereas the overall narrative in development cooperation is moving away from a rationale based on the mere provision of official development assistance, work within the ACP framework is generally deemed to remain constrained by a donor-recipient reasoning. This is increasingly being brought into question, given the economic growth currently being experienced by many countries within the ACP. Therefore, there is a widespread perception among European officials that in ACP capitals, the CPA is viewed basically as a channel to secure funding. Accordingly, the perception exists that the current ACP actors would be willing to accept a different framework, provided it secures similar advantages. Some EU interlocutors expect that Brussels-based ACP actors would oppose any real change to the ACP-EU partnership if there were not enough guarantees to maintain a similarly privileged treatment by the EU. In reality, however, EDF funds do not account in general for a large proportion of ACP governments' expenditure, as shown in Figure 1, which compares EDF disbursements in 2009 to available ACP government expenditure. The figure shows that EDF funds are particularly low in the Caribbean and Pacific regions, where this

ratio is 0.43 per cent and 0.25 per cent, respectively. Whereas for the ACP on average the ratio is 2.8 per cent, in Africa EDF funds represent on average 4.23 per cent, or 5.22 per cent when only countries with direct EDF disbursement different from zero are considered.

Figure 1: 2009 EDF disbursements as a percentage of government expenditures (countries (=Cs) with missing data excluded)



Sources: European Commission; IMF World Economic Outlook Database; own calculations.

Joint institutions. Concerning the ACP and joint ACP-EU institutions, EU stakeholders overall express critical views about the Centre for the Development of Enterprise, whereas the Technical Centre for Agricultural and Rural Development is more positively assessed as regards its role in information provision and cross-fertilisation on agricultural issues – albeit with a limited reach. The Joint Parliamentary Assembly (JPA) is looked upon ambivalently. On the one hand, European officials generally believe it to be a useful forum to strengthen political dialogue while promoting parliamentary values of democratic scrutiny and oversight. Also, the ACP-EU Joint Parliamentary Assembly is deemed to play a key democratic role in scrutinising regional and country strategies as they are discussed within the assembly – although with no follow-up, theoretically allowing for ACP national MPs to be part of the debate and bring it to their own parliaments. Nevertheless, while recognising that the impact of the JPA is hard to assess, many also question whether one could maintain an expensive and time-consuming structure such as the JPA for the sole purpose of interesting discussions, especially in view of the rather low attendance levels by MEPs. In this regard, European Parliament officials are an exception, as they tend to deem the role of the JPA very positively.

Elements of the partnership that EU stakeholders consider to be worth preserving:

Legal nature and political dialogue. Concerning other elements of the approach to cooperation that may be considered worth preserving, EU actors almost unanimously agree that the legally binding nature of the partnership is the most valuable aspect of the CPA and that this should be preserved in any future configuration of ACP-EU relations. Compared to other development instruments, this is where its possible added value lays. To EU policy makers, the legal framework of the Cotonou Agreement is often the first thing they reach for when dealing with an ACP country. However, there is the view among some EU officials with experience in delegations and embassies that both political dialogue and development cooperation in partner countries did not depend on their legal framework and would remain unaffected were the legal character of the framework to disappear. In this regard, the existence of fruitful political dialogues with a number of non-ACP countries and of failed ones with signatories of the Cotonou Agreement would appear to substantiate this notion. Political dialogue on key areas such as migration, human rights, democracy, the rule of law and good governance are among the other elements of an *acquis* that is generally perceived as worth preserving.

Strong development cooperation track record. A quite extended understanding among EU officials is that the CPA could potentially facilitate a higher degree of ownership and a stronger spirit of partnership due to its contractual nature and the need for mutual agreement between the EU and ACP on issues such as sanctions or strategies. Additionally, many consider the EDF as a useful instrument for the Commission to work with because it allows stable and predictable funding – an important factor for the effective and efficient use of aid resources. Yet others voice their frustration at what they see as a negative effect of this, namely the power yielded by partner countries' authorities in the selection of projects and programmes, which is often conducive to inefficient allocation and a barrier to further collaboration with local civil society organisations. Overall, ownership by and joint programming with partner countries, although seen as positive in their purpose, seem to pose significant challenges in practice, mostly due to the complex and hierarchical procedures of the EDF.

Global public goods provision. A point that is recurrent among EU stakeholders is that if the ACP were to be able to come together and agree with the EU on issues of global public goods provision in international forums, then the CPA would have an added value for the EU, given the ACP's large number of votes. However, the general perception seems to be that this is highly unlikely, as past experience has shown very limited cooperation in this regard. In fact, it is often pointed out that in such international meetings, the EU and ACP positions were more often than not contradictory. An exception is, however, the recent United Nations Conference on Sustainable Development held in Rio de Janeiro in June 2012 (Rio+20), where the ACP group and the EU presented a common proposal that happened to be negotiated a week earlier during their joint ministerial meeting in Vanuatu.

Civil society involvement. The Cotonou Working Group of the European NGO Confederation for Relief and Development also stresses that the agreement is matched nowhere in terms of its fundamental principles and spirit of cooperation. The Working Group further stresses the danger of marginalisation of Cotonou and particularly pleads for a better use of the agreement's 12th Article, which allows the ACP to enter into dialogue on EU policies that may affect their development.

Looking ahead: What future for ACP-EU cooperation?

There is growing consensus among EU stakeholders that post-2020 "business as usual" is untenable. The predominant feeling among European actors is that neither Cotonou nor, possibly, the ACP (African, Caribbean and Pacific) group itself would continue to exist in their current format after 2020. In general, a shift from the ACP-EU framework towards individual regional partnerships is envisaged as a natural and likely way forward. This option was also one of several scenarios explored in a study commissioned by the ACP Secretariat and funded by the United Nations Development Programme, but other scenarios that argued for a consolidation of the ACP group were reportedly preferred by the ACP Secretariat staff and ACP ambassadors.

Whereas EU views appear to show a preference for the regionalisation scenario, whereby key elements of Cotonou's *acquis* would be transposed to partnerships with Africa, the Caribbean and the Pacific, they generally emphasise one key caveat, namely that the legal character of the political dialogue and development finance is safeguarded, something which may not be straightforward. It would appear there is also a consensus that such an outcome is only feasible after 2020, although – as per the agreement's provisions – it should be discussed and reached before that year.

Recommendations

While it is too early to have consolidated views on post-2020 ACP-EU cooperation, there seems to be considerable consensus about the need to critically assess the added value of the CPA in view of its expiry and possible revision in 2015. Such an assessment would require considerable time and investment and would have to start soon. The overarching issue in this revision would be the objective to move ACP-EU cooperation beyond the traditional donor-recipient relationship. EU stakeholders find that preserving the status quo is not an option after 2020, and in view of wider discussions on the future of development cooperation after 2015, it is now up to both parties to define what elements of the partnership they deem to be most valuable and worth preserving. This requires a detailed and evidence-based reflection on past results and the potential of the partnership before jumping straight into discussing specific scenarios. The ball is thus in both camps, and if the EU takes its privileged partner seriously, it will facilitate – and more actively participate in – further reflections on the topic during the coming months.

Literature

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