



United Nations  
**ECONOMIC COMMISSION FOR AFRICA**

**African Trade Policy Centre**

**African Workshop on Economic Partnership  
Agreements - Reaping the benefits of the EPAs**

**Taking Stock of the Interim Agreements to ensure  
African Countries Reap the Benefits of the EPAs**

**Concept Note**

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2008

## Background

African countries have for the last six years been engaged in two important tracks of trade negotiations. These are the Doha Round at the World Trade Organization and the Economic Partnership Agreements negotiations with the European Union. The Economic Commission for Africa (ECA) through the African Trade Policy Centre (ATPC) in collaboration with other institutions such as UNDP, UNCTAD, FAO and UNIDO has been working closely with the African countries in these two negotiations tracks. Specifically, the ECA has provided technical results suggesting options on how African countries could deal with the various issues raised in each of the negotiations.

As work with African countries on trade has shown, market access is not enough. These countries need support in terms of infrastructure and policy development in order to address supply side constraints and poor products quality. Indeed, focusing on the EPA negotiations, these issues were raised particularly now that the negotiations entered what could be seen as the home stretch. It is important that ECA and the other UN organisations bring together their expertise and support in order to optimise on the limited time remaining before African countries commit themselves in the final agreements of these negotiations. Indeed, within the Industry, Trade and Market Access (ITMA) cluster of the UN system-wide support to the AU and its NEPAD programme, and building on the mandate given to the African Union Commission to coordinate the African countries and Regional economic communities (RECs) in the trade negotiations, recent developments on these negotiations provide a useful platform for ensuring that African countries derive positive benefits.

Given the broad objective of Africa's integration, a key challenge remains how the EPAs negotiations could consolidate rather than complicate the moves towards a Common African Market. As things stand now, the EPAs negotiations have resulted in interim agreements being initiated by individual or groups of African countries. These interim agreements vary across the countries and groupings. And so the crucial question is how can the regional integration be salvaged from the current reality that while it is accepted to be a key pillar in Africa's development, there is inconsistency in the way African countries and their trading partners are progressing in these bilateral trade agreements.

The important question that face African countries today is how far the progress in the negotiations and the results so far achieved tally with expectations and the various African positions. In particular, have the negotiations results achieved so far met the minimum pro-development pre-requisites. It is noteworthy that the

Interim Agreements present its duty-free quota-free market access as important wins for African countries. But as the history of non-reciprocal preferences has shown, other developing countries, including non-African LDCs have been able to out-compete African products in developed countries markets on the basis of product quality and lower transaction costs. Looking at the practical infrastructure and policy issues arising from the Interim Agreements with regards trade facilitation, the quality and standards of the African products is therefore important. It is for this reason that the need to identify trade facilitation and infrastructure development requirements that are key to taking advantage of the duty-free quota-free market access is of central significance.

It is evident from this brief background that there are many important questions that require to be addressed in order to take advantage of the window of opportunity provided by the final phase of the EPAs negotiations towards the comprehensive EPAs agreements.

In order to think through some of these questions and come up with practical proposals, a continental workshop is proposed. The working documents for this meeting will be the current interim EPAs agreements. These will be assessed against the various African countries positions espoused in the technical studies that formed the main basis of the AU Ministers of Trade declarations on the Doha Round and the EPAs. But as a way of moving the African Integration agenda forward, the meeting will also consider how the outcome of the negotiations are likely to affect progress towards the African Common Market. A special focus will be on the African Common Market for Basic Agricultural Commodities that has been underscored by successive AU Summits with a focus on agriculture. In order to address the challenge of being able to have market access but at the same time not being able to exploit it, the meeting will consider the question of what measures need to be taken to improve trade facilitation and infrastructure development and whether there are policies that need to be put in place at the national and regional level in order to have high quality products. Furthermore, as the conclusion of negotiations approaches, coordination and harmonization in the drafting of the comprehensive regional agreements becomes imperative in order to ensure coherence between regional views and continental key positions for achieving the African Economic Community.

## **Objective of the workshop**

In line with the context of the workshop, the overarching objective will be to take stock of the results of the EPAs negotiations in the light of what African countries

had hoped to achieve while at the same time evaluating how the progress towards the African Economic Community is likely to be affected. The workshop will also review the questions of trade facilitation, infrastructure development and product quality in order to see what needs upgrading, as part of ensuring improvements in trade efficiency and reductions in transaction costs and that the products produced and traded by African countries meet the required standards. More specifically, the meeting will:

a) Identify the areas of convergence and divergence in the interim EPAs agreements to the AU Ministers of Trade decisions on the different negotiations clusters. In the areas where there is divergence, the meeting will present options on how the deviation could be addressed in the negotiations towards the comprehensive EPA agreements.

b) Produce a report with concrete proposals on how African countries can maximise on the expected outcomes of the Economic Partnership Agreements negotiations for sharing with the African Group of Ambassadors in Brussels and lead negotiators based in the capitals and RECs' Secretariats.

c) Noting the desire of the African leadership to fast-track the realisation of the African Economic Community, the meeting will assess the implications of the interim-EPAs on the efforts towards an African Common Market for Basic Agricultural Products.

d) Identify the requisite trade facilitation improvements and product quality infrastructure that needs to be upgraded in order to enable African countries take advantage of the duty-free quota-free market access opportunities for its export products. Necessary policy at national and regional level should also be identified to accompany the standards improvement.

e) Discuss an EPA template that would match the minimum requirements of African positions.

## **Participation**

The proposed meeting is to be organised by the African Trade Policy Centre (ATPC) and the Trade Finance and Economic development division of the Economic Commission for Africa (ECA), in collaboration with other UN Members of the ITMA cluster under the United Nations system-wide support to the AU and its NEPAD Programme. Consequently, the following organisations will be partners and collaborators in the meeting: United Nations Industrial

Development Organisation (UNIDO), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Conference on Trade and Development (UNCTAD), International trade Centre (ITC) Food and Agriculture Organisation (FAO), the African Development Bank (AfDB), the African Union Commission (AUC) and the NEPAD Secretariat. Selected African Ambassadors and Experts based in Brussels, representatives of African countries from the capitals, representatives of African Regional Economic Communities, the African Economic Research Consortium (AERC), African Trade Union movement, Civil Society and private sector representatives.

### **Expected Outcome of Workshop**

At the end of the meeting we intend to have sufficient information as captured in the report of the meeting that will be used as the basis to prepare various ATPC policy briefing notes focusing on different aspects and areas of EPAs for sharing with the negotiators and policy makers.

Secondly, and in line with ATPC's objective of supporting common African positions, the meeting will facilitate consensus building by coming up with proposals on how possible inconsistencies arising from the interim EPAs could be overcome so that the objective of achieving an accelerated African Common Market for Basic Food Products is not compromised.

Lastly, we intend to have sufficient information to finalize the elements of a template of a full regional EPA.