

Insights from the  
EC-CARIFORUM  
Economic Partnership Agreement

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# Background to EPA Negotiations

- EU and ACP group 'special' trade and aid relationship
- 1975 – 2000 Lomé Conventions
- 2000 – 2008 Cotonou Partnership Agreement
  - Trade preferences 'non-reciprocal'
  - Not WTO compatible – GATT Article XX, GATS Art V
  - Waiver expired end 2007
- EPAs 'reciprocal' 'regional': WTO compatible
- Agenda items:
  - services, competition policy, government procurement investment
- Cariforum EPA signed October 2008

# Scope of Cariforum GP provisions

## Results of negotiation process

- Thresholds high
- Coverage limited to Central Government
- Transparency obligations (Art 168)
- Signatories only encouraged to apply non-discrimination principles
  - Article 167.1 **'endeavour'**
- Prohibit discrimination against foreign companies with commercial presence
- 'Built in agenda' to implement NT in future with parties' agreement

# Bid Challenge Procedures

Affected suppliers must be able to challenge domestic procurement measures

Parties obligated to provide procedures that are:

- Transparent
- Timely
- Impartial
- Effective

BUT

- Measures taken to correct breaches not specified
- Amount of compensation available not specified

# Regionalising Dynamics

## **Cooperation (Article 182)**

- Cariforum countries agree to cooperate, support and establish contact points for:
  - Exchange of policy experience and information
  - Establishing and maintaining appropriate systems and mechanisms to facilitate compliance
  - Creating on-line information regional dissemination facility

# Analysis of Provisions

- Trade and Development Committee allows:
  - review operation of Chapter every three years
  - built-in agenda to rise
  - new provisions of mutual interest negotiated
- Asymmetrical obligations in DSM
  - Article 214 (3) obligates only EC to exercise 'due restraint' in seeking trade remedies
- National and regional capacity building activities
  - financing proposal approximately US\$10M

# Implementation

- Negotiated implementation period Article 180
- Normally conformity 2 years from ratification
- Extension can possible from CARIFORUM-EC Trade and Development Committee
- Certain CARIFORUM Members 5 year implementation period:
  - Particularly publication/on-line information dissemination

# Conclusions:

## Lessons for other EPAs

- Benefits government procurement markets
- Opportunity to 'lock in' essential GP reform
- Dynamic to regionalism of markets
- Cooperation
- SDT in scope, implementation, TA and DSM
- Review bodies ensure appropriate and progressive strengthening