

ACP-EU COTONOU AGREEMENT

**AFRICAN, CARIBBEAN AND
PACIFIC GROUP OF STATES**

**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 2 May 2013

ACP/22/002/13

ACP-UE 2103/13

OUTCOME OF PROCEEDINGS

of: 62nd meeting of the ACP-EU Committee of Ambassadors
on: 4 May 2012
at: Justus Lipsius Building, 175, rue de la Loi, 1048 Brussels

Subject: Outcome of proceedings of the 62nd meeting of the ACP-EU Committee of Ambassadors on 4 May 2012

The 62nd meeting of the ACP-EU Committee of Ambassadors took place on 4 May 2012 under the chairmanship of H.E. Ms Shirley SKERRITT-ANDREW, Ambassador of the Eastern Caribbean States and Chair of the ACP Committee of Ambassadors.

The meeting was co-chaired for the European Union by H.E. Mr Jeppe TRANHOLM-MIKKELSEN, Ambassador, Chairman of the Permanent Representatives Committee.

The Commission was represented by Ms Francesca MOSCA, Director for Sub-Saharan Africa in DG EuropeAid Development and Cooperation, and Mr Peter THOMPSON, Director for Development and EPAs in DG Trade. The EEAS was represented by Mr Nicholas WESTCOTT, Managing Director for Africa.

H.E. Ms Shirley SKERRITT-ANDREW and H.E. Mr Jeppe TRANHOLM-MIKKELSEN welcomed the participants and opened the meeting.

1. Adoption of the provisional agenda

The Committee adopted the agenda as set out in [ACP/22/001/12 Rev. 1 - ACP-UE 2107/1/12 REV 1].

2. Adoption of the outcome of proceedings of the 61st meeting of the ACP-EU Committee of Ambassadors held on 3 May 2011

The Committee approved the summary record of the previous meeting [ACP/22/004/11 - ACP-UE 2123/11].

3. Preparation of the 37th session of the ACP-EU Council of Ministers (Port Vila, 14-15 June 2012)

A. Trade cooperation

- Economic Partnership Agreements: state of play and perspectives

The Commission provided a brief overview of the EPAs being negotiated and informed the Committee of the recent provisional application of the interim agreement with the Eastern and Southern Africa EPA signatory countries. The Commission stressed that a new dynamic was becoming evident in the negotiations and that they were progressing reasonably well.

The ACP side declared that their position had been well articulated by ACP Ministers at the meeting of the Joint Ministerial Trade Committee in December 2011, and requested that the Commission withdraw the proposed amendment to Regulation 1528/2007 for reasons stated at that meeting. The ACP side declared that the ACP States concerned were pursuing negotiations in good faith and in the hope that a mutually beneficial agreement would be reached. The ACP side recalled certain global and regional developments which had influenced the EPA negotiations, such as the stalemate in the Doha Round, which the ACP side had hoped would modify the provisions of the regional trade agreements and inject flexibility to enable LDCs to conclude free trade agreements (FTAs) with developed countries and ACP regions, and the process of building FTAs and Customs Unions in Africa. The ACP side declared that no ACP state or WTO member had complained about the granting of duty free quota free market access to ACP States that were still negotiating an EPA.

The representative of Kenya outlined the state of play of EPA negotiations with the EAC region, emphasising that setting a unilateral deadline via the proposed amendment of Regulation 1528/2007 would put undue pressure on negotiators and hence could hamper the conclusion of negotiations for a development-friendly EPA.

The representative of ECOWAS briefed the Committee on the state of play of negotiations in West Africa, called on the EU to show more flexibility in the EPA negotiations and criticised the proposed amendment to Regulation 1528/2007.

The Commission responded by pointing out that Regulation 1528/2007 had been conceived as a temporary solution and had become unsustainable. The Commission argued that the proposed amendment did not impose a deadline on EPA negotiations, which could continue beyond 2014.

- **Follow-up of the 69th meeting of the ACP-EU Subcommittee on Trade Cooperation**

The Commission gave an oral presentation of the main outcomes of the meeting of the ACP-EU Subcommittee on Trade Cooperation held in Brussels on 13 April 2012.

The ACP side confirmed that the report was a true reflection of the deliberations.

The representative of Jamaica, referring to the Commission communication on Trade and Development, emphasised the role of Aid for Trade for ACP countries. In the context of EPA negotiations with third countries, she underlined that, if the EU were to decide to open its market to Indian rum, support to the Caribbean rum producers should be considered.

The Committee took note of the results of the meeting of the ACP-EU Subcommittee on Trade Cooperation held in Brussels on 13 April 2012.

B. Migration and development

- **Report from the ACP-EU dialogue on migration and development**
- **Exchange of views on the state of play and the way forward**

The EU side expressed satisfaction with the results of the dialogue.

The Commission outlined the results of the dialogue achieved since June 2011. The Commission announced that a joint report was still being drafted and was to be finalised in an Ambassadors' meeting on 7 May 2012.

The representative of Chad added to the EU presentation, recalling that the future dialogue would need to cover issues which had still not been discussed i.e. mobility of skilled persons, legal migration, smuggling of migrants and trafficking in human beings as well as migrants' rights. With regard to the report from the dialogue, he clarified that a number of issues remained outstanding.

The Committee took note of the results of the dialogue. The final report from the dialogue would be examined by the ACP-EU Council of Ministers in June 2012.

C. Rio +20

- Exchange of views

With a view to the "Rio+20" International Conference on sustainable development (Rio de Janeiro, 20-22 June 2012), both Parties expressed their willingness to work constructively towards a joint statement and more generally, on the future of the institutional framework for sustainable development.

The Committee of Ambassadors consequently recommended that this matter be included on the agenda of the ACP-EU Council of Ministers and invited the experts from both sides to continue the preparatory work with a view to submitting a draft joint statement for consideration by the ACP-EU Council of Ministers in June 2012.

D. "Sustainable Energy For All" Initiative:

- Exchange of views

The Commission highlighted potential implications for ACP-EU cooperation of the United Nations' "Sustainable Energy for All Initiative" recently launched by the Secretary-General of the UN.

The ACP side welcomed this initiative from the perspective of helping developing countries to achieve universal access to energy, and looked forward to receiving an update on the outcomes of the "EU Sustainable Energy for All Summit".

The Committee suggested that the ACP-EU Council of Ministers should also have an exchange of views on this subject.

E. Development Finance Cooperation

- Information on the activities of the Development Finance Cooperation Committee

The EU side presented an oral report to the Committee about the outcomes of the 27th meeting of the ACP-EU Development Finance Cooperation (DFC) Committee, which took place in Brussels on 25 April 2012 at Authorised Representatives level with a view, inter alia, to preparing the Ministerial DFC Committee in Vanuatu.

During the meeting, the Commission gave an overview of its analysis of the 10th EDF performance review and provided progress reports on:

- the regional mid-term review of the 10th EDF, and prospects for the end-of-term review,
- the state of play of EU development policy,
- the new approach of EU budget support.

The representative of the European Investment Bank informed the Committee about the 2011 Annual Report on EIB activity and, finally, the Committee approved the DFC Work Programme for 2012-2013.

Pending a Commission proposal, the Committee decided to postpone the discussion on the replenishment of the Intra-ACP envelope.

On the proposed modification of Annex II of the ACP-EU Partnership Agreement, the Committee invited the two parties to take the necessary steps in order to submit the decision to the ACP-EU Ministerial DFC Committee and to the ACP-EU Council in Vanuatu for formal adoption.

The ACP side took note of the report presented by the EU side and notified the Committee that a detailed report would be presented at the ACP-EU Ministerial DFC Committee in Vanuatu.

F. Revision of Annex II of the ACP-EU Partnership Agreement

The EIB gave a brief presentation and explained the implications of the Commission's proposal modifying Annex II of the ACP-EU Partnership Agreement.

The EU side expressed its support for amending Annex II and announced that EU internal procedures for establishing the EU's position to be taken within the ACP-EU Council were being finalised.

The ACP side also stated that it was in favour of amending Annex II as proposed by the Commission.

The Committee noted that a draft decision would be submitted to the ACP-EU Council for adoption, following recommendations of the ACP-EU Ministerial DFC Committee (in line with Article 100 of the ACP-EU Partnership Agreement).

G. Accession of South Sudan to the ACP-EU Partnership Agreement

The ACP side recalled the situation in South Sudan, and welcomed the State's request to join the ACP-EU Partnership Agreement.

The EU side took note of the ACP presentation and expressed strong support for South Sudan's request for accession to the ACP-EU Partnership Agreement. It recalled that, in June 2011, the ACP-EU Council of Ministers had mandated the ACP-EU Committee of Ambassadors to take a decision regarding a possible request from South Sudan to accede to the ACP-EU Partnership Agreement. Nevertheless, for procedural reasons, the EU was not in a position to agree to South Sudan's request at the present meeting of the Committee, and it proposed that the decision be adopted by the ACP-EU Council of Ministers at its meeting on 14-15 June 2012.

The EU side deplored the fact that the Republic of Sudan had not ratified the revised ACP-EU Partnership Agreement and invited the authorities of the Republic of Sudan to do so. The EU side expressed deep concern over the escalating conflict between the Republic of Sudan and South Sudan and strongly supported the efforts of the African Union's High Level Panel to resolve issues of contention between the two countries.

The Committee agreed that the decision regarding South Sudan's accession to the ACP-EU Partnership Agreement be included on the agenda of the next meeting of the ACP-EU Council of Ministers.

H. ACP-EU development cooperation after 2013

- State of play of preparations for the multiannual financial framework 2014-2020

The ACP side pointed out that this was a very important issue for the ACP Group, which had signed the second revision of the ACP-EU Partnership Agreement in June 2010 without any indications as to the post-2013 multiannual financial framework.

The EU side recalled that, while the Commission proposals concerning a possible 11th EDF and the multiannual financial framework for ACP-EU cooperation after 2013 had been tabled, the EU had not yet established its position on either issue. Furthermore, the EU side indicated that it was not yet settled whether ACP-EU cooperation would continue to be financed through a separate fund, as proposed by the Commission, or via the EU budget.

The EU informed the Committee that the total amount of the 11th EDF would be decided by the European Council, possibly by the end of 2012, in the context of the EU Multiannual Financial Framework 2014-2020. After this, the EU side would be ready to negotiate a new financial protocol with the ACP States.

The Committee took stock of the ongoing process.

- **Agenda for change: future of EU development cooperation policy**

The Commission presented its Communication entitled "Increasing the impact of EU Development Policy: an Agenda for Change".

The ACP side said that it considered the Agenda for Change particularly important at a time when in-depth reflection was under way regarding the post-10th EDF period and the future of ACP-EU relations. Nevertheless, the principle of differentiation introduced in the Agenda for Change was of great concern to the ACP Group, especially with regard to the inclusion of the element of graduation, linked to a differentiated approach with regard to access to resources. The ACP side felt that this was not in keeping with the spirit of the second revision of the ACP-EU Partnership Agreement.

The Committee recommended that this item be included on the ACP-EU Council agenda.

I. Performance review of the 10th EDF

- **Exchange of views**

The Commission presented its staff working paper concerning the 10th EDF performance review, summarising the programming, activities and results of the 10th EDF and assessing its quantitative and qualitative financial performance, in particular the results and the impact, measured in terms of progress towards achieving the Millennium Development Goals.

The EU side informed the Committee that it had adopted its position with a view to conducting the performance review together with the ACP side, in line with Annex 1b of the ACP-EU Partnership Agreement

The Committee agreed that the performance review would be conducted by the ACP-EU Council of Ministers meeting in Vanuatu.

J. Provisional agenda of the ACP-EU Council of Ministers

The Committee agreed the provisional agenda of the ACP-EU Council of Ministers (as set out in document ACP/21/001/12 - ACP-UE 2111/12).

4. Any other business

There is nothing to report under this item.
