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Economic Partnership Agreements

When the European Economic Community was launched in 1958, four of the six founding members still had colonies in Africa and elsewhere. A special “association” status was included for them in the Rome treaty with non-reciprocal trade preferences for most of their imports in the EU and the “European Development Fund” (EDF) to support their development. When they became independent, these preferences were confirmed in a multilateral Convention - the “Yaoundé Convention”.

When Britain joined the association was extended to most ex- British colonies, the partners were called the “ACP” - for Africa, Caribbean, Pacific - and the preferential status included in a new agreement , the “Lomé Convention” concluded in 1975 with seventy one countries. This Convention was renewed three times despite the growing opposition of third countries and condemnations by WTO panels, notably for the continuing preferential access for bananas from the ACP to the UK.

In 2000, a new agreement between the EU and the ACP countries entered into force, the “Cotonou Convention”, with a new approach to North - South relations inspired by the millennium development goals, the concept of sustainable development and a growing differentiation between beneficiaries based on political conditionality. The Cotonou agreement aimed also at a gradual integration of the ACP in world trade : concluded for twenty years (until 2020) , it provided indeed for an end of all non-reciprocal preferences from 2008 , since the “exception” to WTO rules was supposed to expire at the end of 2007 .

By then , all ACP individually or preferably in their regional groups, should have agreed so called “Economic Partnership Agreements” with the EU aiming at the establishment of a free trade area : not only would the EU continue to offer duty free access to its market for ACP products but EU products would also get duty free access to ACP markets. As this was marking the end of the non-reciprocal preferences for the ACP it would in exchange give EU products a preferential access to the ACP markets, as compared to the access given to US, Chinese or other products from outside the EU.

The negotiations for the EPA agreements started in 2002 and were conducted jointly, for the EU side by the Commissioners for trade and for development. For obvious reasons, the EU encouraged ACP countries to negotiate through their regional economic organization in order to encourage also the development of trade between neighbors which is often totally nonexistent. The offer contained also several loopholes: the “least developed countries” were allowed to continue to benefit from non-reciprocal trade preferences through the “everything but arms” regulation; the others could still benefit from the EU General System of Preferences (GSP) or the so called GSP+. The difficult efforts asked for through the EPAs were also supposed to be compensated by the incentives contained in the Cotonou agreement and the support of the EDF.