

# **CARIFORUM-EC Economic Partnership Agreement Ministerial Meeting**

**Brussels, 29-30 November 2006**

## **Joint Statement**

Ministers of CARIFORUM States and the EC Commissioner for Trade met in Brussels on 29-30 November 2006 to review the state of the negotiations for an Economic Partnership Agreement between the CARIFORUM States and the European Community and its Member States; and provide political impetus and guidance to bring about the successful conclusion of the negotiation as agreed in the joint "Plan and Schedule for CARIFORUM – EC Negotiation of an Economic Partnership Agreement".

They reiterated that the paramount objectives of their Partnership are the promotion of economic development that is socially and environmentally sustainable; the reduction and eventual eradication of poverty; and the smooth and gradual integration of CARIFORUM States into the world economy.

They reiterated that their partnership will build upon, strengthen and support the CARIFORUM regional integration process, while promoting the development objectives of the individual countries of the region, consistent with their development strategies.

In line with their joint Plan and Schedule, they acknowledged the progress achieved towards establishing a consolidated text as the basis for the final phase of the negotiations. They decided that the working text that emerged at the end of Phase III of their negotiation represents an agreed structure for the EPA. They recognized that the draft text sets out the areas where the EPA can strengthen and support the CARIFORUM regional integration process and noted the willingness of both sides to continue work in that direction.

Ministers also noted the need to move towards consensus texts in all areas and called upon their negotiators to intensify their work in the areas where compromise could not yet be achieved. Negotiators should present a consolidated compromise text by the next meeting of senior officials.

While reiterating the importance they attach to the timely conclusion of the negotiations so as to ensure entry into force of the EPA by 1 January 2008, they recognised that four major negotiating challenges remain: the nature of commitments within the EPA (region-wide or at the level of the individual CARIFORUM States); the negotiation of tariff liberalization for goods; the negotiation of commitments for trade in services and investment; and the design and operationalization of the cooperation activities in effective and timely support of EPA implementation.

Ministers agreed that regional integration is a powerful tool towards the objective of sustainable development and underscored the sensitivities and complexity of CARIFORUM's regional integration processes.

Ministers agreed that the EPA should support and promote regional integration, while recognising the existing political and economic realities and thus providing for the necessary flexibility.

With this understanding Ministers agreed on the need to examine the EPA disciplines where commitments assumed by CARIFORUM will either be region-wide or national in application, with the objective of going as far as possible in the direction of regional solutions, noting

however the political and other constraints including possible adjustment costs of the process.

The respective negotiating teams were thus instructed to engage in urgent and detailed discussions of the various options and proposals, with a view to arriving at a consensus in all areas, but especially on the modalities for market access negotiations, so as to enable the tariff talks to be concluded in the first half of 2007. In this regard negotiators were asked to submit meaningful market access offers as soon as possible in 2007.

With regard to services and investment liberalization Ministers called upon their negotiators to urgently draft compromise texts and exchange initial offers early in 2007. This should aim to provide new business opportunities to CARIFORUM operators, thus contributing to CARIFORUM development and strengthening the integration of services markets in the CARIFORUM region, while fulfilling the requirements for WTO compatibility.

Ministers discussed the important issue of development cooperation linked to the implementation of the Agreement. They acknowledged the discussions underway in the context of the programming of the 10<sup>th</sup> EDF. They noted the pledge made by the European Community and its Member States to increase trade-related assistance in support of EPAs. They acknowledged that in order to ensure a timely start of the action necessary to ensure the implementation of their Economic Partnership Agreement, specific efforts to set priorities for technical assistance, capacity and institution building and regulatory reform need to be undertaken as part of the negotiations. They agreed that this process of establishing prioritized needs should be accompanied by efforts to design specific, quantified proposals, which can allow the definition of a package of development cooperation activities aiming at proper implementation of the EPA. Ministers instructed the various negotiating groups to work with the Regional Preparatory Task Force to this effect in the period leading up to the entry into force of the EPA.

Ministers also discussed the review provided for by Art. 37.4 of the Cotonou Agreement. This review shows that there is a firm basis to advance with the negotiations with a view to completing them in 2007 as agreed. In endorsing the joint review document, Ministers also underscored their joint ambition to complete the negotiations within the scheduled timeframe.

Ministers exchanged views on the Doha Development Agenda, Sugar and Bananas, their importance for CARIFORUM development and the interrelationships with the EPA process.