

**ADVOCACY INVITING THE TOGOLESE GOVERNEMENT TO INCLUDE
IN THE EPA NEGOTIATIONS AN ECONOMIC COMPONENT TO SUPPORT
THE ECONOMIC RECOVERY OF FRAGILE STATES, AS WELL AS
CLAUSES ON PANDEMICS AND THEIR SOCIOECONOMIC
CONSEQUENCES**

Economic Partnership Agreements (EPAs) are free trade agreements between African, Caribbean and Pacific (ACP) countries or regions and the European Union (EU), in which the EU, as a regional entity, provides duty-free, quota-free access to its market for countries or regions signatory to an EPA, and in which ACP countries or regions commit to opening their markets to the EU.

It was in September 2003, in Cotonou, (Benin) that the negotiations between West Africa (ECOWAS + Mauritania), with a population of 330 million, and the EU¹ were launched. In August 2004, a roadmap was adopted. The first phase of the negotiations (preparation phase) is dedicated to deepening regional integration.

For the countries of West Africa, this negotiation is a first that confronts them with several challenges:

- ECOWAS + Mauritania must, for the first time, negotiate the content of trade cooperation with the EU, the world's trading power, their leading economic partner and their largest provider of Official Development Assistance (ODA). This raise, for the Region (which has a very short period of time to complete these negotiations), the question of its capacity to conduct the negotiations in its best interests;
- The partnership is based on reciprocity between two entities that have an unequal level of development;
- For the implementation of the EPAs, the West African Region must have achieved a sustained level of economic integration by 2008 and constitute at least one customs union. This implies, at the same time, intra-regional negotiations. The EPAs underpin compliance with World Trade Organization (WTO) rules, essentially reciprocity.

In October 2007, after four years of negotiations and three months before the December 31 deadline, West Africa took the decision in Abidjan (Côte d'Ivoire) not to sign a regional EPA with the European side, on the grounds that the region was not ready to enter into a free trade agreement with the EU. Since the expiration of the initially agreed deadline for signing the EPAs between the EU and ECOWAS + Mauritania, initiatives have been taken in West Africa, at national and regional levels, to draw lessons from the negotiation process conducted over several years and determine strategies for the future.

In January 2008, during the Summit of ECOWAS Heads of State and Government, the leaders of the Region reviewed the EPA process to analyze the stakes and new challenges arising from the non-signature by ECOWAS + Mauritania of the EPAs and the initialing

¹ On 1st February 2020, the population of the European Union is estimated at 446 million inhabitants by Eurostat.

of interim agreements by Côte d'Ivoire and Ghana. Having reaffirmed their willingness to defend the interests of West Africa by strengthening regional unity, solidarity and cohesion, undermined by the signing of the interim agreements, the Heads of State mandated the Ministers to conduct the necessary deliberations to translate their vision of integration and development of the Region into concrete actions.

With this in mind, a Ministerial Monitoring Committee (MMC) was convened in Nouakchott from February 18 to 21, 2008. It was not only an intense moment of debate, of questioning but also of rebuilding a regional agenda. The MMC in Nouakchott made it possible to put back on the table the essential questions that the Region is asking itself on the articulation between its legitimate ambitions for integration and development and the constraints that the signing of a free trade agreement with the EU will pose.

In July 2014, the EPA between West Africa and the EU was approved by the Heads of State and Government and opened for signature by the States: on December 12, 2014, the Agreement was signed on the side of the EU countries. As regards West Africa, thirteen (13) ECOWAS countries have signed it: Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Senegal, Sierra Leone and Togo. Three ECOWAS countries have not signed it, namely: The Gambia, Mauritania and Nigeria.

Underlying the EPAs are:

- That West Africa liberalize, progressively, 75% of imports from the EU over a period of 20 years;
- The prohibition to erect new duties on products concerned by the liberalization of trade between the two parties;
- The prohibition to increase existing customs duties on products not concerned by the liberalization of trade between the parties. Tariffs represent an important part of government revenue for developing countries.

I. EPAs, an instrument to the benefit of the EU and to the detriment of West Africa

On closer scrutiny, the economic partnership agreements between the European Union and West Africa remain an asymmetrical economic agreement largely to the disadvantage of ECOWAS + Mauritania.

Indeed, EPAs are :

- An instrument that puts unequal economic partners in trade relations: in 2014, for example, the 16 West African countries had an average Gross Domestic Product (GDP) 17.7 times lower than that of the EU (i.e., €1547 versus €27,335).
- An unbalanced instrument in terms of the trade it will induce: the increase in the volume of exports from West Africa to the EU is estimated at 4.5% while those from the EU to ACP countries are expected to increase by 23.3% during liberalization (*European Commission General Directorate for Trade, March 2016*).

- An unbalanced instrument to the prejudice of West Africa at the level of development aid: The EU has promised from 2014 to 2020, 6.5 billion Euros² to support the EPADP³. However, this program is only one form of traditional cooperation aid.
- An unbalanced instrument to the detriment of West Africa in terms of the safeguard clause: the safeguard provided for in the EPAs is lower than the "special agricultural safeguard" (SSA) enjoyed by the EU at the WTO - which can be triggered either by an increase in import volumes or a drop in import prices - because the one provided for in the EPAs is only triggered by an increase in import volumes. However, in the context of high price volatility and the euro exchange rate - which is also that of the CFA franc for eight West African countries - a price-related safeguard is required.
- An unbalanced instrument to the detriment of West Africa in terms of rules of origin:
 - Are considered as "originating products", products obtained in West Africa and containing materials which have not been wholly obtained there, provided that they have undergone sufficient working or processing in West Africa.
 - These rules are quite complex because they vary from one product to another and according to the countries of origin of the materials. It is not clear that West African producers or importers will be able to comply with them, at least in the short to medium term.
- An instrument that is in principle inappropriate for ECOWAS + Mauritania: The EU could have asked the WTO for an extension of the waiver from the general international trade regime to allow it to continue to apply the non-reciprocal trade preferences regime of the Lomé and Cotonou Agreements to ACP countries.
- This non-essential character is all the more notorious since, despite the fact that West African countries have benefited for several decades from non-reciprocal preferential trade regimes, notably with the Lomé and Cotonou Agreements, they have not been able to reach a level of competitiveness that would allow them to compete with European countries.

Thus, West African countries are facing the following specific challenges: population explosion, growing food deficit, accentuated climate change and heavy dependence on exports of oil and other minerals whose prices are collapsing and terrorism.

As can be seen, the terms of trade proposed in the Economic Partnership Agreements are so disadvantageous for the countries of the West African subregion as to be considered irreconcilable with the United Nations Declaration on Development and the African Development Program for 2063 (II).

² European commission, Trade and development between the EU and West Africa: a partnership that counts, available on [epa-brochure_fr.pdf \(europa.eu\)](#), PDF p.6

³ Due to the fact that ECOWAS + Mauritania countries are in a weak trade position vis-à-vis the EU, to help them take advantage of their preferential trade relationship with the EU, the EPAs will include a development component, through the EPA Development Program (EPADP). This program is expected to help West Africa to benefit fully from EPAs and, at the same time, will address adjustment and adaptation needs in the economic, social and fiscal areas.

II. EPAs, an instrument inconsistent with the United Nations Declaration on Development and the African Development Agenda to 2063

The United Nations Declaration on Development refers to the Sustainable Development Agenda to 2030, also known as Agenda 2030. This agenda includes 17 sustainable development goals (SDOs) and 169 targets adopted on 25 September 2015 by the Heads of State and Government meeting at the United Nations Summit on Sustainable Development.

As for the Agenda for African Development to 2063, also known as Agenda 2063, it summarizes the priorities for Africa's development and transformation for the next fifty years. Approved in May 2013, it defines the framework for an integrated, prosperous and peaceful Africa. Agenda 2063 lays the foundation for (1) a prosperous Africa based on inclusive growth and sustainable development; (2) an integrated, politically united continent based on the ideals of pan-Africanism and the vision of the African Renaissance; (3) an Africa of good governance, democracy, respect for human rights, justice and the rule of law; and (4) an Africa of peace and security; (5) an Africa with a strong cultural identity, common heritage, shared values and ethics; (6) an Africa whose development is people-centered, building on the potential of its people, especially its women and youth, and caring for its children; (7) an Africa as a strong, united, resilient, and influential global actor and partner.

Agenda 2030 and Agenda 2063 are convergent development programs, particularly in terms of economic and social progress (the fight against poverty, hunger, the promotion of gender equality, peace and justice, etc.), while the economic partnership agreements are fundamentally trade agreements.

It is not obvious that the mercantilist philosophy of the EPAs serves the developmentalist philosophy of the 2030 and 2063 Agendas.

As Christiane Taubira, former Minister of Justice of the Valls government, said when she handed over the report on the Economic Partnership Agreements requested by President Sarkozy on June 15, 2008, *"EPAs are trade agreements, not development agreements... I don't think free trade can lead to development...."*

Indeed, EPAs will cause considerable losses in customs revenues: estimated at 3.220 billion euros in 2035 (SOL, quoted by Jacques Berthelot (CADTM), May 2016). This loss would break down as follows: 1.361 billion euros for the 13 least developed countries (including Cape Verde), 1.857 billion euros for the 3 developing countries of West Africa:

Countries	Loss of customs revenue
Côte d'Ivoire	237 billion euros
Ghana	361 billion euros
Nigeria	1,255 billion euros

The liberalization of trade through the elimination of customs barriers will cause at the State level:

- An extremely significant decrease in their budgetary resources;
- Difficulties in sustaining economic growth;
- An inability to finance public development policies;

- Difficulties in reducing poverty and investing in the social sectors (health, education, housing, infrastructure);
- A slowdown in the activity of the civil service and the risk of social conflicts;
- An increase in European imports and increased competition on local production (Busse et al.; 2004);
- A disruption of the local industrial fabric (Karingi et al., September 2005);
- A weakening of local food production (PVC, 2005);
- A significant detour of intra-regional trade and a weakening of the integration process (Busse et al.; 2004);
- Unemployment and a decline in the guarantee of human rights (FIDH, June 2007).

These abuses will have obvious consequences, as follows:

- A decline in household income and purchasing power (Douya et al., March 2006);
- Vulnerable jobs; and increased unemployment (ILO, 2010);
- A deterioration in the well-being of populations (Karingi et al., September 2005); and
- A worsening of social inequalities in both urban and rural areas (FIDH., June 2007).

It should be noted that West Africa is already one of the poorest regions in the world with a poverty index estimated at 49.4% in 2010 (BCEAO 2012) and a human development index below 0.5 on average. Some studies have shown that in other regions and countries of Africa, the severity of poverty will increase significantly (Douya et al., March 2006). In order to compensate for the public deficit generated by trade liberalization, some States will be tempted to increase the value added tax (VAT).

The 2030 and 2063 agendas aim at strengthening states and participatory democracy. However, the economic partnership agreements weaken the negotiation capacities of the states, the populations are not involved in the decision-making process, nor are they really informed. We only note a punctual involvement of civil society in the institutional frameworks of the EPA. Local authorities are not involved either. The stakes of decentralization and democracy at the local level are very little taken into account in these agreements (The International Cooperation Papers? What cooperation between Europe and the South? N°11-05/2009).

The economic partnership agreements, in their existing state, would not promote participatory democracy in West Africa, contrary to the objectives of Agendas 2030 and 2063.

While the equality of partners is one of the fundamental principles enshrined in the Cotonou Agreement (Article 2, paragraph 1) and should govern the ECOWAS+ Mauritania/EU relationship within the framework of the present agreements, It must be noted that the context of the negotiations and adoption of EPAs between the two parties has not been in line with this principle because of the dominant position assumed by the EU (due to the economic gap between the two parties) and the donor-beneficiary nature of the EU/ECOWAS + Mauritania partnership (CONCORDEurop, April 2016).

These agreements suffer from another important limitation: they are incompatible with environmental treaties (III).

III. EPAs, an instrument that is not very compatible with the challenges of Multilateral Environmental Agreements (MEAs)

Multilateral Environmental Agreements are international treaties between several States (more than 2 countries), which aim to protect and restore the global environment and to contribute to sustainable development by imposing specific actions on the signatories.

They are more or less legally binding agreements. There are more than 250 multilateral environmental agreements. They have been developed since 1972 to solve environmental problems (which know no borders).

They concern biodiversity, climate, air pollution, chemicals and waste, etc. Some are regional, others global.

Among these agreements are: the Convention on Biological Diversity (1992); the United Nations Framework Convention on Climate Change (1992) with the Kyoto Protocol (1997) and the Paris Climate Agreement (2015); the United Nations Convention to Combat Desertification (1994); the Cartagena Protocol on Biosafety (2000); the Stockholm Convention on Persistent Organic Pollutants (2001); and the Maputo African Convention on the Conservation of Nature and Natural Resources (2003).

According to several observers, the Economic Partnership Agreements are difficult to reconcile with the challenges of the Multilateral Environmental Agreements. This incompatibility is linked to the potential negative impact of the implementation of EPAs on natural resources and ecosystems:

- According to the African Centre for Trade Policy (ATPC), in a context of exacerbated free trade, the risk of unsustainable exploitation of natural resources is not the least (ATPC, September 2005);
- The increase in vegetable production, for example, will soon run up against the limit of water resources (Kounta, 2004), while the intensification of fishing may jeopardize the fishery resource (GRET, December 2005).

This will call into question the effectiveness of MEAs in relation to the conservation of natural resources such as: the Convention on Biological Diversity, and the Maputo African Convention on the Conservation of Nature and Natural Resources (2003).

Incompatibility also stems from the potential impacts of EPAs on pollution and climate change. The increase in production from cash crop farming with the use of chemical fertilizers, herbicides, insecticides and chemical pesticides is likely to result in:

- An increase in pressure on the soil, a significant decrease in soil fertility, and an increase in periods of drought;
- Pollution of rivers and water tables;
- An increase in the mass of waste in large urban centers;
- A risk of aggravating the effects of climate change in West Africa.

In addition, the reduction in customs revenue is likely to lead to budget cuts in funds allocated to environmental protection and the fight against climate change.

The effectiveness of MEAs related to the fight against pollution, waste and climate change will therefore be mixed in West Africa, as in the case of:

- The Stockholm Convention on POPs;
- The Bamako Convention on Hazardous Wastes, or
- The Paris Agreement.

It is important to recall that the economic partnership agreements make West Africa a consumption zone rather than a production zone.

The status quo and most-favored-nation clauses contained in EPAs can jeopardize the economic development of ACP countries.

The safeguard clause, anti-dumping clause, and protection of infant industries, sanitary and phytosanitary rules require investigations and procedures that are quite long and complex and which West African countries can neither fulfill nor control.

There is a risk that other economic powers will demand the same trade liberalization conditions from West Africa that they grant to the EU (in the name of the most-favored-nation clause and the World Trade Organization).

It was largely to save sub-regional integration that ECOWAS LDCs finally decided to sign the EPAs, even though they did not benefit from any trade advantage (since they already benefit from the "Everything except Arms" regime).

As things stand, ratifying the EPAs would be accepting a disguised neo-slavery, a voluntary servitude. It is imperative to include new elements in these agreements, especially in light of the consequences of the coronavirus pandemic (COVID-19).

IV. The need to include in the EPA negotiations an economic component to support the economic recovery of fragile states, as well as clauses on pandemics and their socio-economic consequences.

The coronavirus (COVID-19) particularly affects vulnerable groups in society, including the poor, the elderly, women, youth, children and the disabled. People without access to running water, refugees, migrants or displaced persons are likely to suffer more from the pandemic and its consequences - due to restrictions on movement, lack of employment opportunities, conflict, exposure to disease, prejudice, etc. - and are more likely to be affected by the pandemic.

With the pandemic, it is clear that the status quo can no longer prevail. A shift in development paradigm is imperative to ensure economic resilience. Economic resilience is the ability of the economy to rebound given the magnitude of a shock (in this case COVID-19).

To this end, the following steps can be explored:

- West African states are encouraged to support in the EPAs, the adoption of an economic component to support economic recovery;
- These States are encouraged to have clauses on pandemics and their socio-economic consequences inserted in the economic agreements;
- The said States are invited to conduct evaluations of existing economic agreements and their repercussions, and to initiate cancellation procedures when it is proven that these agreements harm the environment and the rights of the populations;
- Banks and lending countries should take measures to mitigate the effects of the crisis by reducing interest rates;
- West African countries should take support measures to mitigate income losses for various vulnerable segments of society and stimulus packages to support businesses (in the form of tax reductions or deferrals, and other benefits to avoid potential bankruptcy and protect jobs);

- Countries should provide tax incentives for ailing companies, deferral of payments and interest-free loans are among the main policy measures to support enterprises, especially small and medium enterprises;
- West African countries are encouraged to reduce or postpone non-essential investment expenditures;
- ECOWAS + Mauritania countries are encouraged to promote local production and consumption as well as within West Africa;
- West African countries should relax trade barriers for easy access to goods (not produced locally) from abroad and stabilize prices;
- ECOWAS countries + Mauritania are encouraged to support farmers to improve their productivity and market the food they produce;
- States must put public services and key economic sectors under its control in the interest of local communities (This will ensure that public services (including health, access to water and sanitation, transport, energy, education and health care services) are accessible to the entire population in an equitable and universal manner);
- States must create decent jobs that guarantee non-exploitative conditions for workers, and guarantee an income that allows the working classes to bear the socio-economic consequences of the pandemic;
- The State must ensure that public financing contributes to climate justice, the right to land, food sovereignty, agroecology, collective management of biodiversity and community forest management.
- Funding must promote a redistribution of wealth, and the emancipation of women, children, the elderly, the sick and people with special needs.