The Negotiations of EPA Agreements between the EU and ACP

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Africa's relations to the EU are in many areas institutionalised through the Africa, Caribbean and Pacific group of States (ACP) partnership agreement, the Cotonou agreement. Signed in 2000, the agreement has deepened relations between Africa and the EU in several significant areas such as human rights and governance, development cooperation and regional integration. However, the development of a new generation of trade cooperation between the two parts turns out to be in a de facto deadlock. Negotiations of the new trade partnership, the Economic Partnership Agreements (EPA) started in 2003 and so far only the Caribbean sub-region has initialled an EPA with the EU. This paper undertakes a comparative analysis of the on-going negotiations of the EPA agreements between the EU and the regional entities of ACP. The negotiation process is first analysed on a structural basis looking at the five dimensions local economy, trade with the EU, foreign aid and investment, democracy and economic factors. The variables are tested statistically for correlations with the likelihood of reaching an EPA agreement with the EU. Subsequently, an analysis of the negotiations between the EU and the African sub-regions of ACP is conducted. The analysis addresses the specific factors that have influenced the negotiations in each region due to its specific needs and demands. The paper argues that the negotiations over aid and liberalization schemes for trade in goods are the main stumbling blocks in the negotiations. Due to the asymmetrical nature of the negotiations the analysis is carried out within a negotiation theory framework. The findings are in line with basic assumptions made in theories of asymmetrical negotiations. Furthermore, it is argued that coherent regional integration and political will is essential to a successful outcome of the negotiation process.

During the most recent ACP-EU Joint Parliamentary Assembly, trade Commissioner Karel de Gucht reviewed the status of the negotiations as to have reached a "make or break point". Three years after the initial deadline of the negotiations it is clear that the negotiating situation cannot proceed as to date. This paper assesses the fundamental dynamics, challenges and accomplishments of the EPA negotiations so far and identifies key areas and policies for a successful outcome of the EPA negotiations.