

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?

The MDGs identified eight key challenges in the year 2000. In 2015, the eradication of extreme poverty and hunger was reduced from 50% of the developing world in extreme poverty in 2000 to 14% in 2015. Another success was reaching the target of halving the proportion of people without access to improved sources of drinking water. Tackling these issues were key components to eradicating poverty. However, there are issues that are hindering the full impact of this success. Three key issues require addressing in order for the partnership to be more effective. Firstly, the issue of inequality between EEC and ACP partnership has been controversial, and continues to be a hurdle to overcome. To tackle global challenges effectively, inequality needs to be addressed. Historically, it is proven, ineffective, and even counterproductive to advance to tackle global challenges without addressing the issue of inequality. The inequality between EEC and ACP is shown in trade relations, where ACP countries were mere suppliers of raw materials and agricultural commodities. The EEC partnership with ACP was based on the reliable flow of cheap raw materials and agricultural commodities. The ACP never advanced their products into EEC markets, due to the strict rules of origin, which states that 50% of the value added must be achieved before they can enter EEC markets. Secondly, the issue of the exploitation of natural resources, particularly in Africa according to the African Development Bank, accounts for 30 percent of Africa's GDP. Thirdly, formalising the informal economy in ACP countries is critical in reducing poverty and strengthening equality, rights, and governance. These three issues need to be addressed for the partnership to become more effective.

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?

The main objective of the Cotonou Agreement is to reduce and eventually eradicate poverty, consistent with the objectives of sustainable development as well as the gradual integration of the ACP countries into the world economy. The global challenge of eradicating poverty is where the partnership could add most value. Therefore, to strengthen the objective to eradicate poverty, the inequality of the partnership between ACP and EEC countries needs to be addressed. Addressing this issue will enable the gradual integration of the ACP countries into the world economy. Time will be required for ACP countries to gain equality with EEC countries; therefore, it is a long-term goal.

In the meantime, two other issues need to be addressed, firstly, the inequality within ACP countries needs to be addressed, the inequality between the formal economy and informal economy.

The informal economy within ACP countries requires formalization; since according to the African Development Bank (AFDB), the informal economy contributes about 55 per cent of Sub-Saharan Africa's GDP and 80 per cent of the labour force. Nine in ten rural and urban workers have informal jobs in Africa and most employees are women and youth. The informal economy offers opportunities for the most vulnerable in society. Most informal workers are without secure income, employment benefits, and social protection. There is also evidence that there is a correlation between a decrease in the informal sector and a decrease in poverty, for example, in countries where informality is decreasing, the number of working poor is also decreasing and vice versa. Organising the informal sector and recognising its role as a profitable activity may be the key factor that not only contributes to economic development of the country but also eradicates extreme poverty. The formalization of the informal sector is a way forward for African development and future prosperity.

Secondly, to adjust the GDP to recognize the contribution of the natural environment, and the contribution of the informal economy, the adjusting of the GDP will also help formalize the informal economy, as well as address the issues of the use and exploitation of natural resources. Since, adjusting the GDP means taking into account environmental degradation and depletion, to the extent that extracting natural capital resource from the ground will enable the loss of this natural resource to be valued, charged against the GDP showing the true growth of the African economy. Since the natural resource once extracted cannot grow back, the value of that loss should be accounted for. Adjusting the GDP would primarily focus on environmental degradation and depletion of specific assets such as water, oil, gas, gold, metal, minerals, and forestry.

Therefore, the global challenge of eradicating poverty is where the partnership could add most value in the future, with a particular focus on the two issues mentioned above that are interconnected. Firstly, formalizing the informal economy and secondly, adjusting the GDP to include the degradation and depletion of natural resources is essential.

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?

The future partnership should do more in a variety of ways:

Suspension of agreement

The suspension of the Cotonou agreement was a step in the right direction, the potential for improvements in human rights, democracy, rule of law and good governance, including the fight against corruption is possible if, during this time of suspension, there is a redefinition of progress and economic growth, or at some stage in the near future, some time is allocated to the redefinition of progress and economic growth. The GDP's economic principles have contributed towards splitting the formal and informal economy in ACP countries. ACP countries are largely dependent on informal economic structures that have no recognition by GDP. Any fast economic growth within these countries will increase income inequality. Therefore, adjusting the GDP to capture the contribution of subsistence farming, non-commercial agriculture, and other localized forms of production and consumption, will be critical in the fight against poverty and achieving sustainable wellbeing. Since, according to the International Monetary Fund, informal economies accounted, for up to 44% of economic output in developing nations, 30% in transition economies, and 16% in the OECD countries. Adjusting the GDP will also account for environmental degradation and depletion as well as the welfare of citizens, critical for good governance.

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?

I think they could all do more to promote the redefinition of progress and economic growth this would promote better human rights, democracy, and rule of law as well as good governance.

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?

More needs to be done on this particular issue.

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?

Formalizing the informal economy within ACP countries is a critical step in addressing peace and security issues.

Sustainable and inclusive economic growth, investment and trade

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

Economic growth

The formal economy in Africa have largely benefited from the sustainable and inclusive development at the expense of the informal, since the informal sector contribution to growth is not officially recognized.

According to AFDB, African economic growth is currently consuming natural assets on a scale, which threatens growth prospects and overshadows the progress achieved in social indicators. Furthermore, African growth is slowly contributing to climate change. Loss of forest cover and GHG emissions from the fossil fuel based energy sector that are the main drivers for this trend.

Therefore, the economic growth of Africa is not sustainable if it remains heavily dependent on natural capital depletion, since the majority of natural resources in Africa are not renewable, once extracted, they do not grow back. The partnership needs to promote more renewable energy and reduce the dependence on fossil fuels. To this extent, the partnership has failed to promote sustainable economic growth.

Within Sub-Saharan Africa, 70 percent of export revenue is based on exporting agricultural products, minerals, metals, and oil. According to AFDB, 30 percent of Africa's GDP linked to the use/exploitation of natural resources. The partnership could do more to promote sustainable and inclusive economic development.

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

The eradication of poverty, which is a major focus of the sustainability goals, is not achievable without addressing the following:

(1) A redefinition of progress and economic growth is required, with new indicators to account for environmental and social progress, particularly, the depletion and degradation of natural resources, for example, natural disasters such as flooding can reverse the effort of the partnership to combat poverty. These natural disasters should be accounted for against GDP of the country in which it occurs. This will not only provide a clear picture of how climate change is affecting economic growth but also how it is slowing down poverty eradication.

To adjust GDP using some key performance indicators from the SGDs framework as well as the IIAG (Imbrahim Index of African Governance) framework would be a good way forward.

(2) A citizens / eco-driven development model to address equality, citizenship, rights, and democracy.

(3) Alternative forms of natural capital management is required, particularly REDD+ and participatory forest management.

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?

It has largely been ineffective in supporting macroeconomic and financial stability particularly, for the informal economy. For APC countries to advance, a redefinition of progress and inclusive economic growth is required.

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?

According to the African Development Bank (AFDB), higher taxes and complicated fiscal processes prevent the informal economy within ACP countries from formalizing their contribution to economic growth. The tax systems become a barrier to formalize the informal sector. This is due, to the long requirements for registration, as well as licensing and inspection requirements, as well as limited access to capital, constraint for operators working in the informal sector. Other factors include limited access to technology, and poor infrastructure. More investment is required to overcome these barriers. Therefore, the partnership could do more in this respect.

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

The partnership has attracted FDI; however, the adverse effects of rapid liberalization, between the EEC and the ACP, resulted in a negative impact on the vulnerable ACP economies, since many were not ready for such partnership. In addition, the issue of liberalizing trade between unequal parties as a tool for development has historically proven to be ineffective and even counterproductive.

Other issues of conflict of interest, objectivity, transparency between the access to investment, and the independent mobilisation of the private sector, in terms of negotiating a way forward may have been difficult for ACP countries. ACP countries were mere suppliers of raw materials and agricultural commodities, where the attraction of EEC to partnership with ACP was the reliable flow of cheap primary products' and for EEC to retain their established markets in Africa for manufactured and capital goods. ACP never advanced their products into EEC markets, due to the stringent rules of origin, which stipulated that 50% of the value added achieved before such favours returned. Perhaps, less stringent terms introduced in the rules of origin.

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?

The focus should be to address the inequality of the partnership, since the agreement appears to be biased in favour of EEC priorities and interests. There are also issues with the stringent rules of origin, since ACP countries have failed to substantially expand their exports to Europe. This failure is largely attributed to the stringent rules of origin, which stipulated that 50% of the value added. A redefinition of the stringent rules of origin is required to address the inequality and the non-reciprocal trade agreements.

The ODA could focus on assisting the formalization of the informal economy, removing barriers, to improve access to capital and technology and their contribution to sustainable inclusive economic growth.

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

The digital economy across ACP countries has the potential to mobilize trade and industry, employment and innovation. There has been a marked improvement of digital connectivity, in terms of households with mobile phones, computer, and internet access. For instance, mobile phones charged using solar power, promoting sustainability.

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

According to the Ibrahim Index of African Governance (IIAG), there has been a deterioration in rural affairs in Africa over the last four years, notably in agricultural policy costs (-5.7), equal representation in rural areas (-4.6) and public resources for rural development (-4.0) has all been in decline over the last four years.

What has been successful is land and water for low-income rural populations, agricultural research and extension services, and engagement with low-income rural populations.

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?

Please read the answer to question 16

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?

The trade agreement preferences to the integration of ACP countries needs to address the following concerns, firstly, the free trade agreements in connection to Article XXIV, the strict interpretations has caused concern for ACP countries, clearer definitions and terms are required with flexibility. Secondly, not all ACP member countries agree with the WTO rules, the inconsistency between the WTO rules and the Cotonou agreement is a hurdle to overcome. Thirdly, the transitional periods, may need to increase from 10 years to 25 years.

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?

According to Ibrahim Index of African Governance (IIAG), there has been a deterioration over the last four years in equal representation in rural areas between men and women, with women having limited access to local decision-making, concerning laws, policies, institutions, and practices.

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

The partnership should focus on formalizing the informal economy. ACP countries are largely dependent on informal economic structures that have no recognition by GDP. Any fast economic growth within these countries will increase income inequality. Therefore, adjusting the GDP to capture the contribution of subsistence farming, non-commercial agriculture, and other localized forms of production and consumption, will be critical in the fight against poverty and achieving sustainable wellbeing. Since, according to the International Monetary Fund, informal economies accounted, for up to 44% of economic output in developing nations, 30% in transition economies, and 16% in the OECD countries. Adjusting the GDP will also account for environmental degradation and depletion as well as the welfare of citizens, critical for good governance.

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?

No comment

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)?

The relationship between climate change and migration needs to be addressed.

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?

No comment

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?

No comment

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?

No comment

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?

No comment

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?

No comment

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

No comment

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?

I agree with the current policy of allocation of development resources, based on need and capacities as well as performance.

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?

To attain a more equitable and sustainable growth, the partnership should focus on formalizing the informal economy. ACP countries are largely dependent on informal economic structures that have no recognition by GDP. Any fast economic growth within these countries will increase income inequality. Therefore, adjusting the GDP to capture the contribution of subsistence farming, non-commercial agriculture, and other localized forms of production and consumption, will be critical in the fight against poverty and achieving sustainable wellbeing. Since, according to the International Monetary Fund, informal economies accounted, for up to 44% of economic output in developing nations, 30% in transition economies, and 16% in the OECD countries. Adjusting the GDP will also account for environmental degradation and depletion as well as the welfare of citizens, critical for good governance.

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?

The issue of inequality between EEC and ACP partnership has been controversial, and continues to be a hurdle to overcome. The inequality issue has hindered effective stakeholder engagement multiplied by the inequality within ACP countries, between informal and formal stakeholders.

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?

More open publicity, more awareness, and more engagement with these different actors about the partnership, using social media, the press, newsrooms, conferences, meetings, to encourage and promote dialogue.

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

Yes, the partnership should be open to new actors, to promote transparency, integrity, honesty, and good governance.

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

Opening up the partnership to include 'associated members' or 'observers' is a step in the right direction. This will promote transparency and more accountability.

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?

When the informal sector within ACP countries are officially formalized, then the next step would be to promote 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?

No Comment

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?

No Comment

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

The idea mentioned above to include 'associated members' or 'observers' should become institutionalized to promote transparency and more accountability. These associated members could be independent voluntary members who help to address issues of inequality and ensure that all stakeholder views are heard and addressed with due diligence and within appropriate timescale.

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

Self-financing could help to address issues of conflict of interest and objectivity and transparency. Therefore, there is need for this consideration but only for middle-income countries.

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?

The added-value of having a dedicated financing instrument is to support the effort of addressing the inequality within the partnership, with rounds of negotiations that are made open to the public, with the opportunity of 'associated members' or 'observers' participating.

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?

No Comment

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?

No Comment

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?

No Comment

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?

A higher degree of self-financing could work in a number of different ways. Firstly, it could combat conflict of interest, objectivity, and transparency. Secondly, this should only apply to middle-income countries.

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

Adjust the GDP to include environmental degradation and depletion and formalise the informal economy within ACP countries.

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