

Civil Society Statement on the current state of play of the EPAs after the European Commission's latest ultimatum

Arusha, 7 September 2016

The undersigned civil society organisations attending the Conference "**The future of integration in the content of Europe-Africa trade relations....**" in Arusha, Tanzania from 7 to 9 September 2016" deliberated on the present state of play of the EPAs between the EU and EAC /Africa.

We recall that the original objectives of the EPA as articulated in the Cotonou agreement, included, inter alia, fostering the sustainable development and regional integration of the ACP countries while respecting their political objectives. We also recall the promise of the EU to non-LDCs as per Article 37 para 6 of the Cotonou agreement that it will examine all possible alternatives in order to provide a trade framework equivalent to their existing situation.

It is regrettable that the EU has reneged on this promise and has instead continuously used the strong arm tactics throughout the EPA negotiations, in order to secure its offensive interests. The introduction of the regulation to withdraw preferences from countries which had not concluded an EPA, pressured African regions into accepting EPAs in 2014. In July 2016 once again the European Commission threatened ACP countries with the withdrawal of trade preferences if they would not ratify EPAs by 1 October 2016.

Despite the fact that this threat was not endorsed by the Council and the European Parliament and even if the European Parliament has postponed its decision and therefore the deadline until 1 February 2017, the threat of withdrawal of preferences has pushed some individual countries within regional blocks to sign and ratify the EPAs separately thereby jeopardising regional integration and solidarity.

The premature and unilateral move of the European Commission has and is preventing a careful and deeper analysis of the possible impacts of the EPA on sustainable development and regional integration both in the short and long term. This includes the consequences of the BREXIT, -which would substantially reduce the value of the market access offered by the EPA, especially for countries who have the UK as their main European export destination-; the elusive EU market, given the preferential erosion as it is signing FTAs with other regions; and the inherent dangers for policy space embedded in the rendez-vous and MFN clauses.

We stress that the future of Africa's structural transformation and sustainable development lies in fostering regional integration and strengthening manufacturing industry, in supplying local and regional markets and providing employment, food, consumer goods and services to their fast growing population that will double by 2050. Already today for countries like Kenya, the exports of value added products to the regional market are more important than export of traditional raw materials to the EU

market, the value of which has been eroded by EU trade agreements with Latin American and Asian countries. We do not want to see the future of Africa being negotiated away in order to maintain the trade of traditional raw material exports of the past; and remind that the cost of avoiding increase import taxes in European is much less than the costs of eliminating taxes on imports from Europe.

We also underscore the enormous implications that the in-built agenda of the EPAs may have. The EAC commitment to conclude within five years agreements on services, investment, governments, intellectual property rights, etc. will undermine the necessary policy space of the EAC countries to foster sustainable development. In other words, the main price for maintaining the traditional exports to Europe, is yet to come.

We are convinced after a careful reading of the EAC EPA that it will not serve the long term interests of the region and will greatly circumscribe the policy space of our countries to pursue their development interests.

We stress that alternatives to EPAs have always remained possible, depending on the political will, in particular of the EU: a WTO waiver, GSP+, regional solidarity funds to compensate for increase duties for non-LDCS countries. The focus of the alternatives should be the strengthening of regional integration and structural transformation.

We call upon the EU and the EAC partner states to develop these alternatives. The EAC partner states should use the extension of the deadline by the EU to 1st February 2017 to reach a consensus on the way forward. We remain committed to work together for fair, just and sustainable trade relations that foster human development.

The undersigned,

Action DEVELOPMENT et INTEGRATION REGIONALE (ADIR)

Consumer Education Trust (CONSENT) Uganda

Diaspora Policy Institute Germany

East Africa Civil Society Forum (EACSOF)

ECONEWS Kenya

Food Rights Alliance Uganda

Ecumenical Service on Southern Africa Germany

Kenya Human Rights Commission (KHRC)

SADC Council of NGOs Botswana

SEATINI Kenya

SEATINI Southern Africa

SEATINI Uganda

SOL France

Tanzania Trade and Economic Justice Forum

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