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Towards Renewal or Oblivion?

Prospects for Post-2020 Cooperation
between the European Union and the
Africa, Caribbean and Pacific Group

Mario Negre

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Bonn, May 2013

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Abbreviations

ACP	Africa, the Caribbean and the Pacific
AU	African Union
BITI	ACP Bank for International Trade and Investment
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (Federal Ministry for Economic Cooperation and Development)
BRICS	Brazil, Russia, India, China, South Africa
BS	Budget Support
CAP	Common Agricultural Policy
CARICOM	Caribbean Community
CARIFORUM	Forum of the Caribbean Group of ACP States
CDE	Centre for the Development of Enterprise
COMESA	Common Market for Eastern and Southern Africa
CPA	Cotonou Partnership Agreement
CSO	civil society organisation
CTA	Technical Centre for Agricultural and Rural Cooperation
DCI	Development Cooperation Instrument
DfID	Department for International Development, United Kingdom
DIE	Deutsches Institut für Entwicklungspolitik / German Development Institute
DSW	Deutsche Stiftung Weltbevölkerung (German Foundation for World Population)
EBA	Everything But Arms
EC	European Commission
ECDPM	European Centre for Development Policy Management
ECOWAS	Economic Community of West African States
EDF	European Development Fund
EEAS	European External Action Service
EEC	European Economic Community
EP	European Parliament
EPA	Economic Partnership Agreement
EU	European Union
G-77	Group of 77
GNI	Gross National Income
GSP	Generalised Systems of Preferences
HQ	headquarter
IROCC	Inter-Regional Organisations Committee
JAES	Joint Africa–EU Strategy
JPA	Joint Parliamentary Assembly
LDC	least-developed country
LIC	low-income country
LMIC	low- or middle-income country
MEP	Member of the European Parliament
MFF	Multiannual Financial Framework
MIC	middle-income country
MP	Member of Parliament
MS	Member State

NSA	non-state actor
OCT	Overseas Countries and Territories
ODA	Official Development Assistance
PASOC	Programme d'Appui à la Structuration de la Société Civile (Strengthening of Civil Society Support Programme)
REC	Regional Economic Community
RIO	Regional Integration Organisation
SACU	Southern African Customs Union
SADC	Southern African Development Community
SG	Secretary General
SME	small and medium-sized enterprises
TDCA	Trade Development and Cooperation Agreement
UMIC	upper-middle-income country
WMD	weapons of mass destruction
WTO	World Trade Organization

Summary

One of Europe's most remarkable external achievements is a comprehensive and legally binding international cooperation agreement that unites more than half of the world's nation states. Signed in Benin in 2000, the Cotonou Partnership Agreement (CPA, commonly referred to as the 'Cotonou Agreement' or just 'Cotonou') intends to intensify the long-standing cooperation in politics, trade and development between the European Union (EU) and the countries of Africa, the Caribbean and the Pacific (ACP). This collaboration has led to the creation and evolution of unique institutions that facilitate ACP–EU cooperation among public officials, members of Parliament, and many other partnership actors.

The changing global context, along with institutional, political and socioeconomic developments in the EU and the ACP, raise questions about whether this approach to cooperation has sufficiently delivered on its objectives, and which evolutions – or revolutions – may be necessary for these regions' future cooperation. In recent years, various studies have examined this topic, mostly focusing on the Brussels-based ACP and EU representatives who manage and shape the cooperation. This paper seeks to complement existing evidence with the findings of a detailed review of the literature and the perceptions of past, present and future ACP–EU cooperation gathered from a wide range of stakeholders in ten ACP countries. With the CPA's current cooperation framework scheduled to expire in 2020 it seems both warranted and timely to capture such perceptions for use in discussions about the future.

The analysis presented here is based on information collected in a structured survey of literature and semi-structured interviews with ACP officials in Brussels, as well as with a large variety of stakeholders in ten ACP countries – Botswana, Cameroon, Ethiopia, Ghana, Guyana, Nigeria, Suriname, Tanzania, Trinidad and Tobago and Zambia.

Low levels of awareness of and support for ACP–EU cooperation in ACP countries

Since the 1953 signing of the Treaty of Rome, which 'associated' the Overseas Countries and Territories (OCT) with the European Economic Community (EEC), a formal and privileged cooperation framework has structured Europe's relationship with countries in Africa, the Caribbean and the Pacific. Created by its members in 1972, the ACP Group includes 79 countries – 48 in sub-Saharan Africa, 16 in the Caribbean and 15 in the Pacific. Since 2000, ACP–EU cooperation has been governed by the Cotonou Partnership Agreement (CPA).

After the CPA expires in 2020, European actors seem to prefer taking a more regional approach to the EU's external relations – while maintaining the CPA's valuable aspects. It is no secret that the EU's strategic interest in the Pacific, and to some extent, also in the Caribbean, is waning. However, EU Member States' repudiation of the CPA could seriously impact promotion of their values and interests – especially in Africa, where the Joint Africa–EU Strategy (JAES) is not viewed as a viable alternative to drive cooperation.

While the ACP's official representatives in Brussels staunchly support continuing the Cotonou Partnership Agreement as well as upgrading the ACP Group's international profile, relevant stakeholders in ACP countries are much less enthusiastic. Field visits identified five key reasons for this discrepancy:

First, there seems to be considerable 'social disconnect' between the structures and the inner circles of the staff that implement the Cotonou Agreement, the Brussels-based ACP actors and the ACP societies. ACP stakeholders from government, civil society, the private sector, international organisations and academia generally do not understand the Cotonou's scope and reach. This is

because CPA signatories largely outsourced management of the Agreement to a select group of international experts, officials and representatives, including the ACP Secretariat and their diplomatic national missions to the EU that are based in Brussels.

Second, while the ACP Group's historical rationale is considered relevant, there is little current appreciation for its value beyond being a means of securing EU development assistance through the CPA's European Development Fund (EDF). The Caribbean and Pacific regions also see the ACP Group as helping amplify their voices to the EU and internationally. Stakeholders recognise that the cooperating countries' critical mass could potentially influence global governance, but the Group's poor track record in this regard appears to reduce expectations and weaken its rationale.

Third, overlapping mandates, memberships and international strategies create conflict between and among the various organisations and frameworks. Examples of conflicting interactions include increased bilateral relations with traditional EU partners, the role of Regional Economic Communities (RECs), and the competition for remits at the regional (RECs) and continental (AU) and ACP levels.

Fourth, although the institutions emanating from the CPA were ambitiously designed, many stakeholders interpret the ACP's small financial commitment as its political disinterest in appropriating the partnership. Compounding this is the absence of intra-ACP cooperation, trade and other substantial links.

Fifth, the EPA negotiations have tarnished the EU's image for many ACP members, especially at the country level, where the CPA trade pillar is the partnership's best-known component. The general discontent relates to both process and content, and the EU approach to trade negotiations has created deep mistrust of EU-ACP relations.

Nevertheless, EDF funding is generally welcome – even if there is little consensus about how to assess the way it is targeted. While most stakeholders acknowledge that EDF interventions help development, many are disappointed that cooperation remains so government-oriented given the multiplicity of partnership actors.

ACP stakeholders generally consider the values that the EU seeks to promote through political dialogue as universal, and view the Cotonou Agreement as an important instrument for accountability on both sides. Yet they view this political dialogue as one-sided – although they acknowledge that important challenges have been introduced with regard to promoting such values within the EU, for example EU Member States' treatment of migrants. The problem seems not to be the values themselves but rather the way the EU promotes them, as well as its choice of when to intervene. Despite these criticisms, ACP actors agree that political dialogue does foster civil society participation in the development process – although much remains to be done. The quality of EU civil society consultations in ACP countries and the CSOs' access to EDF funds do not meet expectations.

The changing global context and its implications for future ACP-EU collaboration

Emerging economies are playing increasingly important roles in ACP economies and affect ACP-EU relations: the former are said to reduce the competitiveness of European exports and services with their own while they are also competing more for natural resources. Major economic fluxes from China – and to a lesser degree from other emerging nations, too – that come with no formal strings attached, are eroding the significance of EU development funds and with them, the EU's political bargaining position.

For many ACP countries, the EU is losing, or has already lost, its status as a privileged partner; the same goes for the EU with regard to the ACP. Although both parties view Cotonou's contractual

nature positively, its vast cooperation framework distracts from more down-to-earth cooperations such as those that the ACP countries enjoy with the BRICS (Brazil, Russia, India, China and South Africa). ACP stakeholders emphasise, however, that their new cooperations should not be taken as recommendations for the EU to engage in similar efforts: they appreciate Europe's approach to cooperating and the way practices have been shaped over decades.

The large size of past and present EDFs and the contentious nature of the CPA trade pillar, along with the slow development of political cooperation, have caused development cooperation to overshadow the ACP–EU partnership. Moving trade negotiations from the ACP to the REC level undermined the CPA while the declining significance of EU–ACP development assistance is eliminating any possible post–2020 'status quo'. Cooperation should be expanded beyond development – not only because cooperation now plays a smaller role in supporting development, but also because of the great interest in and potential for cooperation in areas such as trade, investment, knowledge exchange and the provision of global public goods.

Perspectives for future ACP–EU Cooperation

This study's findings give rise to three perspectives for future ACP–EU relations with regards to the Cotonou Agreement:

- ! Abandon the Cotonou Agreement as a legal framework and regionalise EU relations with each of the ACP regions (which is likely to happen if no successor agreement to Cotonou is adopted);
- ! Upgrade the CPA beyond 2020 through a revision to accommodate the changing international scene: revamp ACP–EU institutions to create a lighter cooperation framework that is less focused on official development assistance (ODA); or
- ! Regionalise the ACP's ties with Europe and preserve as many elements of the Cotonou Agreement as possible, keeping the ACP to coordinate international fora and technical, developmental and trade matters.

While European interlocutors seem to prefer to regionalise EU–ACP relations and turn the page on Cotonou, within the ACP views differ. ACP officials and ACP-country ambassadors in Brussels, as well as others working within the current framework, indicate broad support for upgrading the Agreement. However, most stakeholders in ACP countries see no reason to maintain the ACP structure or the CPA: they opt for letting Cotonou expire, regionalising relations with the EU, and possibly maintaining a scaled-down ACP. All interviewees acknowledge the need to thoroughly assess the political and technical feasibilities.

Stakeholders also agree that some key elements of the CPA, particularly those regarding development cooperation and the political dialogue – and to a lesser extent the trade – pillar, are worth preserving, although they need to be improved. The real question is how to regionalise and incorporate key aspects of the CPA to the regional strategies regarding the EU. It is doubtful that much can be achieved before the CPA expires – just how much will probably be one of the main concerns during the countdown to 2020.

The social disconnect between the CPA's institutions and functioning on one hand, and the partnership they are supposed to manage on the other, requires stakeholders to become more active in the decision process and take part in the debate outside the inner CPA circles – both in the EU and in the ACP countries. Whatever direction ACP–EU relations finally take, the more open and participatory the process is on both sides, the better the chances are for a meaningful outcome.

Although the seven years until 2020 might seem long, both the ACP and the EU must stop being preoccupied with structures and groupings and promote a discussion of actual cooperation concerns. This paper suggests that the ACP Group's creation of a 'Group of Eminent Persons' is not a solution in itself, although it could help promote what is really needed: a multi-stakeholder bottom-up review of the Partnership in the ACP countries.

1 Introduction

One of the stellar events in the history of Europe's external action is a comprehensive and legally binding international cooperation agreement that unites over half the world's nation states. Signed in Benin in 2000, the Cotonou Partnership Agreement (CPA) was intended to ramp up the long-standing cooperation in politics, trade, and development between the European Union (EU) and the countries of Africa, the Caribbean and the Pacific (ACP). This cooperation has led to the creation of unique joint institutions that facilitate ACP–EU cooperation at the level of public officials, members of Parliament (MPs) and many other partnership actors.

The changing global context, as well as institutional, political and socioeconomic developments in both the EU and the ACP, raises the question as to whether this approach to cooperation has sufficiently delivered on its objectives, and what evolutions – or revolutions – may be necessary. In recent years various studies have reviewed this topic, focusing on the Brussels-based ACP and EU representatives that directly manage and shape the cooperation. This paper presents the findings of a study that contrasts a detailed review of the literature with perceptions about the past, present and future of ACP–EU cooperation from a wide range of stakeholders in ten ACP countries. The Cotonou Agreement's cooperation framework runs until 2020: recording such perceptions now for discussions about the future is both warranted and opportune.

In signing the 1957 Treaty of Rome, six European countries confirmed their determination to promote the closer union of the peoples of Europe through the European Economic Community (EEC). The Rome Treaty expressed their intention to

*“confirm the solidarity which binds Europe and the overseas countries and desiring to ensure the development of their prosperity, in accordance with the principles of the Charter of the United Nations”.*¹

The Treaty was adopted seven years after the French Foreign Minister Robert Schuman suggested that pooling coal and steel production in the EEC would generate new resources:

“[W]ith increased resources Europe will be able to pursue the achievement of one of its essential tasks, namely, the development of the African continent.”

The Treaty thus also represented the birth of a European development cooperation policy, albeit one linked to the European countries' Overseas Countries and Territories (OCT) that only later would become independent (Frisch 2008).

Following adoption of the Treaty of Rome, the EEC developed a formal and privileged cooperation framework for its relationship with countries in Africa, the Caribbean and

1 The Rome Treaty is available in Portable Document Format: http://ec.europa.eu/economy_finance/emu_history/documents/treaties/rometreaty2.pdf (accessed 24 May 2013)

the Pacific. The ‘African, Caribbean and Pacific Group of States’, created by its member states in 1975, includes 79 countries. Although it has been criticised as a post-colonial construct, the ACP states viewed the Group as an effective means of promoting their interests and shaping cooperation with the EU.

Following a number of cooperation conventions and the expansion of both the EEC (after 1993 transformed into EU) and the ACP Group, the CPA has systematised key elements of the cooperation and radically changed and added others (Van Reisen 2012). Cotonou aims at

“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),

and focuses on three complementary dimensions: political dialogue, economic and trade cooperation, and development cooperation. This unique configuration makes it today’s most comprehensive North–South partnership, especially as it involves both state and non-state actors (NSAs) (Laporte 2012).

Two years ahead of the CPA’s third review and seven years before its expiry, the relationship between the ACP and the EU should be reviewed. Although there are no official positions on the future of ACP–EU relations and the CPA beyond 2020, stakeholders are entering a crucial stage of internal debate and negotiating possible scenarios (Keijzer et al. 2013). During the ACP Summit for Heads of States in Equatorial Guinea in December 2012, the European Commissioner for Development addressed the need for debate:

“... [P]erhaps [the] most basic question we must ask ourselves, therefore, is: are we all ready to see our relationship flourish after 2020, serving as a basis for ambitious joint political cooperation and action on the world stage?”²

Although the ACP must decide its own future, it may largely depend on the future of the Cotonou Agreement. The post-Lisbon EU seems to prefer continental types of cooperation with relatively homogeneous geographic blocs (Nickel 2012; Laporte 2012). The 79-member ACP Group seems to be increasingly fragmented. Yet despite some ACP officials’ desire to move beyond cooperating with Europe, the Group has made only tentative progress in formalising relations with other global players.

ACP stakeholders consider that Africa holds the keys to the ACP Group’s future (Laporte 2012). ACP reflections started back in 2010: ACP partners want to define their own vision of a future partnership with the EU. At the ACP summit on 13 and 14 December 2012, members expressed their determination to

2 The speech is available at: http://europa.eu/rapid/press-release_SPEECH-12-957_en.htm (accessed 30 Apr. 2013)

“stay united as a Group” and to “enhancing the ACP–EU relationship as a unique North–South development cooperation model, while developing South–South and other partnerships.”³

Most ACP Group reflections are held at the ACP Secretariat in Brussels and within its Committee of Ambassadors. Little is known about local, national and regional African governmental and non-governmental views about the Group’s future.

This paper is structured as follows: Section 2 presents a detailed overview of the research questions and methodology. Section 3 presents key findings from a review of literature about the historical context, past cooperation results and the current debate. Section 4 presents the findings from the interviews with ACP officials in Brussels, ten country visits and additional interviews by phone or email. Section 5 makes conclusions and recommendations.

2 Definition and importance of results-based financing

This project attempts to contribute ideas, perceptions and views from ACP countries to the Brussels-based debate about the future of the ACP and ACP–EU cooperation. Assessments of how well the ACP Group functions, its current cooperation with the EU and scenarios for post–2020 cooperation were examined, and research questions were formulated:

- 1.! What evidence exists of solid, binding links between Africa, the Caribbean and the Pacific that necessitate a common framework for relations with the EU?
- 2.! How do key stakeholders assess the ACP Group’s functioning in terms of: (i) intra-ACP cooperation and enhanced integration, (ii) joint action in international fora, and (iii) the ACP Secretariat’s role in promoting intra-ACP cooperation and action?
- 3.! What are the main results of nearly 40 years of privileged relations between the EU and the ACP Group in terms of: (i) development cooperation under the European Development Fund (EDF), (ii) a reinforced political partnership, and (iii) economic and trade cooperation?
- 4.! How do stakeholders view the modalities for coexistence between the ACP–EU cooperation framework and alternative formats for cooperation such as joint strategies or direct relations with continental and/or regional groupings like the AU and the RECs? How do stakeholders assess the levels of participation of both ACP and EU actors in key ACP–EU cooperation meetings?

3 For more information and to access the Sipopo Declaration adopted at the summit: <http://www.acp.int/content/acp-leaders-send-out-strong-message-partners-key-summit> (accessed 30 Apr. 2013)

- 5.! Which features of the *acquis* in the ACP–EU cooperation do stakeholders want to see preserved at all costs after 2020? Could these features be incorporated into alternative frameworks for regional cooperation?
- 6.! Which post–2020 scenarios do stakeholders find feasible and desirable for the ACP Group and future ACP–EU relations? To what extent is the feasibility of these scenarios seen as dependent on funding decisions as well as on emerging donors’ strategies for Africa?

We chose two methods for collecting the evidence base needed to answer our key research questions:

- ! A structured review of the literature identified secondary data related to the third question, as well as complementary information regarding the other questions.
- ! The research questions were used to guide semi-structured interviews with ACP officials in Brussels and in ten ACP countries.

The project team found it difficult to decide how to shape the method for collecting data in the country visits. To begin with, the ACP’s increasing fragmentation in terms of interests and orientation made it hard to identify a small number of countries that could provide a representative body of evidence. Then it was challenging to strike the right balance of interviewees to reflect on ACP–EU cooperation: they could not be fully aligned with the Brussels-based debates. A third – unanticipated – challenge was the limited knowledge and/or interest among most of the stakeholders interviewed in ACP countries regarding future long-term ACP–EU cooperation.

The first challenge was addressed in early scoping interviews in Brussels. Although the Caribbean and the Pacific were important for the ACP Group’s creation, the African countries are now leading the discussions about what should happen after 2020. Therefore, in terms of the time and financing allotted for this study, it seemed appropriate to focus on Africa and to attempt to cover all its regions. Particular efforts were made to visit countries that headquarter the offices of Regional Economic Communities (RECs) and Pan-African institutions, since the literature reveals that such organisations play vital roles in the ACP and its EU cooperation. Ten low- to upper-middle-income countries were selected and visited by one or two researchers for an average of five working days between July and November 2012 (Table 1).

Preliminary findings of the country visits were presented during the November 2012 session of the Joint Parliamentary Assembly (JPA) in Suriname in order to get feedback from MPs and other stakeholders from countries not covered by the research project. During an informal workshop organised by the Cyprus Presidency in December 2012, provisional findings from the country visits were presented to EU officials and the Member States’ Permanent Representatives to the EU.

African countries	Classification + other info	Caribbean countries	Classification + other info	Pacific countries
Botswana	UMIC SADC HQ	Guyana	LMIC CARICOM HQ	Region covered by long-distance consultations, interviews with Brussels-based representatives and Pacific Members of Parliament during the November 2012 Joint Parliamentary Assembly
Cameroon	LIC	Suriname	LMIC	
Ethiopia	LIC AU HQ	Trinidad and Tobago	UMIC	
Ghana	LMIC			
Tanzania	LIC			
Zambia	LMIC COMESA HQ			
Nigeria	ECOWAS HQ (ECOWAS interviews only)			

To select government interviewees, we sought advice from the Brussels-based diplomatic representatives; non-governmental and regional stakeholders were identified using the networks of European NGOs and think tanks in the ten countries. This resulted in a total of 125 relevant and complementary interviewees who can be clustered in the following categories:⁴

Government officials	28	Civil society	11
Research/academia	22	Parliament	3
Private sector	7	Trade unions / commerce federations	2
External stakeholders (donors, diplomats)	16	Regional Economic Communities	15
EU and EU-MS officials	18	Other	3
Total:	125		

Despite our efforts to compensate for the methodological challenges as well as constraints regarding time and resources, this paper does not fully represent the perceptions, ideas and views of the ACP about the Group's future and its cooperation with Europe. Instead it presents a rich and diverse spectrum from selected countries and regional or-

4 This table seeks to provide a general impression of the kinds of stakeholders that were consulted, but cannot give a precise overview because several interviewees either fit in more than one category or reflected on their experience of ACP–EU cooperation in a different capacity than their current one.

5 The overview shows only the number of stakeholders interviewed in the ACP countries we visited. Interviews conducted with ACP officials based in Brussels are analysed and summarised in section 4.1.

ganisations that are expected to wield considerable influence on future discussions. These findings are a ‘snapshot’ of a particular moment in the partnership, eight years before the Cotonou Agreement expires; in years to come, stakeholders’ views might well evolve.

3 Setting the scene

3.1 Historical overview⁶

The Treaty of Rome, which was to serve as the legal framework for the regional integration process from 1958 to 1975, was negotiated at the time cooperation between the EEC and its Overseas Countries and Territories (OCTs) was beginning. In 1950, French Prime Minister Robert Schuman – then the Foreign Minister – had proposed development cooperation with Africa as a cornerstone for European external relations policy:

“With increased resources Europe will be able to pursue the achievement of one of its essential tasks, namely, the development of the African continent. In this way, there will be realised simply and speedily that fusion of interest which is indispensable to the establishment of a common economic system; it may be the leaven from which may grow a wider and deeper community between countries long opposed to one another by sanguinary divisions.”⁷

France later supported the OCTs being included in the Treaty of Rome and – despite initial resistance from Germany and the Netherlands – got its way. In the Treaty, “[M]ember countries expressed their commitment to the prosperity of their colonies and territories” (Evrensel 2007, 3).

The signatory states also agreed to share commercial access to overseas territories that previously had been the domain of the respective colonial powers. Article 131 of the Treaty reads:

“The purpose of this association shall be to promote the economic and social development of the countries and territories and to establish close economic relations between them and the Community as a whole.”

This included Luxemburg and Germany’s assumption of the development needs of these territories as part of their common responsibility, and led to creating the first European Development Fund (EDF) (Frisch 2008, 2).

Still a key feature of EU development cooperation, the EDF has grown exponentially while retaining its inter-governmental character and governance structure, which has allowed it to become the largest element in EU development cooperation aside from the

6 This section is an abridged version of a more detailed review of literature conducted for this research project: Negre (2012).

7 The Schuman Declaration is available online: <http://www.eppgroup.eu/Activities/docs/divers/schuman-en.pdf> (accessed 30 Apr. 2013)

Multiannual Financial Framework (MFF). The EDF is funded by EU Member States (MS), based on a specific contribution key different to that used for the MFF. It has its own financial rules and own management committee. Because of the EDF's history and unique legal status, the European Parliament (EP) has no co-decision power over it. But although it does not have a formal co-legislating role in what is essentially an inter-governmental instrument, the EP Development Committee engages in general policy discussions and is an important CPA stakeholder. In 2011, a comparative review of multilateral aid instruments by the UK Department for International Development (DfID) concluded that the EDF performs better than other development cooperation instruments that are part of the MFF (DfID 2011; Gavas 2013).

As called for in the Treaty of Rome, EDF funding was eligible for EU OCTs from the start. The EDF consists of: (i) grants managed by the Commission, (ii) risk capital and loans to the private sector managed by the Investment Facility of the European Investment Bank and (iii) the 'FLEX mechanism', which seeks to remedy the adverse effects of export-earnings instability. The table below presents an overview of the various EDF rounds, as well as the evolution of the ACP and EU memberships and their cooperation agreements.

Year	Event	No. of countries		EDF funds (including OCTs) in € millions ⁸
		ACP	Europe	
1957	Association Regime			EDF 1: 569
1963	Yaoundé I Convention	18	6	EDF 2: 730
1969	Yaoundé II Convention	18	6	EDF 3: 887
1975	Lomé I Convention	46	9	EDF 4: 3,053
1980	Lomé II Convention	58	9	EDF 5: 4,207
1985	Lomé III Convention	65	10	EDF 6: 7,883
1990	Lomé IV Convention	68	12	EDF 7: 11,583
1995	Lomé IV <i>bis</i> Convention	70	15	EDF 8: 13,151
2000	Cotonou Agreement	77	15	EDF 9: 13,500
2005	Cotonou Agreement Revision I	78	25	EDF 10: 22,685
2010	Cotonou Agreement Revision II	78	27	<i>EDF 11 is being negotiated</i>

Source: David (2000) and the European Commission

8 The amounts stated here for the Association Regime up till and including EDF 8 are in Euro equivalents (the Euro was introduced in 1999 and replaced the European Currency Account, which in turn replaced the European Unit of Account in 1979).

The political landscape of the early 1960s – when Sub-Saharan African states were independent – set the stage for the two Yaoundé Conventions through which the countries sought to consolidate their position and cooperation with the European Community (Frisch 2008, 4). European countries (Germany and the Netherlands) that had originally been reluctant to enter into special associations with these countries – as opposed to treating the whole developing world equally – also resisted signing the second Yaoundé Convention (ibid.).

The United Kingdom's 1973 accession to the European Community paved the way for incorporating newly independent Commonwealth members that saw themselves as developing countries – into one group including countries in Africa and, for the first time, the Caribbean and the Pacific. Instead of accessing cooperation under the existing Yaoundé conventions, the Commonwealth states chose to negotiate substantive changes in the cooperation. In 1975 the Georgetown Agreement⁹ created the Africa, Caribbean and Pacific Group of States (ACP), which became these countries' main vehicle for shaping relations with Europe. Rather than joining the existing agreement, through a common negotiation process a new Convention was adopted in Lomé in which the new ACP states enjoyed the same status (Frisch 2008, 12–13). In serial conventions held every five years, the number of ACP signatory states grew steadily. Another twelve ACP countries signed Lomé II (1980), while 65 ACP countries and ten European Member States adopted Lomé III (1985).

The Caribbean served as a catalyst for the creation of the ACP Group. Many Caribbean leaders were charismatic, and had strong ties to the United States and the United Kingdom. The loss of Commonwealth trade preferences as a result of the UK's accession to the European Community also brought African and Caribbean Anglophone countries closer together. But despite sharing strong – predominantly trade-focused – interests, the ACP Group was undermined by mistrust and discord, especially between Francophone and Anglophone African countries. The Group was weakened by the lack of consensus regarding the first elected Secretary General, and at times the Secretariat was paralysed.

Lomé III incorporated a crucial element for future ACP–EU relations – the increased significance of political dialogue. Five years later, this would lead to respect for human rights being anchored in the Lomé IV Convention, which was supposed to last ten years, although it was revised halfway through the period. David (2000, 13) points out that Lomé IV expressed the main elements of the ACP–EU collaboration, including “*diversification of the ACP economies, promotion of [the] private sector and the increasing importance of regional cooperation as a precursor to regional integration*” – in addition to continued funding for infrastructure.

Far from the usual rubberstamping of minimal changes, the 1995 mid-term review of Lomé IV (referred to as Lomé IV *bis*) introduced the first legally binding human rights clause, thus

9 http://www.caricom.org/jsp/secretariat/legal_instruments/georgetownagreementonacp.jsp?menu=secretariat (accessed 30 Apr. 2013)

substantially upgrading the ACP–EU political dialogue. The rapidly transforming international landscape following the Cold War, major advances in world trade regulations and the growing relevance of conflict and humanitarian crises made it necessary to revitalise the agreement. As a result, the Cotonou Partnership Agreement was signed, and took effect in 2000. Valid for 20 years, the CPA incorporates two assumptions – that development is profoundly shaped by the concrete political context and that globalisation must not exacerbate exclusion, poverty and inequality (David 2000, 14). The good governance clause introduced in Lomé IV *bis* was crucial to the CPA. According to Frisch (2008), the legal significance of this clause cannot be understated as it allows any party to take appropriate measures if it considers that another has failed to comply with its obligations.

The CPA's core objective of “*reducing and eventually eradicating poverty and the gradual integration of the ACP Group into the world economy*” is presented in three complementary pillars:

- 1.! **Political cooperation:** The requirement to improve good governance was expanded beyond aid management into all spheres of government action. The scope of the dialogue was broadened to include issues of peace, security and terrorism and also strengthened those parts concerned with democracy, the rule of law and human rights. Cotonou also required the increased participation of civil society and the private sector (Frisch 2008, 28).
- 2.! **Trade cooperation:** The CPA was an important compromise between maintaining the ACP countries' privileged access to the EU market and slowly bringing these dispositions in line with World Trade Organisation (WTO) rules. In 2001 the EU and the ACP sought a waiver that granted both parties time to negotiate reciprocal and asymmetrical trade agreements, the Economic Partnership Agreements (EPAs).
- 3.! **Development cooperation:** The 9th EDF set out by the CPA covered the eight years between 2000 and 2007 and for the first time incorporated previously unspent funds, thus doubling the sum that had been available in the 8th EDF. In 2005 the EDF's duration was adapted to the EU's six-year budgets: the current 10th EDF covers the period from 2008 to 2013. Greater focus was also placed on performance when determining the modalities – as well as the quantity – of aid.

The Cotonou Agreement remains unique as a legally binding international agreement between two groups of countries that represent more than half of the world's nation states. It is also unique in its great ambition and scope – from identifying the partnership's various actors to instituting broad policy dialogue and political intervention – by introducing elements of a Paris Declaration on Aid Effectiveness *avant la lettre* and creating its own unique institutions to facilitate cooperation (Grimm / Makhan 2010; Laporte 2007; Keijzer et al. 2013).

The Cotonou Agreement provides for a range of joint institutions:

- ! The Council of Ministers conducts political dialogue and takes decisions to implement the Agreement.

- ! The Committee of Ambassadors assists the Council of Ministers and monitors implementation of the Agreement.
- ! The Joint Parliamentary Assembly (JPA), composed of parliamentary representatives from each of the ACP signatories to the CPA and Members of the European Parliament (MEPs), makes recommendations to the Council of Ministers.¹⁰
- ! The Joint Ministerial Trade Committee discusses related issues.
- ! The Development Finance Cooperation Committee examines issues regarding strategy and implementation.¹¹

During the discussions leading to the Lomé II Convention in 1980, the Technical Centre for Agricultural and Rural Cooperation (CTA) was created to promote knowledge sharing and cooperation in the area of food security. At the same time, the Centre for Development of Industry was created (renamed the Centre for the Development of the Enterprise (CDE) in the Cotonou Agreement of 2000) that promotes cooperation with the private sector.

3.2 Research evidence on the Cotonou Agreement

This section synthesises results from independent evaluations and research on the formal ACP–EU relationship.

3.2.1 Political dialogue

To some degree, the Cotonou Agreement is unique because of the special ACP Group–EU relationship it created that is based on comprehensive political dialogue as foreseen in Article 8,¹² which requires important bilateral commitments:

“The dialogue shall focus, inter alia, on specific political issues of mutual concern or of general significance for the attainment of the objectives of this Agreement, such as the arms trade, excessive military expenditure, drugs and organised crime, or ethnic, religious or racial discrimination. The dialogue shall also encompass a regular assessment of the developments concerning the respect for human rights, democratic principles, the rule of law and good governance.”

10 A common parliamentary assembly has been an integral part of ACP–EU cooperation for more than three decades. Between 1976 and 2000, it met 49 times as the ‘Consultative Assembly’ before adopting its current name, the ‘Joint Parliamentary Assembly’, under which it has met 22 times, most recently in 2012 in Paramaribo, Suriname.

11 Source: http://ec.europa.eu/europeaid/where/acp/overview/cotonou-agreement/index_en.htm (accessed 30 Apr. 2013)

12 See Articles 8, 9, 96 and 97 in Annex (6.1).

The possibility of halting application of the Agreement is an innovative form of mutual value-based conditionality that is set out in Article 96 (relating to a violation of the ‘essential elements’ – respect for human rights, democratic principles and the rule of law) and Article 97 (a violation of the ‘fundamental element’ of good governance).¹³ While Article 96 is reciprocal, meaning that the ACP could use it against the EU, Cotonou’s asymmetrical nature does not permit the ACP to institute sanctions (e.g. suspend EDF funding), so it is unlikely that the ACP would invoke Article 96 if the EU were to violate the Agreement’s fundamental and essential elements.

Should violations occur, however, the claimant may invite the defendant to consultations, and should these fail, ‘appropriate measures’ can be considered. These “*can involve ‘smart sanctions’, but also the suspension of aid, its redirection or the imposition of further conditions*”. In practice, the broad definition of ‘political dialogue’ makes the criteria for invoking Article 96 unclear (Laakso et al. 2007, 14).

Procedures applying these two articles (and their Lomé Article 366a precursor) have resulted in lawsuits with over a dozen ACP countries. In recent years Article 96 has been less invoked by the EU¹⁴ realisation that it is a ‘nuclear option’ (according to Development Commissioner Piebalgs) that must be applied sparingly.¹⁵ In some ACP countries, such as the Democratic Republic of Congo, the EU is applying sanctions outside the Article 96 context in response to the Common Foreign and Security Policy.¹⁶

Comparing ACP countries that have been sanctioned under Article 96, Laakso et al. (2007, 15) find that on average, countries invited to consultations by the EU had poor records regarding democracy, human rights and the rule of law. Laakso et al. reveal that former colonial powers did not block the procedure in cases concerning their former colonies, as they might have, while coups d’état always led to the EU initiating procedures. Article 96 was mostly applied in cases of deteriorating democracy, human rights and/or the rule of law.

Laakso et al. view the European Union as patient and unwilling to decrease or suspend cooperation unless such aggressive approaches are deemed more successful than tailoring development assistance. The EU approach can lead to double standards in selecting ‘appropriate measures’, as shown in Zimbabwe’s case. Incoherencies seem to come, *inter alia*, because human rights and democracy are dealt with using a crosscutting perspective in EU foreign policy while country-specific problems are handled by the relevant Working Group of the Council (Laakso et al. 2007, 15).

13 For an overview of past cases, see: <http://www.consilium.europa.eu/policies/eu-development-policy-%28ec-wbsite%29/main-themes/cotonou-partnership-agreement/consultations-under-articles-96-and-97-of-cotonou-agreement/policy-archive?lang=en> (accessed 30 Apr. 2013)

14 An overview of cases is available on the EU Council’s website: <http://www.consilium.europa.eu/policies/eu-development-policy-%28ec-wbsite%29/main-themes/cotonou-partnership-agreement/consultations-under-articles-96-and-97-of-cotonou-agreement?lang=el> (accessed 30 Apr. 2013)

15 <http://www.afronline.org/?p=23480> (accessed 30 Apr. 2013)

16 An EEAS overview is available at: http://eeas.europa.eu/cfsp/sanctions/docs/measures_en.pdf (accessed 30 Apr. 2013)

Until at least 2007, an important aspect regarding invocation of Article 96 seems to have been its reactive character: It was not used until the situation had deteriorated considerably, often first after a coup d'état. This is explained by the fact that application of Article 96 "*is considered as an instrument of last resort instead of an instrument to prevent constitutional crises*" (Laakso et al. 2007, 16). Broberg (2010) found just one case where the Article was invoked in relation to corruption – in Liberia in 2002.

Application of Articles 96 and 97 mainly leads to the suspension of EU aid to the country, which has various impacts. Zimelis (2011, 402) concludes that "[S]uspension of aid is not an effective tool for promoting or restoring breaches of the 'essential' or 'fundamental' elements in ACP states," precisely because of the inflexibility of this approach. He argues that aid suspension is inefficient because some elements of the EU agenda's 'core values' have not been precisely defined: "[T]he inherent ambiguity in defining 'democratic principles' can contribute to the confusion and inconsistent application of the conditionality clause" (ibid.). The lack of clear measures regarding a democratic process renders judgement arbitrary and subject to selective application.

Contradicting Laakso et al. (2007), Crawford (2001), Youngs (2010) and Zimelis (2011) maintain that it is quite reasonable to believe that EU countries with long colonial histories play decisive roles in determining the severity of sanctions. Zimelis (ibid.) also questions 'good governance': it is difficult to objectively establish what is 'good' enough. Finally, attention is drawn to the fact that aid suspension is not always accompanied by other important measures: in some cases, trade agreements or fisheries partnership agreement funds¹⁷ are maintained – or concluded – during the suspension.

Laporte (2012, 3) observes that the EU–ACP partnership seems to be losing political relevance. To begin with, the discussions about peace, security, and the fight against terrorism and organised crime are largely being conducted outside the CPA framework. Also, in recent years a number of major controversies have erupted between the partners, such as

“the slow and difficult negotiating process around the economic partnership agreements (EPAs), the International Criminal Court warrant of arrest for the Sudanese President Al-Bashir and the opposition of some ACP regions to the EU's wish to enhance observer status at the UN General Assembly”.

3.2.2 The trade pillar

For over 40 years, ACP–EU trade cooperation has been governed by non-reciprocal preferences that were unilaterally granted by the EU. With the Cotonou Agreement, the ACP Group and the EU entered a new phase in their trade relations that were marked by the start of negotiations on reciprocal free trade agreements between some of the world's most

17 For an analysis of the case of Mauritania, which continued to receive funds for fisheries while being sanctioned under Article 96, please refer to Keijzer (2011).

developed and some of its poorest countries (Makhan 2009, 20). The intent of the negotiations is to conclude Economic Partnership Agreements (EPAs) with regional groupings of the ACP countries to promote trade between the ACP Group and the European Union in order to foster development, sustainable growth and poverty reduction.

The European Commission, which negotiates on behalf of the EU, regards EPAs as a way to overcome the shortcomings of pre-existing preferential agreements, which have clearly failed to deliver on expectations of boosting the growth of ACP countries as well as their local economies.¹⁸ EPAs embody the notion that trade promotes development by creating employment, making more and better products accessible, reducing average prices and generating income. EPAs are thus expected to provide frameworks for trade and development backed by development aid targeted to address supply-side constraints and adjustment costs. Expected benefits for ACP countries include market expansion; infrastructure, administration and public-services improvements; and greater transparency. In turn, EU consumers are expected to benefit from greater choice, lower prices and more employment opportunities – as a result of their increased exports to the ACP.¹⁹ For the ACP countries, EPA benefits depend on how much key ACP stakeholders can participate and use them (Makhan 2009, 4).

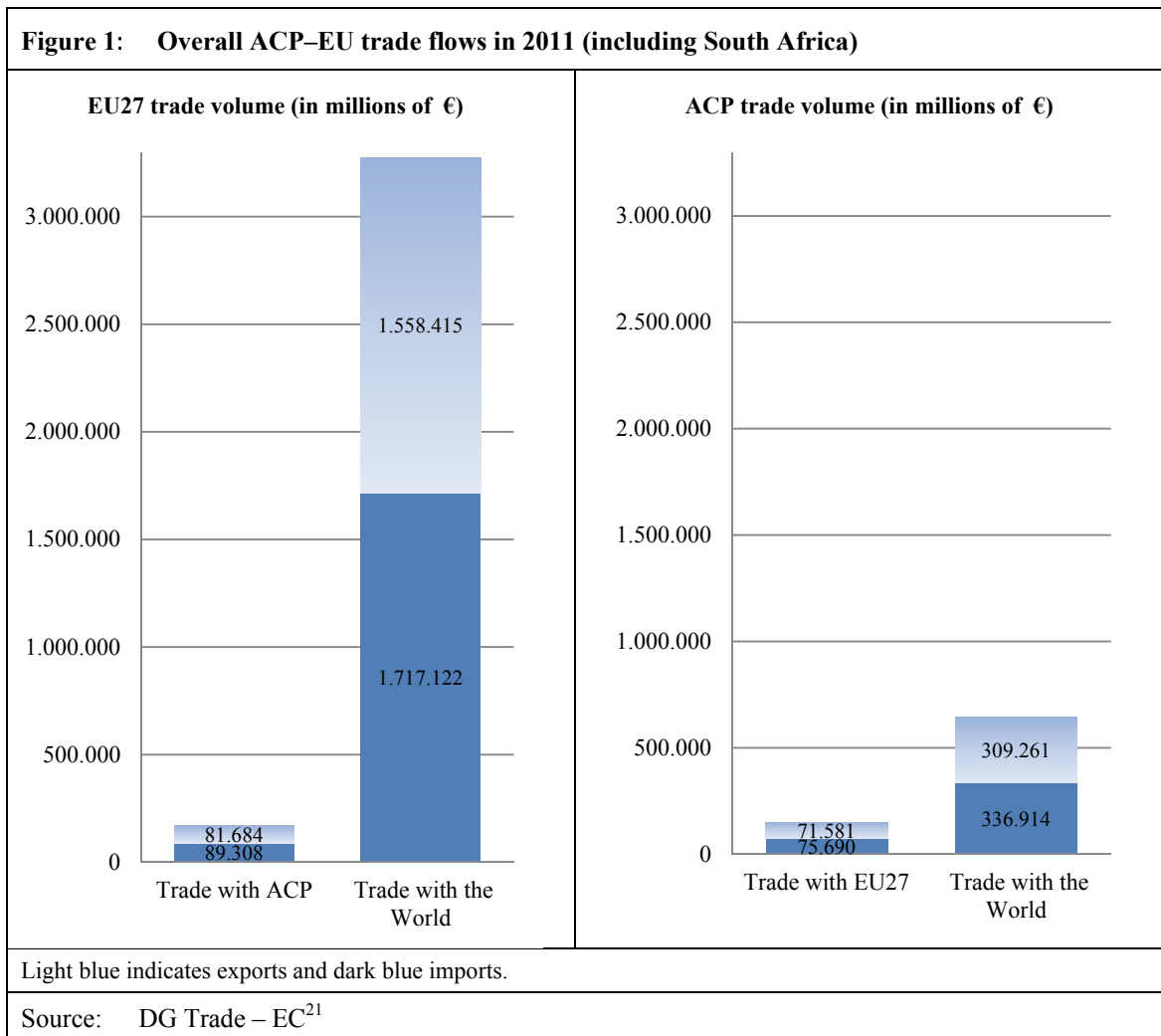
Anticipated to conclude in December 2007, the negotiations have dragged on and encountered great obstacles. It is now obvious that major disagreements in substance and form have hindered the negotiations, with the main disagreements concerning the likely impacts of trade liberalisation, as well as the ACP Group's perception that the EU is uninterested in the negotiations. The year 2012 marked the 10th anniversary of the EPA negotiations – with the EU Member States and the European Parliament recently having set 1 October 2014 as the new deadline for completing the EPAs or ratifying those that already exist.

Holland (2003, 162) considers that decades of development cooperation and mutual trade arrangements under the Lomé Conventions did little to foster development within ACP countries. Disparities in trade between the EU and ACP countries could hardly be greater: For the EU, ACP countries represent about 5 per cent of imports and exports whereas the European share of the ACP Group's trade averages around 20 per cent – with big variations between countries. Trade exchanges are greatest with ECOWAS (the Economic Community of West African States), while EU trade with the Pacific and the Caribbean and much less significant.²⁰ Nevertheless, ACP–EU trade is substantial and significant for both partners (see Figure 1).

18 According to statistics published by the Directorate-General of Trade of the European Commission, in the last three decades the share of trade from ACP partners to the EU has steeply declined – from 7 to 3% of EU imports. See: <http://ec.europa.eu/trade/wider-agenda/development/economic-partnerships/> (accessed 24 May 2013)

19 Adapted from: <http://ec.europa.eu/trade/wider-agenda/development/economic-partnerships/> (accessed 24 May 2013)

20 European Commission, Trade Statistics: <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/statistics/> (accessed 24 May 2013)



Because the EPAs were intended to foster regional integration and included ACP Regional Economic Communities (RECs) as interlocutors, a process was created that was far too complex. The negotiations were further constrained by the fact that the WTO's waiver – maintaining preferential treatment for developing countries in the ACP Group *vis-à-vis* developing countries that were not – was due to expire at the end of 2007. This left relatively little time for economic regions that were not fully integrated – and often didn't really aspire to integration – to coordinate and collectively negotiate with the EU.

In addition to this time pressure, EU insistence on including issues the ACP countries regard as harmful to their economies and just promoting EU interests alienated many ACP stakeholders. One of the most polemic issues with the broadest implications was the requirement that ACP states open their economies to the EU. The principle of reciprocity is heavily contested because it makes it difficult for ACP countries to protect their local industries – just as European countries did at the beginning of their own process of industrialisation. Even when the principle of reciprocity is accepted, its interpretation in concrete percentage terms of market opening is controversial.

21 <http://ec.europa.eu/trade/policy/countries-and-regions/regions/africa-caribbean-pacific/> (accessed 24 May 2013)

ACP countries have expressed concern that allowing the EU too much access to their markets could be detrimental to their own producers, who could easily be outcompeted by EU's larger and more effective producers that sometimes enjoy substantial subsidies from the European Common Agricultural Policy (CAP). Open markets risk lowering the living standards in ACP countries (Busse 2010, 250; Laporte 2007, 23).

Furthermore, the negotiation process itself calls for expertise and means that risks overburdening countries that often cannot understand all the implications of the issues being negotiated because of the unreliability of impact assessments that are based on general equilibrium models. The EU's continued push on controversial issues that some ACP countries had not welcomed at the WTO – such as access to services, intellectual property rights and public procurement – has also created great resentment.

Perhaps one of the most immediate negative consequences of reciprocal trade liberalisation is that it would cause ACP governments to lose a significant amount of their budgets, which tend to be fed by customs revenues. Were the latter to gradually disappear, aid compensation might not be able to fill the gap.

The threat that the ACP countries who did not sign an interim EPA would revert to the Generalised System of Preferences (GSP)²² pushed CARIFORUM (the forum of Caribbean ACP states) to accept the agreement just before the WTO's waiver expired. The failure to close regional deals led to the Europeans establishing interim EPAs with individual countries who were keen to maintain some preferential status. But 43 countries prefer to hold out for better conditions before entering into an EPA (Busse 2010, 249; Rudloff / Weinhardt 2011, 3).

Signing EPAs with the EU was not necessary for least-developed countries (LDCs) who have access to the European markets through the *Everything But Arms* (EBA) tariff regime, which allows them unilateral duty-free export to the EU. These fundamental differences in ACP countries' needs, combined with the fact that many individual countries concluded interim EPAs while others were able to make do with the existing EBA scheme, may have negatively impacted on regional cooperation and integration processes in the ACP.

3.2.3 The development pillar

The European Commission's Joint Evaluation Unit has been assessing the EU's development cooperation thematically and geographically, and checking for coherence and complementarity between its engagement in developing countries and with its individual Member States. Beyond the geographic evaluations, it is difficult to identify the ACP's concrete results because the Group encompasses multiple regions and countries that are subjected to different evaluations and thematic results.

22 The GSP is a tariff system that grants market-access preferences to developing countries.

This section reviews the geographic evaluations, starting with the key findings of a recent meta-evaluation of country evaluations and followed by an overview of EDF support to the ACP regions: the Caribbean, Central Africa, Eastern and Southern Africa and the Indian Ocean, the Pacific, the Southern African Development Community (SADC) and West Africa. The evaluations were conducted between 2005 and 2008.

*A synthesis of geographic evaluations*²³

Although different teams conducted the evaluations, their methodological homogeneity creates some convergence in conclusions and recommendations. However, variations in quality lead to uneven conclusions and recommendations. In 2008 the EC commissioned a synthesis study of country and region evaluations between 1998 and 2006. Since some African regional evaluations were conducted later, only the Pacific, Caribbean and Central African regions were included. Nevertheless, the main findings help identify specificities that appear in evaluations of ACP regions that are discussed in annex 1 to this paper.

Mixed results were obtained in terms of quality and how the EC country and regional strategies were adapted to contexts that were undergoing major changes. Some evaluations detected *“insufficient links between the proposed strategies and in-depth analyses of the specific characteristics of the country or region, and also weak policy dialogue at the regional level”* (European Commission 2008c). In many cases, the projects’ contribution to achieving goals was poorly linked to the country strategies, which resulted in weak dialogue about improving adaptation, ownership and leadership. Dialogue with other donors was often shallow and poorly coordinated, too. Coherence with other EU policies and their likely impacts – on regional integration processes and trade developments in particular – were not fully taken into account. Finally, regional strategies were often found to have not acknowledged the socioeconomic disparities between the countries in a regional organisation – thus weakening any potential synergy of regional and national strategies.

Crosscutting issues were generally not part of the EC’s strategies: Aspects of gender and equality were poorly targeted in the country strategies, and the Commission’s promotion of sound environmental strategies was not embraced by governments and regional institutions.

Issues about implementation surfaced in all the evaluations, with the cumbersome procedures and long delays between the design and implementation phases seen as having hindered impact and effectiveness. Aid delivery mechanisms that focused on budgetary and sector support contributed to a government’s ownership and accountability, while supporting projects tended to be de-linked from strategic priorities. Policy dialogue was also found to have scarcely impacted on ownership or capacity-building. When the instruments were flexibly implemented, the results were generally positive.

23 This section is based on European Commission (2008c). Annex 1 includes more details on key findings from the various geographic evaluations.

There was intra-sectoral complementarity despite poor coordination between donors and government failure to assume their roles as coordinators. The evaluations show that sustainability was not adequately considered – whether in the early stages, during design or implementation. The lack of a monitoring and evaluation system based on performance also hindered the analysis of impacts, and contributed to poor institutional memory.

3.3 Revisions to the Agreement and the next steps

The Cotonou Agreement included provisions for review and revision every five years. So far, two revisions have been conducted:

- ! The first revision, in 2005, introduced amendments that, in the words of former Development Commissioner Louis Michel, “*place greater emphasis on an effective and results-orientated dialogue rendering the provisions on good governance, human rights, democratic principles and the rule of law more constructive and operational.*” The review resulted in changes in the text of the CPA regarding the proliferation of weapons of mass destruction (WMD) by adding the Statute of Rome – that established the International Criminal Court – as well as the imperative to fight terrorism (European Commission 2010).
- ! Prompted by the need to respond to changes in the international context and the ACP–EU partnership, the 2010 revision incorporated no substantial innovations. However, it did address pressing issues, such as climate change, food security, regional integration, state fragility, and aid effectiveness (ibid.). The second revision also accorded greater significance to the regional integration process – including at the continental level – and focused on more political aspects. But the EU and ACP ‘agreed to disagree’ about revising the article on migration.²⁴

The EU took a proactive role in the first two revision processes. But with Europe indicating less interest in cooperation these days (Keijzer et al. 2013), there is less enthusiasm from the EU about a third revision, although preparations are scheduled to start this year. If the ACP countries do not propose their own suggestions, the third round of revisions may be even slighter than the previous two.

As for trade issues, ongoing negotiations about Economic Partnership Agreements (EPAs) have spawned a variety of de facto regimes: EPAs, interim EPAs, the Generalised System of Preferences (GSP/GSP+) and the EBA arrangement. Negotiating difficulties resulted in concrete references to trade being replaced with the parties’ simple pledge “*to take all the necessary measures to ensure the conclusion of new WTO compatible EPAs*” (Laporte 2007, 9).

In April 2013 Muhammad Mumuni, Ghana’s former Minister of Foreign Affairs, was designated to replace Dr Mohamed Ibn Chambas for the rest of his mandate – until 2015.

24 The joint declaration on migration can be consulted at: <http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=E-2010-2960&language=EN> (accessed 26 Mar. 2013).

The ACP Council of Ministers also charged an Eminent Persons Group with presenting proposals to ‘rebuild’ the ACP Group by December 2014.²⁵

4 Findings from the ACP world: Brussels and beyond

4.1 Introduction

Brussels has traditionally been the hub of ACP–EU relations: it is where their policies and budgets are negotiated, formulated and shaped. Home to the ACP Secretariat and the EU institutions, Brussels also hosts most of the officials working on ACP–EU matters. Keijzer et al. (2013) analyse how EU officials perceive the special ACP–EU relationship; their key findings about EU officials’ ideas for the future are summarised in Box 1.

Section 4.2 presents Brussels-based ACP officials’ perceptions of the ACP–EU cooperation – the technical experts at the ACP Secretariat and the ACP Member States’ ambassadors on the ACP Committee of Ambassadors. Section 4.3 presents the findings from the ten country consultations. Both sections present reflections on the partnership’s evolution, key elements and institutions, followed by more detailed assessments of the current cooperation along the three pillars of political dialogue, trade and development cooperation, and finally, suggestions for the future.

Box 1: EU officials’ views of post–2020 ACP–EU Cooperation

Although the CPA’s three pillars – on political dialogue, development cooperation and trade – are generally considered to have served their purpose well, significant changes within the ACP Group, the EU and the world call for a new articulation of the relationship. Europeans see the ball in the ACP’s court: it is up to the ACP to define and shape its future – as a group and in relation to the EU. Momentum also needs to be built for a 2015 revision of the Cotonou Agreement with a plausible post–2020 scenario, with the EU expressing its own aspirations and priorities for the cooperation.

Regarding any framework for cooperation after 2020, the EU seems to favour preserving key elements of the CPA in a ‘light’ version by transferring them to EU regional strategies for Africa, the Caribbean and the Pacific. European policy discussions on this subject are long overdue. Although ACP–EU cooperation does not have priority, it remains the key cooperation framework, and the EU’s failure to be proactive could harm its own position and trade with Africa in the medium and long term.

Source: Keijzer et al. (2013)

25 The group’s chairperson is former Nigerian President, Chief Olusegun Obasanjo. Other members include: Dr Leonel A. Fernandez Reyna, former president of the Dominican Republic; Hon. Mr Bharrat Jagdeo, former President of Guyana; Mrs Valentine Rugwabiza, Deputy Director General, World Trade Organization; Mr Kaliopate Tavola, former Minister of Foreign Affairs, Fiji; Dr Libertine Amathila, former Deputy Prime Minister, Namibia; Pr. Sebastiao Isata, Special Representative and Head of African Union Liaison office in Guinea Bissau; Pr Ibrahim Fall, former United Nations Assistant Secretary-General; Mrs Patricia Francis, Executive Director, International Trade Centre; Amb. Nuredin Satti, former Acting Special Representative for the UN Secretary General in Burundi; Mr Sylvain Maliko, former Minister of Economy, Planning and International Cooperation, Central African Republic; Dr Daoussa Bichara Cherif, former Minister of Public Works, Transport, Housing and Urbanisation, Chad; Mr Peter Gakunu, former Executive Director, International Monetary Fund (IMF); and Mr Kolone Vaai, former Financial Secretary for the Government of Samoa. See: <http://acp.int/content/acp-council-ministers-brussels-march-25-26-2013> (accessed 30 Apr. 2013)

4.2 Brussels-based ACP stakeholders' views on the future of the partnership

4.2.1 Reflections on the evolution of the partnership and its institutions

The EU's altered approach to shaping relations with third countries, along with its formulation of separate regional strategies with Africa, the Caribbean and the Pacific since 2005 have attracted the ACP stakeholders' attention. Respondents acknowledge that the shifts have created a new sense of urgency and stimulated debates about the future. Although all respondents welcome on-going reflections about the Group's performance and relevance, their concern and sense of urgency vary. Some see the current situation as an opportunity to call 'all hands on deck', stating that the ACP should have begun this reflection process in the early days of the EU Lisbon Treaty negotiations. One official said, "*ACP–EU relations are like a marriage after 20 years. The ACP has not been looking after herself and now the EU wants to spice things up*". But others do not anticipate any significant changes after 2020.

Regardless of the changing global context, ACP officials stress that ACP–EU cooperation will remain crucial for both partners because of the strong political and strategic incentives.

While no one questions the Group's role in defending its members' interests, many ACP officials struggle to make sense of its current rationale: What binds these countries together – apart from their collective relation to, and cooperation with, the EU? Although all the interviewees favour holding a reflection process on the Group's future, they emphasise that in the end, "*[M]uch, if not all, will depend on future political leadership*". But they agree that ACP states may use other groupings (such as Regional Economic Communities) or act on their own or in like-minded groups if these seem more effective. One pragmatic reason to not work through the ACP is that coordinating and developing joint positions for 79 members takes time – and that can be scarce.

Many respondents state that the ACP Group, which includes 39 of the world's 48 Least-Developed Countries (LDCs), is a representative and necessary vehicle for defending the interests and concerns of a large number of developing countries with shared histories – especially since most of its members do not have the political or economic leverage to impact international policy-making on their own.

There is broad recognition that intra-ACP cooperation has produced few tangible results, although its potential is acknowledged. Some officials think that for the Group to remain internationally relevant, it must produce concrete results through multilateral cooperation on issues of common concern (e.g. migration, security and global public goods). Others regard intra-ACP cooperation as non-linear and rarely encompassing the whole Group. Internal cooperation tends to be ad hoc, with members who share interests uniting to coordinate appropriate responses. So far, the Group has almost exclusively focused outward on EU policies and global issues, instead of inward to enhance intra-ACP cooperation: "*Over the past forty years there has been no deepening of ACP cooperation, only widening.*"

The lack of significant intra-ACP cooperation is related to the Group's heterogeneity. All interviewees acknowledge that the ACP brings together countries whose interests and needs, location, size and level of development are very different. Most ACP officials consider it normal for members of such a large, heterogeneous group to assume different positions in joint bodies, such as the G77. Yet many believe that the Group should identify issues of common concern where enhanced cooperation, both internally and towards the EU, is politically and technically feasible. However, all respondents spoke in generalities, thus confirming the difficulty of identifying the issues – and signifying that the cooperation is mostly about aid.

Opinions about the rationale for the ACP differ substantially. Most officials say its members' common heritage of the African Diaspora and a post-colonial mind-set define the ACP identity. Yet most Pacific members do not share these elements. One official argues, "*[I]f the ACP did not exist, it would have to be invented, even if outside a cooperation framework with the EU.*" Others downplay the validity of the historical argument, or qualify it by adding, "*[I]f not for the EU, there would be no ACP Group*". Citing the Group's uneasy relation with the EU, some interviewees express hope that the current period of reflection will allow the ACP Group to be more proactive in setting its own agenda. One route would be for the Group to pursue its financial independence – in order to be less dependent on, and act more credibly towards, the EU.

Most officials would welcome a reform of both the mandate and functioning of the Group's executive body, the ACP Secretariat: its dynamics, capacities and performance all need improving. The Secretariat is tasked with supporting the Group's political bodies and mostly provides logistical and technical support for ambassadorial meetings. Interviewees' vastly different proposals for reforming the Secretariat's mandate reveal a broad range of understanding about the ACP Group's purpose and aims. Some would like to see the Secretariat become a knowledge centre on trade and sustainable development, while others claim it should have more political power and let separate, lower administrative units handle less political matters. Yet ACP states have never taken any steps to empower the Secretariat.

ACP officials are sceptical about the Group's relations with other representative bodies such as the RECs (because of overlapping memberships, since RECs are based on regions) or the AU (due to the multiplicity of internal interests), and point to the JAES' poor track record; none are seen as alternatives to Cotonou.²⁶ No Brussels-based interlocutors see the ACP as competing with these bodies or overlapping their mandates, although such views were expressed in earlier political debates and studies (e.g. Laporte 2007). A few interviewees did acknowledge that RECs might be more appropriate for representing ACP members' interests at the regional level. But the ACP is still perceived as the most effec-

26 For more information on the Joint EU–Africa Strategy, see: J. Bossuyt / A. Sherriff (2010): What next for the joint Africa-EU strategy? Perspectives on revitalising an innovative framework. A scoping paper (ECDPM Discussion Paper 94), Maastricht: ECDPM. Also: F. Aggad-Clerx / N. Tissi (2012): Can the Pan-African Programme revitalise the JAES?, Maastricht: ECDPM (Briefing Note 42)

tive body for raising certain issues at the global level. Compared with the JAES, ACP–EU cooperation is seen as permitting greater focus on development and being more practical, as well as having the advantage of being legally binding.

ACP officials indicate fairly little interest, and sometimes scant knowledge, of two other joint ACP–EU institutions, the Centre for the Development of Enterprise (CDE) and the Technical Centre for Agricultural Development and Cooperation (CTA). Whereas perceptions of the CTA range from neutral to positive, the CDE is criticised for its unclear mandate and engagement.

4.2.2 Cooperation in relation to Cotonou’s three partnership pillars

Brussels-based ACP officials regard the Group’s relations with the EU as imperfect – but still valuable and even essential for both parties. The Cotonou Agreement is seen as a useful framework but not a partnership of equals because of the EU’s unilateral agenda-setting and the asymmetries in terms of negotiating capacities: “*We have been totally outsmarted in negotiating Cotonou*”. Interviewees believe the special relationship should be prolonged because of its political and strategic incentives for both parties. While the ACP Group’s preferential access to the EU market is given as its main incentive to maintain the CPA, the EU clearly has trade and political interests, as well as its historical commitment to promote development in the ACP, as noted in EU Treaties.

Regarding the CPA’s development cooperation pillar, there is broad consensus that the EU’s development assistance has positively impacted on the ACP countries. All respondents believe that the EDF has been put to good use, although some also term the results ‘mixed’. Most ACP officials are unhappy with the EU’s bureaucratic rules and procedures, which are viewed as hampering the effectiveness and relevance of EDF programming. It should be noted, however, that critical views were aired without much awareness of the practicalities of managing other sources of development cooperation, including those offered by emerging economies such as China.

Although most respondents appreciate EU work on human rights and governance issues, some ACP officials question the EU’s promotion of ‘western’ values that are perceived as transgressing certain boundaries (e.g. on gay rights). The asymmetric power relations between the contracting parties, along with the EU’s insistence on ‘soft issues’ that rarely figure in the partner countries’ priorities, is a highly sensitive issue for the interviewees.

All respondents view the EDF as one of the most critical elements in ACP–EU cooperation because the fund’s predictability allows for the long-term planning that makes development programmes effective and sustainable. Regarding the EU’s intention to increase differentiation in EDF allocations (see 4.3.2 for details), frequent reference is made to the overarching principle of solidarity in the 1975 Georgetown Agreement (the basis of the ACP) that formally identified “*consolidating and strengthening the existing solidarity of*

the ACP Group” as one of its key objectives. Many respondents view differentiation as the wrong signal to send to ACP countries that have been performing well and a policy that could undermine ACP cohesion.

Reactions about the political dialogue component focused on the functioning and relevance of the joint bodies within the ACP–EU cooperation framework: ACP officials attach strong importance to the Joint Parliamentary Assembly (JPA), praising its strong parliamentary movement and valuable contributions to parliamentary scrutiny and support for human rights and governance issues within ACP countries. However, both the JPA and the Joint Council of Ministers are poorly attended, especially by EU officials. The interviewees concur, but point out that attendance levels are connected with scheduling, location and the topic to be discussed, while some acknowledge a problematic lack of high-level interest in ACP–EU matters in ACP states. A false sense of security is said to reign among government officials, who take for granted that the special relationship will be continued after 2020; some Heads of State may not even be aware that the CPA expires in 2020. Mobilising political awareness about the ACP Group and the Cotonou Agreement ‘back home’ is seen as important for the coming years.

Concerning the trade pillar, ACP officials consider that Cotonou-based preferential trade regimes have benefited most ACP countries. Some ACP countries, though, were perceived as having become complacent through the Cotonou preferences because the lack of incentives to compete hampered investments and economic diversification. The on-going EPA negotiations are regarded as harmful for regional integration and ACP cohesion. Interviewees anticipate that opening up uncompetitive markets will damage some ACP economies, and call on the European Commission to be more flexible: “[C]herry-picking on the EU side is unfair and reciprocal trade agreements are simply not feasible for some ACP countries”. Many respondents describe the EC’s aggressive negotiating stand on EPAs upsets as a ‘betrayal’ of the spirit of Cotonou.

Officials are generally positive about the ACP’s WTO office in Geneva, but to different degrees. Most feel that it allows a certain division of labour among ACP countries that lack the resources and capacity needed to accumulate expertise for specific trade issues on their own. But some ACP states rarely use the Geneva office because trade matters are technical and case-specific. Still other respondents argue that the staff in Geneva could be put to better use in Brussels.

4.2.3 Views of the future

Brussels-based ACP officials are well aware of the need to fundamentally rethink the nature and functioning of both the ACP Group and the Cotonou Agreement. Interviewees acknowledge that the EU–ACP special relationship is at a crossroads and point to recent efforts to review the Group’s international role. In November 2010, the ACP Council of Ministers, its main decision-making body, charged the ‘Ambassadorial Working Group on the Future Perspectives of the ACP Group’ (whose mandate expires in 2014) with organis-

ing a systematic reflection process on Cotonou by 2015, when a third and final revision of the CPA could craft the outlines of post-2020 cooperation modalities. Slow ratification of the second revision concluded in 2010 however makes it difficult to set an ambitious agenda for 2015. A similar exercise – albeit with a more inward focus – was conducted in 2012 by the ad hoc Working Group on the Structure and Functioning of the Organs of the ACP, which also reviewed operational issues, including the possibility of moving the ACP Secretariat to a new building. In his opening speech at the 7th Summit of ACP Head of States and Government in Equatorial Guinea in December 2012, then-ACP Secretary General Dr Mohamed Ibn Chambas²⁷ announced the establishment of an ACP Eminent Persons Group (EPG). The EPG will elaborate new means of strengthening the Group and provide “guidance to the future” in 2013–2014. Dr Chambas also announced that the ACP Group is considering making a feasibility study of an ‘ACP Free Trade Area’ and that a concept note has been written for an ACP Bank for International Trade and Investment (BITI). A technical market study funded by the EU Commission had already resulted in an interim report on the BITI; a final version was due in spring 2013 (Chambas 2012).

Although thinking about the ACP’s international role is quite developed, ideas about the Group’s future are still preliminary and mixed. With regard to possible outcomes of the ongoing reflection process, most officials refer to the scenarios in a recent study commissioned by the United Nations Development Programme (UNDP): (i) keeping the status quo, (ii) closing down, (iii) regionalising, (iv) reducing ACP membership to those countries that are LDCs, or (v) creating an independent ACP with multiple sets of relations (Van Reisen 2012). While recognising the value of discussing scenarios, officials stress that much discussion and research is still needed about what is desirable and also technically and politically feasible.

One of the main scenarios for the ACP as a global actor is to diversify relations with the BRICS or other emerging economies such as Turkey – while maintaining strong links with the EU. Whereas South–South cooperation is viewed as deserving further exploration, some interviewees express reservations about admitting the BRICS, arguing that more discussion and research is needed about cooperation modalities. Interviewees tend to agree that it is possible to identify mutual interests and areas with scope for solid cooperation – both within the ACP Group and on the multilateral level, with the EU as a logical partner.

Brussels-based ACP officials would welcome a reform of both the Group’s mandate and functioning, as well as a thorough review of its international role. But beyond this, there is so little consensus on the specificities of such a ‘reinvention’ that it could be understood as an argument for keeping the status quo. All interviewees consider that more high-level political engagement from the ACP countries is indispensable for sketching contours for the Group and its future relations with the EU. This could be the wellspring of a reinvention.

27 In December 2012 Dr Chambas was appointed Joint Envoy to Darfur, and in March 2013 Ghana’s former Foreign Minister and current MP Alhaji Mohammed Mumuni was endorsed by ECOWAS to replace Dr Chambas as the ACP SG.

4.3 ACP Perspectives beyond Brussels

4.3.1 Reflections on the evolution of the partnership and its institutions

While conducting country consultations, the research team discovered many different levels of knowledge about the ACP Group and its activities. Some stakeholders were deeply involved in relevant matters, and were very familiar with the twists and turns of Cotonou and ACP–EU relations. But others were poorly acquainted with the Group’s basic structures and functioning, which says a good deal about the Group’s role in ACP countries, particularly given some interviewees’ positions in international relations. The level of acquaintance with ACP–EU relations and structures varies within and between countries. The country visits revealed scant interest in the future of the ACP Group after 2020.

Most stakeholders have become aware of the ACP Group through specific policy processes and instruments. While EDF projects once played a key role, more recently stakeholders have mainly learned about the ACP through the EPA negotiations. However, low awareness of the overall ACP–EU cooperation framework frequently results in key stakeholders being aware of the EDF and EPAs – but not the CPA and its main features.

Several interviewees who were involved in ACP–EU cooperation from the start recall the atmosphere of Lomé I in 1975 as almost euphoric. Most ACP countries had just gained independence and European countries were genuinely interested in maintaining strong links with them. At that time, Africa, the Caribbean and the Pacific seemed to be logical partners: they had gone through similar historical processes, faced similar levels of development and also had some common commercial interests, such as the sugar trade. These common, tangible, predominantly trade-related interests first motivated the ACP to cooperate as a group with Europe; later, cooperation with the EU was eclipsed by the European Development Fund.²⁸

During our country visits, it became obvious that the ACP Group is often perceived as a closed and opaque community of ambassadors and heads of state that is inconsequential. Many stakeholders describe a large ‘social disconnect’ between the ACP Group and national realities that renders the Cotonou Agreement and the Group alien to most citizens. Most interviewees say that the Group has never been able to set and pursue its *own* priorities, and at most reacts to the EU. One respondent stated that there are *“huge capacity imbalances between the two partners of the Cotonou Agreement, which results in most agreements being almost 100% EU input.”*

However, many country interviews also revealed that the ACP Group’s size is seen as one of its main strengths. With 79 countries, the Group has the potential to play a significant role in international fora. However, most stakeholders consider that its potential is largely untapped, while other actors such as the G77 speak on behalf of the world’s developing coun-

28 For a detailed comparative analysis of past EDF rounds, please refer to U. Kilnes / N. Keijzer / J. Van Seters / A. Sherriff (2012): *More or less? A financial analysis of the proposed 11th European Development Fund*, Maastricht: ECDPM (Briefing Note 29); online: <http://www.ecdpm.org/bn29>

tries and the ACP Group remains an EU-dependent entity that is scarcely heard outside of Brussels. The Group is said to be practically invisible at the national level, while the CPA is unknown beyond the few (mostly governmental) individuals who deal with it directly.

Group size, however, inevitably presents trade-offs for Group cohesion. Most interviewees point to the Group's cultural, political and economic heterogeneity as a weakening factor, calling the Group "*too heterogeneous*" and "*too diverse*". Many wonder what African, Caribbean and Pacific countries share today in terms of heritage and strategic interests. For most interviewees, only their common Agreement with the EU binds Africa, the Caribbean *and* the Pacific. The three regions are perceived as having very few commonalities, and to be mostly concerned about uniting to confront the EU, especially on development-funding issues.

Since the ACP Group separates sub-Saharan Africa from North Africa, African stakeholders see the Group as a threat to the continent's growing pan-African ambitions and discourse. These days, many Africans consider that it is far more attractive and logical to cooperate on the CPA's main issues with Egypt or Tunisia than with Vanuatu or Saint Kitts and Nevis. They also claim that it is difficult enough to agree on important matters within the African Union because of big divides over language, culture and historical colonial influences (e.g. Anglophone/Francophone/Lusophone/Arab) – and nearly double that number of countries in the ACP Group are that much more diverse.

There is general consensus that the current configuration makes little sense given the changing global context. Throughout our country visits, stakeholders from diverse backgrounds and institutional positions used adjectives like '*outdated*', '*post-colonial*', '*loose*', '*virtual*' and '*artificial*' to define the Group and its relations with the EU.

While many interviewees cast serious doubts on the Group's relevance, many also acknowledge its original rationale: the geopolitical context of the times and the interest in improving linkages between the ACP and the EU and *within* the ACP countries, were legitimate reasons to set up the Group. However, positive views about the ACP Group's founding were diminished by the widespread view that its original spirit has waned.

The rise of new supranational actors – particularly in Africa – poses an existential threat to the ACP Group. Our project team tested the general mood in the field regarding the ACP Group's compatibility with ACP RECs and the African Union (AU). With the RECs now tackling trade issues in Africa, and the AU slowly establishing itself as a key interlocutor in peace and security and continent-to-continent (EU–Africa) relations of a more political nature, the ACP Group is confronted with new actors on its turf. Stakeholders acknowledge that the AU and the ACP have overlapping mandates, and that this is why the AU does not view the ACP as its partner. African interviewees want a redefinition and improved articulation of Africa's 'shared values' and interests. In this respect, the discourse on African integration – particularly about strengthening the AU – is often ambiguous, especially since North Africans are perceived as turning their backs to the continent and focusing on the Mediterranean Rim. At the level of RECs, regional economic integration with single markets or currencies is also being questioned, not only because of overlapping agendas (e.g.

multiple RECs that are trying to introduce common currencies) but also because of problems in the European integration process.

Some REC representatives are fairly upbeat about working with the ACP Group, which they consider relevant. One of them called for creating a more formal relationship between RECs and the ACP Group, in light of the importance of trade in the Cotonou Agreement: RECs should even be represented in the ACP Group's governance structures. Other REC representatives were more critical, noting the steady decline in the level of participation of REC staff at ACP meetings in Brussels. The Brussels-based liaison officer of the Common Market for Eastern and Southern Africa (COMESA) attends many ACP meetings, while his subject-matter specialists from COMESA's secretariat in Lusaka attend less often than in the past. The ACP Secretariat could serve as a strong and useful liaison for the REC headquarters, but such a division of labour is not being practiced. The role and scope of the ACP Inter-Regional Organisations Committee (ACP-IROCC), established in 2011, is not yet clear.

Views from the Caribbean and Pacific regions clash on this issue. CARIFORUM members feel more comfortable within the ACP (*"If we lose the ACP we are alone and insignificant!"*) than within Latin America, where they fear being crushed by economic powerhouses like Brazil and Chile. This anxiety explains why many Caribbean states disapproved of the EU's push in 2009 – under the Spanish Presidency – to explore possibilities for an EU–Latin America strategy that would include the Caribbean states. Many Caribbeans feel that their voices would be louder internationally if they were not bundled with Latin America because despite their small populations they account for a large number of votes in UN fora.

But the EU has grouped the Caribbean with Latin America because of the ACP's inability to coordinate at the international level. In terms of levels of development and cultural heritage, however, the Caribbean region feels closer to other ACP members than to its Latin American neighbours. Many Caribbeans cite common cause regarding the EU in the ACP, while others find no allies in Latin America. At the WTO, for example, more support for small and vulnerable countries came from ACP members than from Latin America.

While many Caribbean interlocutors acknowledge that the long-term future of their region is linked to Latin America, most continue to value the ACP Group, which helps them to join forces with other – mainly Pacific – states that have similar challenges such as climate change, drug trafficking and criminality, overfishing by 'factory ships' and international tourism.²⁹ The ACP Group provides them the global partners needed to address such issues. Moreover, with Africa's economic rise, the Caribbean needs the special relationship the ACP provides – aside from the Cotonou Agreement. Furthermore, the Caribbean is seen as a potential intermediary between Africa and powerhouses in the Americas, both South and North.

29 In 2012 both the Caribbean and Pacific renewed their separate cooperation strategies with the EU, which shared interesting similarities in priorities. Pacific strategy: http://ue.eu.int/uedocs/cms_data/docs/pressdata/EN/foraff/130227.pdf (accessed 30 Apr. 2013). Caribbean strategy: http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/133566.pdf (accessed 30 Apr. 2013)

Pacific stakeholders also tend to feel that the ACP format allows their voices to be heard, and prevents them being ‘swallowed’ by regional powers such as China, South Korea and Japan. The ACP Group is deemed critical for the Pacific region because it constitutes an international ally that amplifies its voice in global forums and *vis-à-vis* the EU, and offsets regional powerhouses such as New Zealand and Australia. Lately the region has become more divided because of its members’ diametrically opposed positions on the political situation in Fiji following the 2006 coup d’état.

Assessments and knowledge about the ACP Secretariat and its work are mixed in the Pacific. Most interviewees agree that its mandate and working arrangements require fundamental reform – but their views differ as to the scope and nature of the restructuring and whether or not the Secretariat is too ambitious. Some interviewees advocate empowering the Secretariat, arguing that its mandate to focus on CPA management and organise meetings and events is too narrow, and that broadening its mandate would give a political direction to the Group’s activities, and empower its Secretary General (SG). Others consider the Secretariat to be trapped in a political logic and too reliant on EU funding; they also question how much it actually represents the ACP member states.

However, strong and effective leadership is needed to make the most of the ACP Secretariat’s mandate. Interviewees who have followed the CPA from its start agree that the ACP Group’s nominating process for Secretary Generals causes strife, especially between Francophone and Anglophone ACP countries – though, fortunately, charismatic Caribbean leaders have helped break the deadlock. Some stakeholders feel that the first SGs performed badly, and that the ACP states’ reluctance to adequately resource the Secretariat and pay their membership fees has made it dependent on EU financial support, reinforcing the asymmetry of the ACP–EU partnership.

Past ACP meetings are criticised for having mostly reacted to EU proposals instead of taking a more proactive, concrete and technical focus. The Group’s Secretariat is criticised for not developing stronger functional relations with the RECs, as well as for having changed from serving the Group to being active in areas that are considered too ambitious (e.g. migration-related development projects). Some interviewees would prefer the Secretariat to become ‘lean and mean’ and to focus more on the RECs, and can envision seconding ACP Secretariat staff to the RECs secretariats.

Some respondents suggest giving the Secretariat a more technical mandate to inform and raise issues at the political level, rather than to merely support them. It is considered important to search for alternative funding – internal, external or a combination of both. Interviewees who are not enthusiastic about the Secretariat’s mandate do not favour expanding it and generally criticise the Secretariat’s contribution to ACP–EU relations; the reverse is true for respondents who value its mandate. One respondent faults the Secretariat for being located in Brussels instead of an ACP country; others view the planned purchase of a new building in Brussels as ‘jumping the gun’ because the Secretariat’s future mandate is not clear.

ACP country respondents have a wide range of views about the ACP–EU Joint Parliamentary Assembly (JPA): many regard it as a useful forum for stimulating discussions between European MPs and members of Parliament of ACP countries. They see it as helping promote democracy by strengthening the role of national parliaments and also affording the experience of parliamentary scrutiny and legislative activities. Some call for reducing the frequency of JPA meetings, currently held twice a year.

The difficulty of assessing an entity’s impact on democratic practice or culture at the national level is exacerbated by the fact that most ACP MPs who attend the JPA belong to their country’s ruling party (each ACP country sends only one representative). Many countries even send their EU ambassadors so that many ACP members at the JPA represent their governments, not their parliaments. Some respondents view the JPA as a piece of well-oiled machinery that contributes little to ACP–EU relations.

Another issue repeatedly raised with respect to the JPA is the difference in attendance by the ACP and EU representatives. JPA meetings are often attended by lots of ACP parliamentarians but relatively few of their EU counterparts – which indicates a certain disengagement on the part of the EU despite the amount of its investment.³⁰

The ACP country interviewees also touched on the present and future relevance of Cotonou’s joint institutions. Few stakeholders are familiar with the Technical Centre for Agricultural and Rural Cooperation (CTA) and the Centre for the Development of Enterprise (CDE). The former is appreciated for its role as a knowledge provider in the agricultural sector although dissatisfaction is voiced about its low impact on pertinent ACP–EU policy discussions. Many regard the CDE as a body without vision or good organisation that is further hampered by insufficient staff and budgetary resources.

4.3.2 Cooperation in relation to Cotonou’s three partnership pillars

Our research team explored perceptions of the Cotonou Agreement in ten countries, where the views are generally less positive than at headquarters. Cotonou is still viewed as a valuable framework, mostly because of its legally binding nature. But at country level the CPA is regarded as too ambitious because it covers such a broad range of areas. Even among those who favour extending the CPA, many prefer that it have a narrower mandate focusing on a few key issues: finding a specific niche would help the Group and the CPA remain relevant. The new priorities are likened to acupuncture needles that touch only a few key points but deliver benefits to the whole body.

Political Dialogue

Government representatives, civil society actors and stakeholders from other affiliations indicate little awareness of the basics of the EU–ACP political dialogue in the CPA Articles

30 It should be noted that with the ACP numbering 79 countries compared with the EU’s 27, it is normal that ACP parliamentarians will outnumber those from the EU.

8, 96 and 97. Because the EU alone tends to take initiative regarding Article 8, and due to Article 96's reputation as the 'sanction article' the EU is viewed as being more interested in judging ACP countries' governance than in conducting a genuine political dialogue.

While donors and foreign diplomats seem highly sceptical of the impact of political dialogue, many ACP national actors agree on the universality of the values and principles defended by the EU – and its tangible, albeit limited, impact. Government officials point out that EU interpellations on governance and human rights issues manage to 'slip in' and help make a difference in the medium term. But it is generally agreed that this occurs within a wider political context that may prompt regressive measures, such as in a number of ACP countries where restrictive legislation is crippling NGOs and sometimes even forcing them to close. Some civil society organisations (CSOs) insist that were it not for Cotonou's legally binding character, their very existence would have been threatened. Others claim that politicians condemn the EU's governance and human rights conditionalities as 'neo-colonialism' and 'paternalism'.

Not only is the EU considered correct about the values it promotes, but it is also seen as being entitled to demand better governance because it provides development aid – regardless of the amount. Interviewees prefer to maintain working relations between the EU and their governments, even when the two parties strongly disagree. But a few believe that "*conditionality has had a negative impact as regimes have been changing without real will.*" They see more potential for change in tools like the African Peer Review Mechanisms instead of top-down, occasionally punitive conditionalities. African interviewees expect African regional powers to assume greater leadership on governance issues.

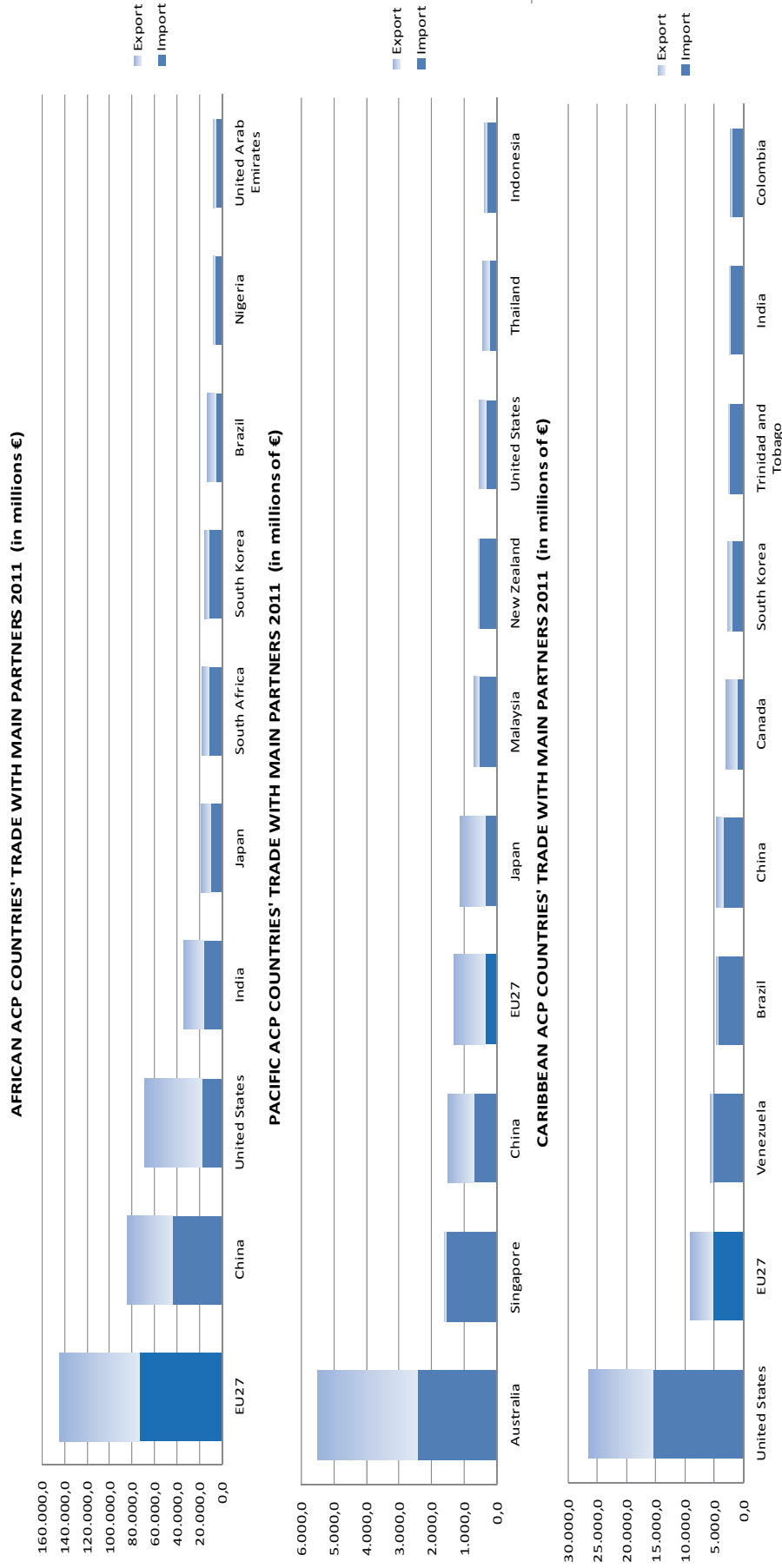
Regarding civil society's inclusion in political dialogue – especially for defining development strategies and EU support – many non-state actors (NSAs) express disappointment about how consultations are conducted. The latter are seen as becoming unilateral information programmes despite the fact that in the CPA, consultation with the civil society is considered to be key for fostering participation and ownership of developmental strategies, governance and human rights issues, etc.

Especially in the Caribbean, NSAs report that dialogues about national strategies and EU development cooperation is poor, generally because governments and EU delegations are hardly involved, there are few vibrant well-organised CSOs and networks, and it is very difficult to access EDF funds. Some CSOs view EU attempts to create new bodies for regional consultation as detrimental and divisive.

Trade

The analyses of overall EU trade flows in section 2 do not reflect how the importance of trade with the EU varies for each ACP region and country. Figure 2 presents the trade flows disaggregated for Africa, the Caribbean and the Pacific, showing that trade with Europe remains most important for Africa.

Figure 2: Main trading partners for the three ACP regions in 2011³¹



Source: DG Trade statistics

31 Figures for Africa exclude South Africa, which alone presents 25 % of ACP trade with Europe under a separate framework provided by the Trade Development and Cooperation Agreement (TDCA) that entered into force in 2004.

The Cotonou Agreement was intended to gradually end the EU practice of granting non-reciprocal trade preferences to ACP countries and move towards a liberalised trade regime through Economic Partnership Agreements (EPAs). But the lengthy and controversial EPA negotiations have created friction between the parties, tarnishing the EU's image in all ten countries (see also section 3).

Although post-2020 scenarios for Cotonou will be affected by the outcomes of EPA negotiations, the latter are between the EU and the RECs and are not dependent on Cotonou's future. Nearly all ACP interlocutors reject EU arguments in favour of EPAs because they see how EPAs undermine local industries and mostly favour EU exports. They argue that although trade 'openness' tends to be win-win for countries at similar stages of development, large asymmetries between the parties – as in their case – can undermine the growth of infant industries in non-industrialised countries whose economies often rely on a few primary commodities. Other sources of concern include ACP governments' expected loss of custom revenue, which cannot be compensated for by longer transitional periods or temporal compensatory payouts, and the ACP producers' incapacity to access EU markets and compete under EU standards – even after EPAs are agreed. Many consider the EU position to be hypocritical since it pushes for liberalisation externally – while heavily protecting its own agriculture sector.

For Least Developed Countries (LDCs) that benefit from the *Everything But Arms* (EBA) agreement, there is little incentive to sign an EPA, since their goods are granted preferential access to the EU market under the EBA. EPAs compel MICs to open their economies to one of the most competitive markets in the world – which is not necessarily in their interest. Generally the EU's contribution to regional integration is welcome: small MICs like Botswana need regional cooperation to develop. Yet were Botswana to sign an EPA with the EU its access to ports in Namibia and South Africa through the Southern African Customs Union (SACU) could be jeopardised. The landlocked country is in the unenviable position of having to renounce its beef preferences – by not signing an EPA with the EU – in order to maintain its own regional cooperation within the SACU framework.

A more compelling criticism of the EPA process is that Cameroon signed (but did not ratify) the interim EPA but other countries in Central Africa did not follow, leaving Cameroon isolated at the regional level. One COMESA official argues that EPA negotiations had split the REC between LDCs and other members, complicating regional integration processes. One interviewee finds little incentive for ACP economies to access EU markets because non-tariff barriers – such as EU standards and packaging and labelling requirements – will persist even in a fully liberalised trade relationship.

In the Caribbean, the only region to have signed a full EPA, the process of implementation is sluggish with country ratifications proceeding at snail's pace. The looming expiration of unilateral preferences provided to ACP countries³² – on 31 December 2007 – caused

32 These would still be provided to Least Developed Countries under the Everything-But-Arms scheme.

rushed negotiations, with little consensus about many elements. Many interviewees believe that the Caribbean region would have negotiated differently if they had understood that the preferences would be continued: Caribbean government officials and private sector representatives regret signing the agreement.

For the many Caribbean countries that are primarily service providers (tourism) or have few diversified exports (e.g. oil, sugar, rum), an EPA brings no significant advantages since their lack of capacity prevents them accessing the Union's service markets. In addition to supply-side weaknesses, these countries have all sorts of other difficulties conducting business with Europe because visa constraints impede easy access to the territory – an issue that is crucial for trade but which is not part of the EPA.

For the ACP Group, the CPA's main contribution to trade is the strong political support and funding provided to Regional Economic Communities (RECs). The EBA – introduced by the EU in 2001 outside the CPA setup – is regarded favourably by its LDC beneficiaries but negatively viewed by other countries because it collides with the *non*-LDC ACP members' interest in having the RECs and the EU agree on EPAs.

Most of our interlocutors believe that the EPA agenda should drop the Singapore Issues³³ but retain custom revenues. They also agree on the need for regional trade agreements with the EU to foster regional integration and increase their bargaining power. Since the WTO talks on trade facilitation are stuck on the very same issues, an African interviewee asks, “[*W*]hy should the EU ask us to dance faster than the music?” Aversion to the EPA agenda does not indicate aversion for regional integration as such: most of the interviewees who are involved with trade issues recognise the need to boost regional integration, if possible along the lines of Europe.

Landlocked countries have vital interests in regional integration. But the EU's current internal economic problems are challenging the European integration process, and reducing its appeal as a model. Many people in regions that are undergoing processes of integration are anxiously awaiting the end of the present EU crisis, which is viewed as stretching beyond economic aspects to core issues of identity and the willingness to truly integrate.

Our ten country visits confirmed widespread dissatisfaction with the way the EU has been negotiating the EPAs. One interlocutor termed them as an “*EU monologue*” characterised by opacity and asymmetry of the negotiators and conducted under lots of political pressure from the EU – which in turn was being pressured by the WTO to do away with its non-reciprocal trade preferences towards the ACP. The EU's approach to trade with the ACP Group is often described as undercutting the CPA's spirit of partnership. The EU is viewed as attempting to impose an agenda of liberalisation and privatisation that is far

33 These concern four issues introduced to the WTO agenda at the December 1996 Ministerial Conference in Singapore: trade and investment, trade and competition policy, transparency in government procurement, and trade facilitation.

greater than what most ACP countries desire. This issue has tarnished the EU's image in ACP countries, where the EU is perceived to be pursuing its own commercial interests under the banner of development. Many of its partners doubt the developmental rewards of some of its demands. A widely shared ACP view is that “[T]he EU is ruthless in trade matters.”

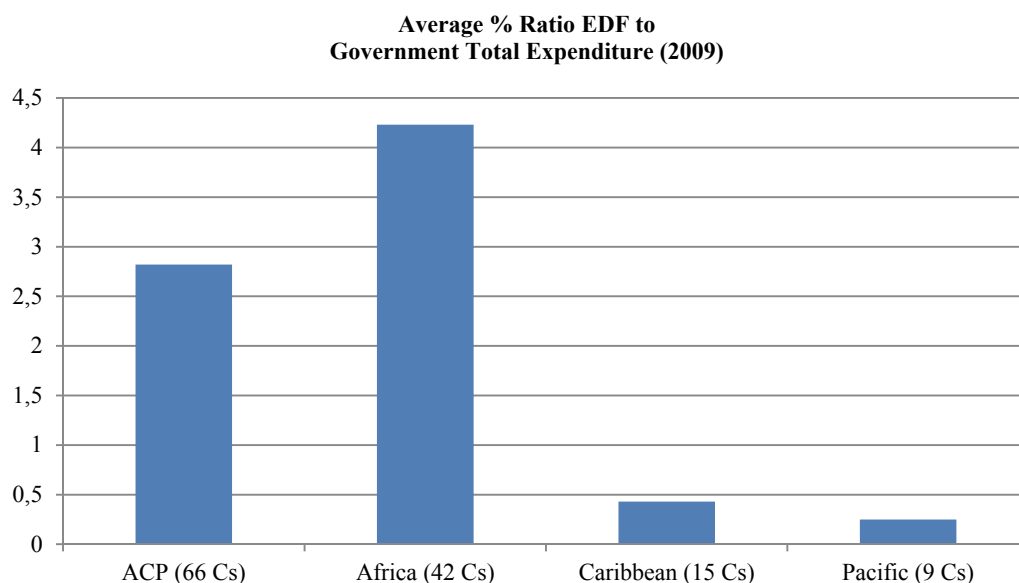
The ACP Group opened an office in Geneva to strengthen its position during the WTO negotiations. While some interviewees feel that this has helped ACP countries that are not represented individually, most question the move. Trade is a very case-specific, sensitive issue so cooperation is rarely straightforward. Few interlocutors are aware of the Geneva office or know about its functioning and remit.

Several stakeholders express hope that the EU will invest more in Africa, and many think that development cooperation should concentrate on attracting EU investments to the continent. Others remark that EU aid should focus on removing supply-side difficulties that impede ACP access to European markets.

Development cooperation

Echoing the Brussels-based interviewees, many interviewees working in development cooperation praise the EDF for ensuring predictability in funding, thereby enabling aid organisations to plan for the medium term. (Other donors impose annual negotiations on future funding.) Yet many interviewees in Africa claim that EU national strategies are often very vague about their priority sectors and that development funding is allocated with little knowledge of local contexts. Fortunately, national development plans will be used wherever available for EDF national programming for the period 2014 – 2020, instead of EU Country Strategy Papers. The EDF and its aid-effective ‘*avant la lettre*’ provisions that were inserted in Cotonou and earlier agreements are highly appreciated – despite the lengthy procedures and annoying red tape. The EDF is viewed as a more predictable and reliable source of development finance than those provided by several bilateral EU donors, and as playing an important role in maintaining ACP interest in the Cotonou Agreement. Some interviewees even say that if the EDF were to be channelled through the AU or the RECs, “*no one in Africa would complain for dropping the ACP*”. Most ACP countries appear to consider the EDF as just another component of foreign aid although EDF funds do not contribute a large share of ACP government expenditures, as shown in Figure 1, which compares EDF disbursements in 2009 to ACP government expenditures. EDF funds are shown to be particularly low in the Caribbean and Pacific regions – 0.4 and 0.2 per cent, respectively. While for ACP countries, the average ratio of EDF disbursements to government expenditures is 2.8 per cent, in Africa EDF funds represent 4.2 per cent on average, or 5.2 per cent when only countries with direct EDF disbursements are considered. Cash gifts amounting to 4 to 6 per cent of the government's annual budget should be quite welcome (Keijzer et al. 2013)!

Figure 3: 2009 EDF disbursements as a percentage of government expenditures. Countries (=Cs); missing data is excluded.



Source: European Commission; IMF World Economic Outlook Database (Keijzer et al. 2013).

A particularly controversial form of EDF funding is budget support, or direct aid to national budgets, either with pre-defined priority setting (Sector Budget Support) or without (General Budget Support). EDF budget support was first introduced during the 7th EDF (1990–1995). In the 10th EDF, 44% of the programmable money (EUR 13.5 billion) was to be channelled through BS – making slight increases in General Budget Support and significant increases in Sector Budget Support from the 9th EDF (DSW 2008). These increases reflect the EU’s commitment to provide 50% of development cooperation in the form of budget support by 2010 (the European Consensus on Development). Under the EDF, in the period 2002–2010, the Commission committed a total of EUR 6.2 billion for General Budget Support – over 90% for Africa. Budget support (BS) is generally regarded as an effective way to channel donor aid, but is also as a modality that weakens systems of accountability and governance because it lacks proper monitoring and sufficient conditionality.

Although the EU is praised for its contributions through the use of programme-based approaches like BS, in the ten countries visited, EU development cooperation is not very visible. Since much official development assistance (ODA) passes through the country’s own systems and is spent ‘under the radar’, most citizens and national stakeholders are unaware of the size of EDF contributions. The EU focus on ambitious objectives such as poverty reduction and economic growth also usually outstrips the resources for the programmes.

The EU is generally appreciated for its major long-term support to ACP RECs. But despite appreciating EU contributions to regional integration, African government officials express concern about whether the RECs can absorb the large funding contributions in pace

with the regional cooperation process. The EU also supports COMESA through a contribution agreement, a form of BS for an organisation, yet the EU contribution greatly outstrips those of the COMESA Member States, fostering dependency and raising concerns about ownership.

Allegedly the CPA has played an important role by providing access to funding and helping soften the conditions and occasionally harsh legal frameworks for non-state actors (NSAs) to operate. Cotonou has especially helped African grassroots organisations to be heard – and the EU has systematically protested against any national legislation that restricts NSAs.

Civil society actors do not think much of the EDF tendering procedures, which they consider to be too long, bureaucratic and opaque. Furthermore, application processes are said to be too slow and cumbersome for many NGOs, with relevant information poorly disseminated in some countries, and EU web pages that do not provide comprehensive, centralised information on tenders and mechanisms – although they are said to have been improved somewhat. Respondents express concern that EU tendering procedures are oriented to the private sector, which makes it difficult for NSAs to engage.³⁴

The Cotonou Agreement supports ACP civil society by acknowledging NSAs as essential players in the partnership. Civil society representatives in the ten countries we visited seem to value EU support, for example in Cameroon, where Brussels funded a programme to structure national civil society – the ‘PASOC’³⁵ – that is considered to be effective. But many interviewees report major shortcomings regarding NSAs’ involvement – mainly because EU delegations and ACP NSAs lack capacity. The EU delegations often fail to sufficiently engage civil society organisations (CSOs) since this requires lots of time and human resources, while CSOs are faulted for not having the capacity to handle large amounts of funds and thereby facilitate the EU delegations’ disbursement pressures. The fact that EU funds are jointly managed by national authorising officers, many of whom are reluctant to have funds channelled through NSAs, only compounds the difficulties and creates the perception that despite the CPA’s provision for direct CSO support, they receive only a fraction of their total funds.

China’s growing presence in Africa challenges the EU’s CPA cooperation by proposing a new form of engagement with an external power and questioning the relevance of the EU’s cumbersome bureaucratic procedures and tight conditionality. In-country interviews reveal that China is widely regarded as a more ‘*pragmatic*’ and flexible actor with more immediate, tangible impact. African government stakeholders particularly appreciate how China is building sorely needed infrastructure: “*China gives us roads, the EU gives us procedures*”.

34 One example is the African CSO that was repeatedly requested to supply a non-bankruptcy act – an eligibility criterion for an EDF-funded tender. Such acts are common legal documents in the for-profit private sector, but not among non-profit CSOs.

35 Programme d’Appui à la Structuration de la Société Civile. PASOC programmes were set up in other African countries such as Mauritania and Niger, but the feedback here refers to the Cameroon.

Many government officials are discouraged by the cumbersome EDF procedures and value the straightforward and efficient support from the China Development Bank's African Development Fund for their transport and energy infrastructures. However, these officials do not manage the day-by-day cooperation with China – which is not always straightforward. Nevertheless, long-term benefits do accrue to African countries from having a permanent infrastructure to enhance their domestic and international trade links. Furthermore, China's cooperation is perceived as less paternalistic, and China is able to speak with one voice to African governments.

Some interviewees, however, are concerned about China's typical approach of using its own companies and workforce to implement projects, thus creating little local employment. China also mainly issues loans not grants: although low-interest rates are currently low, the yuan's revaluation will most likely cause the real value of African debts to China to skyrocket.³⁶ Other emerging economies like Brazil, India and Turkey are also becoming increasingly active in Africa – but not as much as China, and with different modalities. These countries' swifter, more tangible results – as opposed to those of the EU (and individual EU Member States) – are generally appreciated.

Many stakeholders in Africa feel the EU should be promoting its businesses and investing in the continent because although Chinese and Indian companies are more competitive than European companies, the latter are thought to produce higher quality products. The EU is also appreciated for blending investment and economic development with a political, values-driven approach. Although these values are applied inconsistently, they are acknowledged as being essential for equitable, sustainable development. But tangible economic and social programmes must also be part of the ACP–EU relationship.

The widespread perception that the European and EU grip on Africa is slackening is accompanied by reiteration of the two continents' historical ties³⁷. Most interviewees emphasise their cultural proximity to Europe: despite the changing global context, the EU remains the continent's most natural partner although at the same time it needs to redefine its African strategy.

4.3.3 Views of the future

During the country visits we heard limited interest in the ACP Group and its future relations with the EU – partly because of ignorance about the dynamics, but also because Cotonou is still operating for another seven years. Nevertheless, it is possible to interpret key messages that could be useful in reflections about the future.

36 These loans are to be repaid in part with local currencies or natural resources – or access to them.

37 Europe remains the ACP's main trading partner. See Figure 1 in J. Mackie / B. Byiers / S. Niznik / G. Laporte (eds.) (2011): *Global changes, emerging players and evolving ACP-EU relations: Towards a common agenda for action?* Maastricht: ECDPM (Policy Management Report 19)

Box 2: Differentiation: a contentious issue

The country consultations revealed concern about the principle of ‘differentiation’ in the EC document, ‘An Agenda for Change’ (2011), which foresees ACP upper-middle-income countries (UMICs) ‘graduating’ from assistance after the Cotonou Agreement expires because they will no longer be eligible for funding earmarked to individual countries under a new European Development Fund or under the Development Cooperation Instrument (DCI). Although in the ACP–EU cooperation, needs and performance have long been used to determine EDF allocations to ACP states (Keijzer et al. 2012; Koch 2012), under the ‘Agenda’ they are expected to be applied more stringently to the CPA, thus creating bigger changes in allocations to ACP states.

Possible loss of funding is the prime concern of African stakeholders, who argue that phasing out development aid *per se* is a bad thing, a way of ‘punishing the good pupils’. The proposed approach based on gross national income (GNI) is criticised because 70 per cent of the world’s poor actually live in UMICs: Development aid should tackle the inequalities instead of using differentiation to disengage from these countries (Furness / Negre 2012).

Respondents from the Caribbean are especially worried about the EU applying differentiation without properly accounting for the regional economies’ vulnerabilities, especially in terms of international crises that can impact tourism and the adverse effects of climate change. Many Caribbean interlocutors argue that climate change should be central to any discussions about post–2020 Cotonou. However, some respondents maintain that the region should stop relying on development assistance and acquire other leverage tools.

The EU is widely regarded as being open to dialogue and seeking areas of common interest, although some interviewees express disappointment in the EU’s unilateral approach, especially with regard to trade. Any future cooperation should be less procedural and less bureaucratic – and more open to innovation and risk-taking. This would require greater levels of technical expertise.

While opinions are often nuanced and sometimes reject scenarios that focus too much on form instead of function, stakeholders in ACP countries identify two broad options for post–2020 ACP–EU relations: on one hand, letting the Cotonou Agreement expire and dismantling the Group, and on the other, making the Group relevant by means of radical reform, including refurbished EU relations. The stakeholders concur that maintaining the status quo is not an option.

Proponents of the first approach criticise the ACP Group as such, and are aware of EU institutional changes indicating that the EU is losing interest in Cotonou – promoting regional partnerships with Africa, the Caribbean and the Pacific, and especially pushing for African regional integration and closer ties with the African Union. Stakeholders believe that unpacking the ACP would be a safe exit strategy. They sense that the ACP has lived out its purpose and needs to justify its continued existence for Africa, the Caribbean and the Pacific.

Although some interviewees view the AU as an important platform, most argue that the RECs are more suitable interlocutors for further cooperation with the EU. They also indicate scepticism about the idea of treating Africa as one. Overlapping memberships and capacity constraints are viewed as hampering RECs efforts to drive regional cooperation, and limiting their potential as building blocks and vehicles of future international coopera-

tion. African stakeholders feel that if EU–ACP relations were disaggregated into the three components of the ACP Group, it would be necessary to have a legally binding operational Joint Africa–EU Strategy (JAES) to preserve some of the CPA’s key principles and components.³⁸ Several respondents believe that if the ACP were dismantled, African states could resume the ‘nationalisation of international relations’ – and develop stronger bilateral relations with their traditional European partners.

Others want the ACP Group to exist after the Cotonou Agreement expires in 2020, arguing that it will still have an active role to play. They concede that the Group would have to redefine its mission and mandates and emancipate itself from the EU, particularly regarding funding. Many interviewees also believe that the Group needs to diversify its external relations and enhance its links with emerging economies. This is particularly important for countries moving from low- to middle- income status, where development cooperation is likely to decrease in relevance over time, and political dialogue to increase.

Caribbean and Pacific stakeholders indicate strong motivation to continue working within the ACP framework and reach consensus about extending the Cotonou Agreement beyond 2020. Some view the Group’s future as a question of “affordability, leadership, and expected benefits” and welcome regionalisation under a strong ACP umbrella. The Caribbean and Pacific regions consider that intra-ACP relations should be strengthened in terms of sharing experiences and coordinating at the global level.

5 Conclusions and recommendations for further debate

Europeans present two approaches to the future of the Cotonou Partnership Agreement – one that abandons the ACP–EU partnership, and the other that preserves some of its elements. The first approach has a weak rationale for keeping a common framework with these very heterogeneous regions, which do not appear to have developed an ACP-identity or intra-ACP trade. Europeans point to the decreasing relevance of former colonial ties, particularly in the context of an enlarged EU, but also because of the ACP–EU emphasis on ODA, combined with the ACP Group’s poor track record in helping to shape joint positions and interventions at international fora.

That said, European stakeholders find that there are three main elements worth retaining: (i) the CPA’s legally binding nature that promotes political dialogue, predictability and ownership strategy in development cooperation; (ii) the European Development Fund, which has a relatively strong record of performance (compared with other EU development cooperation instruments) and a commendable multi-stakeholder approach to designing and managing development strategies; and (iii) the potential alliance of the ACP and the EU for global public-goods provision. Although several EU Member States, the EC

38 However, the JAES is perceived as suffering even more from a ‘Christmas tree’ approach than the CPA: it lacks focus on a manageable set of areas for further cooperation.

and the European Parliament have called for ‘budgetising’ the EDF, our findings suggest that the EU would gain from ‘EDF-ising’ its other development cooperation instruments by including innovations developed in the ACP–EU context. However, there should be democratic scrutiny of the EDF by the European Parliament.

Although there is no official position of the EU or its Member States about what should happen after Cotonou expires, European actors seem to favour a more regional approach to EU external relations and also maintaining the valuable aspects of the present setup. Although the EU’s strategic interest in the Caribbean and especially in the Pacific is clearly declining, EU Member States’ repudiation of the CPA could seriously impact promotion of their values and interests in Africa. The Joint Africa–EU Strategy does not provide a viable alternative framework for cooperation.

The EU seems inclined to preserve key elements of the CPA in a ‘light’ version of the current ACP–EU agreement – either by transferring them into separate EU regional strategies toward Africa, the Caribbean and the Pacific, or by combining them into a simple overarching ‘ACP light’ structure with regional strategies. European policy discussions on this matter are long overdue, with preparations for the CPA’s third revision in 2015 potentially serving as an important ‘warming up session’ for negotiations on post–2020. EPA negotiations have negatively affected ACP–EU relations in the recent past and could harm the EU’s position and trade with Africa in the medium to long term.

While the ACP countries’ official representatives in Brussels support continuing the Cotonou Agreement and also upgrading the ACP Group’s international profile, stakeholders in ACP countries are not enthusiastic. Our ten country visits identified five key reasons for this restraint.

First, a sizeable ‘social disconnect’ exists between the structures and inner circles involved with the Cotonou Agreement’s functioning, the ACP Brussels-based actors and the ACP countries. Although this is not unusual for such an agreement, it is telling that relevant stakeholders from government, civil society, the private sector, international organisations and academia don’t really value Cotonou’s scope and reach. Important differences about the ACP–EU exist across regions, countries and stakeholders, indicating the value of more discussions about how ACP countries might shape future cooperation with the EU. States that are party to the Cotonou Agreement appear to have largely outsourced the CPA’s management to a select group of international experts, diplomats and representatives – to the ACP’s Brussels-based Secretariat and the ACP states’ national missions to the EU. As a result, many well-informed, relevant stakeholders in these countries may know about EPAs and EDF development interventions, but also be completely unaware of their governing ACP–EU partnership.

Second, while the ACP Group is regarded as historically relevant, there is little appreciation of its current value beyond securing EU development assistance through the Cotonou Agreement, and to help the Caribbean and Pacific regions amplify their messages to the

EU and internationally. Obviously, the Group's size in itself could be an important reason to maintain it, especially if this power were used with the EU to create an automatic majority in international fora. However, since the Group has little to show in this regard, size alone does not make a convincing rationale.

Third, the overlapping mandates, memberships and international strategies among the different organisations and frameworks seem to conflict. Increased bilateral relations *vis-à-vis* traditional EU partners, the rising role of RECs and the tensions that result from overlapping memberships, as well as competition for remits between the regional (RECs), continental (AU) and ACP levels, are just some of the conflictual interactions that affect the Group.

Fourth, although the institutions emanating from the CPA were ambitiously designed, the ACP's low financial commitment is interpreted as a sign of its lacking political will. Shortcomings of the current leadership – as compared with the first decades of the ACP–EU framework – are also regarded as explanations for the ACP's decreasing relevance. Compounding this is the negligible intra-ACP cooperation and trade – or other substantial links.

Fifth, EPAs negotiations have especially tarnished the EU's image at the country level, where the CPA's trade pillar is its best-known component and dissatisfaction is expressed about issues of both process and content. Most ACP interlocutors claim that the EU has pushed its own interest-based agenda, disregarding the ACP countries' key concerns and insisting on speed despite the lack of any agreement. The ACP countries most fear the loss of custom revenues, competition from EU industries, and lack of supply-side capacity to access EU markets – combined with possible damage to their local economies from the Singapore Issues. Real or perceived, sound or not, the EU's approach to trade negotiation has inspired the Group's mistrust.

All this notwithstanding, EDF money is generally appreciated – even if there is little consensus about how it should be targeted. While most interviewees acknowledge that EDF-funded interventions are important for development, many also are disappointed that cooperation has remained so government-oriented despite the acknowledgement of the partnership's multiple actors. EU development cooperation is broadly viewed as taking alignment seriously, and the EU's basic values are broadly shared.

ACP stakeholders generally view the values that the EU seeks to promote through political dialogue as universal and feel that Cotonou is an important instrument for insuring mutual accountability. Stakeholders view the political dialogue as mostly one-sided, although they recognise that they have managed to raise concern for some of their values, for instance how EU Member States treat ACP migrants. The problem does not seem to be the values themselves but rather the way the EU promotes them, as well as its choice of the right time to intervene. Despite these criticisms, ACP stakeholders agree that political dialogue is important for fostering civil society participation in the development process, and many insist that much more should be done. However, all parties agree that the EU civil society consultations in ACP countries are not well done and the CSOs' access to EDF funds is inadequate.

ACP–EU relations are deeply affected by emerging economies' growing role in ACP countries, which impacts trade relations by creating the impression that European exports and services are less competitive than those from China, and also increases competition for access to natural resources. Important economic fluxes from China – and to a lesser degree from other emerging nations, too – that apparently have no strings attached, are reducing the significance of EU development funds and limiting the EU's position to promote the values addressed in the political dialogue (Hackenesch 2013).

The EU has already lost, or is in the process of losing, its status as a privileged partner for many ACP countries – and vice-versa. Any future cooperation agreement should be less government-focused and more flexible and opportunistic about identifying a few concrete areas to drive cooperation. While Cotonou's contractual nature is appreciated, its vast framework for cooperation distracts from more down-to-earth agreements like those that ACP countries have happily made with other countries like the BRICS. ACP stakeholders insist, however, that these new modes of cooperation should not be taken as encouragement for the EU to become like the BRICS: the European approach to cooperating, along with the way practices have been shaped over decades, is much valued.

The growing absolute and relative size of EDFs, as well as the contentious nature of and slow progress with the CPA trade and political pillars, have caused development cooperation to eclipse the ACP–EU partnership. Not only has this hampered Cotonou's potential to be a strong and broad Partnership Agreement, but it also eliminates the possibility of a post–2020 'status quo' because the EU's development assistance to ACP countries is being reduced. Cooperation should be expanded beyond development in view of the strong interest in and potential of cooperation in areas such as trade, investment and knowledge exchange.

ACP stakeholder perceptions concerning the future of the Cotonou Partnership Agreement sketch out three possible scenarios for ACP–EU relations:

- ! Abandoning the Cotonou Agreement as a legal framework and focusing EU relations on each of the ACP regions (which will happen automatically if no successor agreement to Cotonou is adopted);
- ! Upgrading the Cotonou Agreement beyond 2020 by fundamentally changing the ACP–EU institutions to a lighter – less ODA-focused – cooperation architecture; or
- ! Regionalising the ties while preserving as many elements of the Cotonou Agreement as possible and maintaining the ACP to coordinate certain international fora and for cooperation in technical, developmental or trade matters.

While European interlocutors generally seem to favour the first option of regionalising the EU strategies and simply turning the page on the Cotonou Agreement, attitudes within the ACP are more diverse. ACP officials and ACP country ambassadors in Brussels, as well as others involved in operating the current framework, broadly support upgrading the

CPA. However, most country stakeholders see no reason to maintain either an ACP structure or the CPA, and opt for letting Cotonou expire, regionalising relations with the EU, and possibly maintaining a simple ACP structure. Regardless of their preferred scenario, stakeholders acknowledge the need for an in-depth assessment of the political and technical feasibility of all the options.

One key aspect appears to be shared, namely the conviction that some key elements of the Cotonou Agreement – particularly regarding development cooperation and political dialogue, and to a lesser extent, the trade pillar – should be preserved and improved. So the question is how to regionalise and also incorporate key CPA aspects into regional strategies *vis-à-vis* the EU. Few believe that much can be achieved in this regard before Cotonou expires. In fact, this will probably be one of the main considerations in the countdown to 2020.

The social disconnect observed between the institutions and functioning of the Cotonou Agreement, and their intended Partnership shows that relevant EU and ACP country stakeholders should be more involved in the decision process that is slowly taking shape: the debate must be expanded beyond the inner CPA circles. This research shows how relevant stakeholders from the field of international relations, government, the private sector, CSOs and others are often disconnected from decisions about their status, shape or future development. Regardless of the direction that ACP–EU relations take, the more open and participatory the process, the better the chances of achieving a meaningful outcome.

Although the seven years to 2020 might seem long, the ACP and the EU must stop being preoccupied with structures and groupings and urgently launch discussions that are driven by specific cooperation concerns. The ACP's Group of Eminent Persons does not provide the solution, but it could help promote what is really needed: a multi-stakeholder bottom-up review of the partnership in ACP countries.

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Annex

A synthesis of independent evaluations of support to ACP regions³⁹

This annex presents the results of independent evaluations commissioned by the EC about cooperation with the ACP regions. These evaluations were carried out between 2005 and 2008, that is, they covered the 8th EDF period, not the present one. Some of the shortcomings detected by the evaluations may have since been addressed.

i)! Caribbean⁴⁰

Although the Commission's support was intended to construct a regionally integrated space that resonated among its members and responded to the region's special needs, its strategy was regarded as lacking two crucial points in the political dialogue: a vision of the long-term regional integration process, and how the support would contribute to sustainable development and poverty reduction. The linkage between individual interventions and strategic priorities was also too vague.

While the strategy for this region seemed to be flexible and adapted to evolving needs, its design did not adequately take the large asymmetries between the Caribbean countries into account.

Interventions aimed at regional integration noticeably impacted on several sectors, including *“trade, promotion of cultural identity and diversity, product identity and regional marketing, tertiary education and crime prevention”*. However, the time constraints and scope of the strategies' organisational framework were negatively assessed.

The evaluation confirms with the general view that the EC development cooperation push for regional trade to be liberalised has caused negative social impacts – increasing the urgency to address issues of gender and poverty.

ii)! Central Africa⁴¹

The Commission's strategy was found to be generally relevant, although its focus on regional integration appears to have sidelined poverty reduction, which was indirectly addressed. Country strategies also failed to concentrate on poverty reduction. Both the regional and country strategies were incoherent and lacked complementarity. Another key issue in the area is the lack of good governance, which is judged to be *“the principal problem in the region”*.

Support for transport and natural resources appeared to be satisfactory in terms of effectiveness and impact. However, important difficulties were identified regarding the other evaluation criteria: Complementarity and coherence were viewed as 'problematic', sustainability 'at risk' and efficiency 'unsatisfactory'.

39 This annex is adapted from Negre (2012).

40 European Commission (2005)

41 European Commission (2006b)

The lack of complementarity between the regional and country strategies was viewed as “*weak[ening] internal coordination and low[ering] capacity within the Commission to implement its regional strategy*”. Complementarity in regional economic integration and governance needed significant improvement.

Since this region is partly characterised by the lack of a clear definition of its members and a multiplicity of regional organisations, the EC was unable to identify interlocutors. Notwithstanding EC efforts to be sensitive to the various regional processes, ownership remained weak, partly because “*the only implementation mechanism being used currently [was] the project approach which in addition to leading to weak ownership contributes to low sustainability and high relative costs*”.

iii)! Eastern and Southern Africa and Indian Ocean⁴²

The evaluation found that the EC regional strategies were relevant to the regional integration organisations (RIOs) as well as those of the African Union (AU). Support for RIOs was fairly substantial but the regional programming’s global architecture was not in line with the AU priority to strengthen regional organisations and increase their harmonisation.

Despite major attempts to integrate sector programmes and policies, the funds were deemed insufficient. Improving policies, plans and management capacity was a main priority, but this appeared to be disproportionate in light of the sorely needed investment in infrastructure. The evaluation also pointed out, “[C]apacity-building activities easily find a limit in the absorption capacity of the recipients”.

Regarding natural resources management, the Commission’s regional strategy did significantly contribute to enhancing capacity and policy outcomes, while also helping foster consensus and improve awareness of the risks and tensions related to scarce natural resources.

Although support for conflict prevention, resolution and management (CPRM) projects at the regional level was pertinent, it was not really coherent with EC initiatives at the country and continental levels. Despite their joint programming of CPRM activities by RIOs, their coordination was minimal. The EC’s own capacity to provide this type of support was deemed inadequate at the time of the evaluation.

iv)! Pacific⁴³

The evaluation established that the EC support was oriented to the needs and priorities identified by the partners but “*not strategically directed to the overarching objectives of Commission cooperation, as illustrated in particular by the weak consideration of poverty reduction*”. This indicates a clear conflict between ownership and EU priorities for development cooperation.

42 European Commission (2008b)

43 European Commission (2007a)

Assistance to boost participation of the Pacific region's partners in international commitments to global challenges, particularly regarding climate change and natural resources management, was viewed as highly pertinent and coherent with EU global policies.

Concerning the EC's coordination and complementarity of its regional and country strategies, which was important given the Commission's limited relevance as a donor in the region, the evaluation concluded that much could be improved to maximise the impact of its assistance.

v)! Southern African Development Community⁴⁴

The EC's regional support was found to be "*generally relevant, coherent and poverty oriented*", with potential for enhancing coherence and creating stronger linkages to country strategies.

Southern Africa's numerous regional organisations made it difficult for the Commission and the SADC to decide on appropriate action. The division of SADC member states into two EPA negotiating zones creates major difficulties for intra- and inter-regional cooperation.

The evaluation pointed out that the strong emphasis on capacity building in support of regional organisations, particularly the SADC Secretariat, was misguided. The Secretariat was described as understaffed – with posts either vacant or filled by a non-competitive quota system – and dominated by SADC heads of state.

Weak linkages between regional and country strategies were regarded as being further diluted by insufficient interaction between the EC delegations charged with coordinating activities and incorporating regional aspects.

EC support for the transport sector was judged positive at the national level but weak at the regional level because the regional transport market was in the early stages of being liberalised.

Interventions in the area of HIV/AIDS were judged to be in the right direction despite the lack of observable improvements in terms of results and measurable outcomes.

vi)! West Africa⁴⁵

Even if the countries in the region demonstrated little commitment to the process of regional integration, EC support was focused on the institutional aspects, particularly developing the Economic Community of West African States (ECOWAS)⁴⁶ and the West Afri-

44 European Commission (2007b)

45 European Commission (2008a)

46 ECOWAS is composed of: Benin, Burkina Faso, Ivory Coast, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo and Cape Verde.

can Economic and Monetary Union (UEMOA, as it is known in its French acronym),⁴⁷ which is composed of eight of the 15 ECOWAS members.

The EC regional strategies were deemed insufficient to properly define the program results and anticipated impacts, although measures to address this shortcoming that had been recently implemented were expected to improve the results significantly. Improvement was focused on supporting crisis prevention and EPA negotiations.

Support for the transport sector in order to improve regional integration was judged pertinent and correct since this sector is viewed as a main contributor to the regional integration process. However, this support did not benefit the entire population because transport prices were not lowered, illegal tolls eliminated the potential benefits of the investment, and frontier transit remained very slow.

Coherence between other regional and country strategies was deemed weak, with the Commission lacking clear strategies to leverage its objectives in the region.

47 UEMOA is composed of: Benin, Burkina Faso, Ivory Coast, Mali, Niger, Senegal, Togo and Guinea-Bissau.

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