

ACP-EC COTONOU AGREEMENT

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

**COUNCIL OF
THE EUROPEAN UNION**

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Subject : ACP-EC Council of Ministers, Addis Ababa, 12-13 June 2008
- Resolution

**Resolution of the ACP-EC Council of Ministers
Addis Ababa, 13 June 2008**

On Economic Partnership Agreements (EPAs) and Regional Integration

The Council reaffirms the principles contained in the Cotonou Agreement that economic and trade cooperation shall build on regional integration initiatives of ACP states and aim at fostering the smooth and gradual integration of the ACP states into the world economy.

The Council takes note of the initialling of a regional EPA with CARIFORUM and the initialling of interim agreements by other ACP states. The Council also notes that 42 ACP states have not yet initialled an agreement.

The Council expresses its commitment to make every effort to ensure that all regions conclude WTO compatible full EPAs, within agreed timeframes and with due regard for ACP political choices, development priorities and administrative capacities in order to release their entire development potential. To achieve this goal, and acknowledging concerns identified by ACP states, the Council recognises the value of a flexible and pragmatic approach when moving from interim agreements towards regional EPAs, and, in this context, ACP requests for adjustments will be taken into account where appropriate, to the benefit of regional integration. The Council takes note of the need for those who concluded full or interim agreements to notify these agreements early to WTO, after signature. The Council also underlines the need for putting EPAs and interim agreements into provisional application after signature, pending ratification.

The Council underlines that EPAs need to build upon, foster and support existing regional integration processes, and enhance their overall contribution to sustainable development, food security and poverty reduction. The Council acknowledges the need to accelerate regional integration in order to build regional integrated markets and foster competitiveness while recognising the need to address jointly the challenges of adjustments and reforms which may be entailed in ACP economies and policies. The Council encourages the initiative for the joint design of regional Aid for Trade packages, building on the 10th EDF regional programming process and in line with the principles of aid effectiveness.

The Council underlines the importance of an ongoing dialogue on EPAs, at all levels, so as to strengthen the partnership spirit, and to ensure synergies between institutions created under EPAs and those of the Cotonou Agreement, which remains the framework for all relations between the ACP and the EU.

On Basic Food Prices and Food Security

The Council is particularly concerned by the additional challenges posed to development by the steep rise in food prices, in relation with, among other factors, climate change and rising energy prices.

The Council acknowledges the need to coordinate responses. The EU is ready to increase as required financial contributions to the short-term measures in order to meet the higher costs of existing safety nets and relief programmes and fund new ones. The Council believes that sustainable food production is the long-term solution to the food crisis and agrees to continue joint efforts to enhance ACP productive capacities. ACP governments are committed to strengthening sustainable regional and national agricultural policies, and to give them appropriate priority in their budget processes, with a view to increasing production and productivity, including through the Comprehensive African Agriculture Development Programme (CAADP) in Africa, paying particular attention to small-scale farmers. The EU will provide financial and other support to these ACP national and regional policies and strategies, in particular through an enhanced focus on agriculture under the 10th EDF.

Complementing ongoing international activities in this area, the Council calls on the ACP-EC Committee of Ambassadors to initiate a high-level experts meeting comprising representatives of the EU and the ACP to which other donors and multilateral agencies would be invited in order to initiate actions, including mobilisation of resources to address the effect of high food prices in the short-, medium- and long-term.

The Council underlines that by stimulating regional markets as well as investment, transport links and policy coordination, regional integration can help boost agricultural production and reduce food and agricultural input price volatility.

On Aid Effectiveness and Financing for Development

The Council is convinced that the Millennium Development Goals (MDGs) can still be attained provided that concerted action be taken immediately and in a sustained way until 2015, while remaining seriously concerned about the trend towards the MDGs in many ACP regions and countries.

The Council acknowledges that achieving all MDGs is a shared responsibility between donors and partner countries.

While encouraging the efforts taken so far by ACP countries to attain the MDGs by integrating them into their national development strategies and Poverty Reduction Strategy Papers (PRSPs) and by implementing relevant pro-poor policies, the Council affirms that they should continuously be supported by an increase in ODA, notably in line with the commitments taken in Monterrey in 2002, in Gleneagles in 2005 and in the European Consensus on Development in 2005, as recently confirmed by the Council of the EU in May 2008. The Council also calls on other donors to keep their ODA commitments.

Strong and inclusive economic growth and the development of the private sector are key conditions for poverty reduction and the achievement of the MDGs.

The Council is determined that the ACP and EU should join their efforts to influence the outcome of the upcoming Accra High Level Forum (HLF) on Aid Effectiveness, High Level UN event on the MDGs in New York and Doha Conference to follow-up on the Monterrey Consensus.

The Council calls for progress towards the full implementation of the Paris Declaration.

The Council recognises the need for greater predictability in aid flows, programming and disbursements. The Council calls for extending the use and coverage of multi-year country strategy papers, in response to ACP multi-year national strategies and budgetary frameworks.

The Council underlines the need to use country systems and procedures to the maximum extent possible. Where use of country systems is not feasible, the ACP-EU cooperation should continue to be geared at strengthening the capacities of the ACP countries.

The Council also calls for ambitious political concrete progress at the Accra HLF on Aid Effectiveness. Division of labour commitments should be turned into guidelines for action, and the EU Code of Conduct is a useful step forward to that end, while ACP governments will increasingly take the relevant coordination initiatives in the in-country organisation of the division of labour.
