

## The Cotonou agreement 5 generations of co-operation

### From Yaoundé to Cotonou

The Cotonou agreement, signed in June 2000 between the European Union and 77 countries in Africa, the Caribbean and the Pacific (ACP), establishes a framework for co-operation that is particularly important for European development policy. The origins of this unique partnership lie in the Treaty of Rome, signed in 1957, setting up the European Economic Community (EEC). It has gradually been adapted to an international environment that is constantly evolving (the end of colonisation, the end of the cold war), but also by taking account of the advances in the construction of Europe. The Cotonou agreement came into force on 1 April 2003 and is due to run for a period of 20 years.

From the signature of the Yaoundé I Convention in 1963, via the successive Lomé Conventions (1975, 1980, 1985, 1990), these different agreements represent 40 years of relations between Europe and the ACP, with their successes and failures. The renewal of the last Lomé IV Convention, which was to become the Cotonou agreement, was the subject of a debate in order to revitalise the partnership, whose success was considered to be flawed. The European Commission launched a reflection document or Green Paper in 1996 on the challenges and options for a new partnership between the European Union and the ACP countries at the dawn of the 21<sup>st</sup> century.

### What's new on the Cotonou front?

The new Cotonou agreement brings together the political dimension, trade and development and the participation of the civil society. The reduction of poverty, and its ultimate eradication, becomes the central objective of the agreement.

The **participative approach** is one of the major innovations in the agreement, which establishes a framework for the participation of the civil society in the ACP countries which is not found in the agreements with other regions of the world. Cotonou in fact recognises the complementary role and the potential contribution of the Non-State Actors<sup>1</sup> in the development process:

- ★ Participation in the implementation of programmes and projects
- ★ Consultation and participation in the political dialogue
- ★ Support for capacity-building

Furthermore there are plans for up to 15% of the funds allocated to each country in the framework of the NIP to be able to be used by the civil society organisations. However, it is important to stress that the situation regarding the allocation of these funds is not uniform across all the ACP countries: in some countries, the funds allocated to the civil society are non-existent or well below 15%. The Cotonou agreement likewise establishes a **new commercial framework**. In the previous agreements, commercial co-operation was based essentially upon the non-reciprocal commercial preferences.

<sup>1</sup> See also the file 'The 'NSAs' in development', CONCORD, December 2003

Now, a new commercial scheme, compatible with the rules of the World Trade Organization (WTO), has to be implemented. Negotiations were started in 2002 with a view to the conclusion of Economic Partnership Agreements (EPAs) by region. These agreements provide for the progressive liberalisation of exchanges between the EU and the ACP countries, while taking account of the levels of development and co-operation in the fields linked to trade.

The negotiations continued into 2003 so as to refine their scope. In September 2003, the EU communicated the opening of the phase of regional negotiations with West and Central Africa. The current commercial scheme will be maintained during this preparatory period. The new commercial agreements should come into force on 1 January 2008.

### 2004, the year of all challenges for the ACP countries

The year 2003 was marked by a string of initiatives with regard to the ACP countries: the European Commission published in October its Communication on the budgetisation of the European Development Fund (EDF), the Council of Ministers of the EU approved the creation of the Water Fund (1 billion EURO) and, at the request of the Member States of the African Union, the setting up of a Peace Facility (250 million EURO) in favour of peace-keeping initiatives in the African countries. These two initiatives will be financed by the EDF.

2004 is a key year for the ACP countries. The revision of certain technical and financial aspects of the Cotonou agreement is planned. The possibility of budgetising the EDF has been floated. But it is perhaps the mid-way revision of the strategy documents by country that will attract the attention of the civil society organisations in the North and the South. The point is that the Cotonou agreement provides for what is known as 'sliding' planning, in other words **mid-way revisions** offer the possibility of modifying the strategy of an ACP country, for example by modifying the choice of the sectors of concentration of co-operation with the EU. The allocation of the resources for a given country may also be revised (upwards or downwards) depending on an estimate of the needs and performances of the ACP State concerned, such estimates being based upon periodic evaluations.

The CONCORD 'Cotonou' Working Group will be actively monitoring the mid-way revision process in order to ensure that the European Union will abide by its commitments as to the objective of reducing poverty and effective consultation with the civil society.

### Want to know more?

- ✍ European Commission – Development Directorate General: The Cotonou agreement [http://www.europa.eu.int/comm/development/body/cotonou/index\\_fr.htm](http://www.europa.eu.int/comm/development/body/cotonou/index_fr.htm)
- ✍ European Centre for Development Policy Management – ECDPM <http://www.ecdpm.org>
- ✍ CONCORD 'Cotonou' Working Group <http://www.concordeurope.org>

**The European Development Fund (EDF)** is the main financial instrument in EU/ACP co-operation.

The Cotonou agreement is financed by the 9th EDF (13.5 billion €). The EDF is funded by the contributions of the Member States of the European Union (EU). Its major particularity is that it is not part of the general EU budget, and consequently, it is not subject to the control of the budgetary authority of the European Parliament. The European Commission published in October 2003 its communication for the preparation of the integration of the EDF into the general budget, or 'budgetisation'.

The **Country Strategy Paper** defines the framework for co-operation between the EU and each ACP country and region for a period of 5 years. This strategy is implemented via the **National and Regional Indicative Programme** (NIP and RIP). This document establishes the distribution of the EDF funding between the priority concentration sectors and a financial timetable with forecasts for commitments and payments, together with a forecast implementation programme. Aid granted by the EDF is non-reimbursable.

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