

Towards a new partnership between the European Union and the African, Caribbean and Pacific countries after 2020

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Common global interests in a multi-polar world

1. To which degree has the partnership been effective in tackling global challenges?

2. What would be needed to strengthen results in this respect and on which global challenges could the partnership add most value in the future, in the context of the new SDGs framework and in relevant international fora?

Human rights, democracy and rule of law, as well as good governance

3. Have the mechanisms provided for in the Cotonou Partnership Agreement (CPA) (i.e. political dialogue, financial support, appropriate measures, suspension of the agreement) achieved meaningful improvements on human rights, democracy, rule of law and good governance, including the fight against corruption? Should the future partnership do more in this regard, and in what way?

4. Has the involvement of local authorities and non-state actors (i.e. civil society organisations, the media), national parliaments, courts and national human rights institutions in the partnership been adequate and useful to promote human rights, democracy and rule of law as well as good governance? Could they contribute more and in what way?

Peace and security, fight against terrorism and organised crime

5. Are the provisions on peace and security in the CPA appropriate and useful and has the balance between regional and ACP involvement been effective?

6. Should the future partnership provide for more effective joint action on conflict prevention, including early warning and mediation, peace-building and state-building activities, as well as on tackling transnational security challenges? Should this be done in the EU-ACP context?

Sustainable and inclusive economic growth, investment and trade

7. How effective has the partnership been in promoting sustainable and inclusive economic development?

8. Taking into account the new SGDs framework, should the future partnership do more in this respect, and what?

9. How effective has the partnership been in supporting macroeconomic and financial stability? In which areas would there be added value in ACP-EU cooperation on macroeconomic and financial stability?

10. How effective has the partnership been in improving domestic revenue mobilisation, in promoting fair and efficient tax systems and in combatting illicit financial flows? Would there be added value and more efficiency in stronger ACP-EU cooperation on these matters?

11. Has the partnership been able to contribute substantially to mobilising the private sector and attracting foreign direct investment?

By way of background we are the largest cane sugar refiner in the EU. Across our three plants (London, Lisbon and Weißenfels) and one joint venture (Brindisi) we are responsible for buying 40% to 50% of all the raw cane sugar that comes into the EU. For many years now we have worked hard with our supplier countries to try and improve the competitiveness of their sugar sectors. However, as outlined in the UK government paper of November 2015, the inflated cost of ACP sugar is not sustainable in the post quota EU market.

The more recent policy of offering duty free and quota free access to the EU has certainly enabled investment in some ACP sugar industries, particularly in Africa. However, for many ACP countries their access right to the EU sugar market has, in our opinion, been a double-edged sword holding productivity below that of other global cane sugar producers. It is difficult to pinpoint the exact reason, but it is in our opinion likely that the high level of guaranteed price for sugar in the EU meant that many producers felt less pressure to improve productivity. This is no criticism, and is in fact something that can be seen across much of the EU sugar industry, not just ACP producers.

For many years the access to the EU market was an extremely attractive option for ACP countries because the protective domestic agricultural policies in the EU meant that the EU price for sugar was significantly higher than the world price. However, that policy framework was in the past and came to a definitive end with the EU policy decision to end beet and isoglucose quotas in 2017. It is important to view the future partnership with the ACP countries in the context not only of the EU's development policy, but also of the EU's changing agricultural policy. In 2013, the EU institutions agreed that quotas for European production of beet sugar and isoglucose would be abolished in 2017. This is part of the EU's move towards more competitive agricultural markets. When quotas are abolished, the EU price of sugar is predicted to fall (see pages 30 and 93 of DG Agriculture's "Prospects for EU agricultural markets and income 2015-2025", December 2015). This will undoubtedly erode the value of the preferential access to the EU market that ACP countries have enjoyed in the past (see the UK government's recent paper: "EU sugar market: modelling the EU cane sector after 2017 quota abolition", 26 November 2015). It is therefore important not to rely solely on what has happened in the past when framing a new partnership, but also to look at the broader context and the (sometimes unintended) impact of other EU policies on ACP countries.

12. How could the potential of the EU and ACP private sector be better harnessed? What should be the main focus of EU and ACP private sector cooperation in a post-Cotonou framework, and what might be the role of ODA in this?

13. In this setting, what opportunities do you see for the new, digital economy?

14. To what extent has the partnership been able to contribute to increase agricultural development and trade?

The partnership has undoubtedly helped but it should not be the only route for the ACP countries, particularly in light of changes to other EU policies. As mentioned above, the EU institutions have decided to end the quotas on beet sugar and isoglucose production. In addition they have also decided to allow voluntary coupled support to be allocated to the production of sugar beet in Europe and to embark on a number of bilateral trade discussions with sugar producing countries. In that context, it is not sensible to argue that the ACP preferential access to the EU market can be maintained in its current state. It is predicted that European sugar beet and isoglucose producers will increase their production and sales in the EU after the end of quotas in 2017. This will shut out much of the ACP sugar that came to the EU in the past. It is not the small amounts of sugar that are included in a handful of recent free trade agreements that will cause preference erosion, it is the political decision to end quotas and pay over €1 billion of voluntary coupled support to EU sugar producers between 2015 and 2020.

Indeed, European beet sugar producers continue to make the argument that ACP producers should be protected. This seems perverse given that it is the end of beet quotas which will actually destroy the value of the ACP preferential access. Our contention is that if the future of ACP sugar producers is so important to the EU beet industry then they should agree to forgo the €1 billion of voluntary coupled support which will otherwise subsidise high cost beet production at the expense of ACP sugar producers and European cane refiners.

15. What has been the contribution of the partnership trade preferences to the integration of ACP countries in the world economy and to its development goals?

In our experience, the partnership has sometimes been detrimental to the integration of ACP countries in the world economy because it made them reliant on being able to sell sugar to the EU market, at artificially high levels. Now that the decision has been taken to end sugar beet and isoglucose quotas and make the EU's sugar market more competitive, some of the ACP countries will find this very difficult. The impact of the end of sugar beet and isoglucose quotas in 2017 will be a shock for which some are ill prepared and with which some are only now starting to wrestle. They have a lot to do to make their industries more competitive and they have a relatively short amount of time in which to do it.

This does not apply just to the ACP sugar producers but also to the other sugar stakeholders in the EU. The sugar market has been protected for so long that many market participants are struggling to adapt to the new realities.

16. Is there still a need for specific provisions on trade cooperation in the post-Cotonou framework, also taking into account the ACP countries which have not signed an EPA? If so, what could/should they cover?

Human and social development

17. Has the partnership delivered on its human development objective in an effective and efficient way, in particular on poverty eradication, and also concerning gender equality and empowerment of women? How could it be improved?

18. Taking into account the new SDGs framework, what are the main challenges related to human development that the future partnership should focus on?

Migration and mobility

19. Has the partnership been a useful vehicle for discussing migration issues and has it positively contributed? Has Article 13 CPA been fully applied?

20. Should a future partnership do more in this regard, and on which particular aspects should it focus (legal migration and mobility, addressing root causes of migration, return and readmission, tackling human trafficking and smuggling, international protection)?

A stronger political relationship

21. How effective has the political dialogue been and at which level is it the most effective: national, regional and through the joint EU-ACP institutions? Should the scope of political dialogue be widened or narrowed?

An issue that disappointed us during the latest reform of the CAP was that cane sugar sector stakeholders as a whole were not included in the process. The CAP reform was viewed by many as an internal EU policy review, without there being any mechanism for cane sugar stakeholders (ACP countries, EU cane refiners such as us, ...) to have their concerns taken into account. This was aggravated by the fact that this was the first time a CAP reform concerned all agricultural markets. In the past there were separate legislative texts for each agricultural sector, including sugar. Amidst the negotiations and lobbying by all the different stakeholders in all the different sectors, the voice of the cane sugar sector was not heard. And now we have the perverse outcome where beet sugar and isoglucose quotas will end in 2017 and many of the ACPs will find their sugar is uncompetitive in this new environment. We would like to see a more joined-up approach between the different parts of the EU machinery (DG Agriculture, DG Development, DG Competition, the office of the High Representative for Foreign and Security Policy and others) so that there is some mechanism for minority voices to be heard in these important debates.

22. Would a stronger involvement of EU Member States, associating their bilateral policies and instruments to the political dialogue at national level, enhance the dialogue's effectiveness and efficiency?

23. Has the fact that the agreement is legally binding been instrumental to its implementation as compared to other regional partnerships based on political declarations?

Coherence of geographical scope

24. Could a future framework be usefully opened up to other countries than the current members of the ACP Group of States? Which countries would that be?

This is an interesting suggestion and one which should be explored. In the sugar sector, it is not just in ACP countries that sugar is dominated by small farmers. There are hundreds of thousands of smallholder farmers in other countries' sugar industries which would benefit from being able to access the EU's sugar market. Within the EU's programme of bilateral trade agreements there are a number of countries that fall into these groups. What is important is not the classification (ACP or FTA) but rather what can be done to help these countries.

25. What kind of framework should govern EU and ACP relations? How could an ACP-EU successor framework relate to the more recent EU regional partnerships with Africa, Caribbean and Pacific States? Could a future ACP-EU framework include distinct partnerships with regional partners?

26. Is there scope for building in more structured relationships with Asia, Latin America, the Middle East and North Africa?

Yes, absolutely. Coherence between different policies is extremely important.

Cooperation tailored more towards groups of countries with similar development level

27. Is the current system of allocation of development resources, based on need and capacities as well as performance, sufficient for channelling funds towards those countries where the highest impact can be obtained? Should allocation of resources continue to prioritise countries most in need, including fragile states?

28. What kind of cooperation could help to cover the specific needs of more developed ACP countries with a view to attaining more equitable and sustainable growth?

Strengthen the relationship with key actors

29. Has the current model of stakeholder engagement been conducive to attaining the objectives of the partnership in an efficient way? Which actors could play a more significant role in the implementation of the partnership? How could this be addressed?

In our experience, the current stakeholder model has not been effective. Turning once more to the example of the recent reforms to the Common Agricultural Policy (CAP), where was the mechanism to check the impact of the future reforms on the ACP countries and EU cane refiners? We would like to see a more joined-up approach by the EU institutions (so that for example DG Agriculture also involves DG Development when it looks at the EU internal sugar policy in order to ensure there are no unintended consequences). It is our view that there was no sensible discussion about the long term impact of the CAP reforms on the EU's ACP relationships and on the cane sugar sector as a whole. The heart of the problem facing the ACP countries that produce cane sugar is that the EU is moving to become more open and to encourage more competitive agricultural markets. It is disingenuous to have a debate now about protecting ACP sugar access to the EU when the value of that access has effectively already been eroded.

30. What could be done to promote effective and efficient involvement of both international and domestic private sector, civil society, social partners and local authorities in the partnership?

31. Should the partnership be open to new actors as referred above?

32. In this regard, should the possibility of opening up the partnership to 'associated members' or 'observers' be considered?

33. How could a new framework promote triangular and South-South cooperation, including the increased involvement of ACP States as development actors in support of other ACP countries?

Streamline the institutional set-up and functioning of the partnership

34. Has the joint institutional set-up (with the ACP-EU Council of Ministers, the ACP-EU Committee of Ambassadors, and the Joint Parliamentary Assembly) been effective in debating and promoting common views and interests and in providing political guidance and momentum to the EU-ACP partnership and the implementation of the CPA?

35. What is the added value of the joint ACP-EU institutions as compared to more recent regional and regional economic community frameworks for dialogue and cooperation?

36. What institutional arrangements would most effectively help address common challenges and promote joint interests?

37. Should a higher degree of self-financing of this functioning (ACP-EU Joint institutions and ACP secretariat) by the ACP States be required?

Better adapted and more flexible development cooperation tools and methods

38. Is there added value in having a dedicated financing instrument in support of the ACP-EU partnership? If so, what are the reasons and how would it differ from other external financing instruments funded by the general budget of the Union? Is this instrument flexible enough, especially to address crisis situations? Can this instrument be deployed differently?

39. What is the added value of the EDF's co-management system involving national authorities in the programming and management of aid programmes, as compared to other EU cooperation instruments in non-ACP countries?

40. Does the current set-up of the programming process and implementation of activities lead to real ownership by the beneficiaries? What could be improved? How can the EU and Member States maximise the impact of joint programming?

41. Does the variety of existing tools adequately support the EU and ACP common principles and interests and are there gaps that should be addressed? How do you assess the effectiveness and efficiency of various implementation modalities?

42. Should a higher degree of self-financing from the ACP States be required for activities to ensure ownership? Would this apply to all countries? On which principles should this be based?

43. How can the expertise of the EU and its Member States be better mobilised, particularly in the middle-income countries?

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