

## **Issue 1: A Post-Cotonou Framework for EU–ACP Relations**

The world today is fast-changing and increasingly multipolar. The world is becoming more densely populated, interconnected, interdependent, complex and facing new security challenges. Global trade has increased and diversified tremendously. The growing economic and political importance of Asia looks to continue, plus the emergence of other economic powers in Africa and Latin America.

According to a majority of respondents, the CPA has been less effective in tackling global challenges than expected. There are two main reasons cited: first, the Partnership was not designed to deal with global challenges as such, limiting its capacity to deal with collective problems that interest all ACP countries (e.g. climate change, migration); second, ACP countries, at times, have chosen to cooperate with other groupings, for instance the G77, which may have been perceived as better articulating their interests.

The new global framework on Sustainable Development Goals (SDGs) and its financing has been adopted in September 2015, addressing at the same time the interlinked challenges of poverty eradication and sustainable development. It is underpinned by a new 'global partnership', mobilising all means of implementation and all actors. Intended to apply universally to all countries, it reflects a dramatic change in outlook on development and will impact on future ACP-EU relations.

The United Nations “2030 Sustainable Development Agenda” adopted in September 2015 is the new starting point for the EU to exert international influence on the sustainable development strategy. The EU needs to integrate the concept of sustainable development in its foreign policy and integrate the EU's external development strategy, global cooperation, and EU's internal sustainable development policies. The EU needs to strengthen cooperation with developing countries with rapid economic development and significant impact on global sustainable development.

One of Ireland's three largest exporters is the UK, and exports will also be shipped to other countries via the UK. Ireland's annual exports to the UK account for 14% of total exports, and Ireland's food and beverage industry exports to the UK is as high as 40%, so the weak performance of British consumers will cause a major blow to Irish producers. The adverse impact of Brexit on the Irish export industry has long since appeared. In 2016, the total value of Irish goods exported to the UK has been reduced by nearly 500 million euros.

Ireland's GDP rose by about 7.8% in 2017, ranking first in Europe. Looking at the global economic situation in recent years, Ireland's economic growth rate exceeds that of India. The rapid growth of Ireland's GDP can not be separated from the annual growth of foreign trade. But with the Brexit and commonwealth members of the ACP that have traditionally accessed the EU market via the UK, Ireland's trade with ACP member countries is bound to be affected.

Ireland feels the EPA subgroups are to be preferred and development goals might be better achieved through signing EPA with existing autochthonous structures when considering the appropriate framing of the EU-ACP partnership. In particular, the EU should sign EPA with specific areas of ACP. When there are fewer member states, agreements will be reached more quickly and efficiently. It can also help the economic and human rights development of the corresponding country more specifically.

The EU-SADC EPA opened a new page for trade between the EU and southern African countries. Judging from the contents of the agreement, it has brought rare opportunities for trade development to both parties. At the same time, it has promoted integration in the African region and strengthened the existing relationship between the parties on the basis of solidarity and mutual benefit.

For the EU, the entry into force of the agreement will help strengthen the economic ties between the EU and the SADC countries, fully expand this dynamic emerging market, and expand EU commodities into the SADC countries. For example, according to the agreement, EU agricultural products such as wheat, barley, pork, beef, etc. can enter South Africa, Botswana, Lesotho, Namibia and several other countries in the Southern African Customs Union.

Similarly, the EU should sign the Economic Partnership Agreement with the members of the East African Community (EAC). EPA not only brings trade opportunities with Europe but also brings development assistance to Africa. If some EAC member states refused to sign EPA, those countries like Kenya that accepted the agreement could follow South Africa and sign a bilateral trade agreement with the EU.

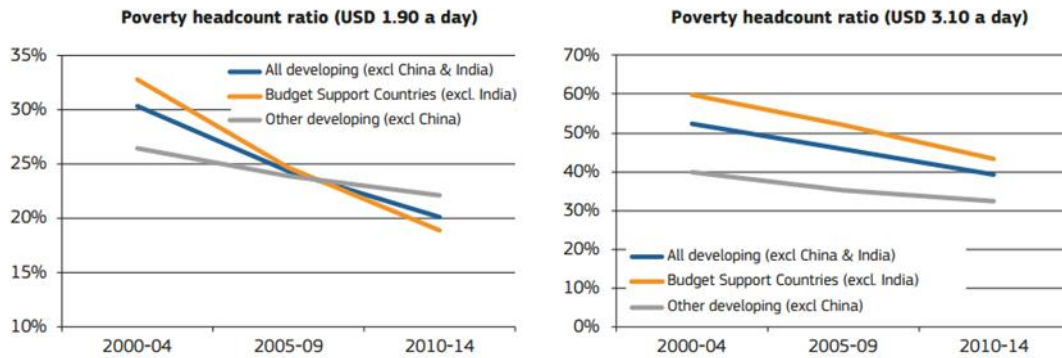
With the 'Everything But Arms' and Cotonou, the European Union can offer better market access to LDC ACP States without extending it to non-LDC ACP countries. According to some assessments, the EBA policy has a positive impact of LDCs exports and welfare, coupled with losses for the EU and third countries of a smaller magnitude. LDCs exports appear to increase by almost US\$300m per year, nearly half a percentage point from the baseline value. While for some beneficiary LDC countries the effect of the liberalization policy may be non-negligible (at the end of the transition period), the effects on the EU are likely to be minor. However, trade diversion will take place especially for the non-LDC developing countries receiving preferences from the EU but excluded from EBA. Considering sustainable development strategies, the EBA might detract from Cotonou or its future replacement. EBA should not be the focus of EU and ACP partnerships.

## **Issue2:Delivering EU Development Goals**

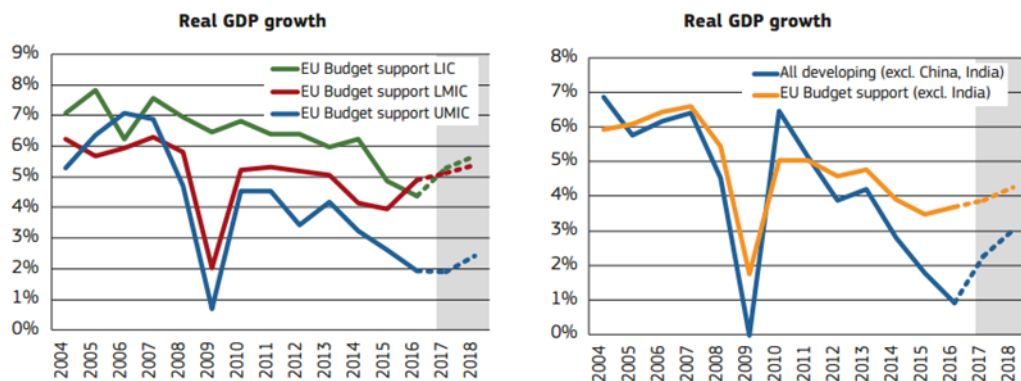
### **1、 Is Oda Sufficient Or Other Drivers**

To help ACP countries develop, money is essential. We can see clearly that over the last several decades, European Union funding has had a very significant effect on ACP areas.

1. In terms of extreme poverty (USD 1.90 a day poverty headcount ratio), EU budget support countries have achieved strong gains in the reduction of poverty, which has reduced from almost 35 % to less than 20 % over the last 15 years. Over the same period, other developing countries also reduced extreme poverty but at a significantly lower pace.



2. Growth in developing countries continued to fall in 2016 as the impact of the commodity price slump continued to show. At the same time, the decline in world trade and the continued structural obstacles to growth in developed economies have also weakened the performance of developing countries. Countries that accept eu budget support are doing better, and growth in the LMIC countries is a particular indicator of the improvement in economic growth in 2016.



Budget support is, in principle, an efficient key tool. In 2015, the government spent 6.4751 billion on Irish aid. This is called official development assistance (ODA), which accounts for 0.36 or 36 cents per 100 euro gross national product (GNP). Of the funds, 482 million euros were managed by the ministry of foreign affairs and trade. Through other government departments, mainly agriculture, fisheries and food, and the ministry of finance, it allocated euro166 million through Ireland's contribution to the eu's development cooperation budget.

However, in the last decade, budget support seems to have partly lost some of its leverage, especially in the fast growing countries, due to its reduced financial weight on recipients' budgets and also to reasons related to a change of priorities among both the partner.

At the same time, considering the limitation of financial support, especially the ODA, and it will increase the financial pressure of eu countries, We recommend the following **Complementary Approach**:

### 1. Develop Trade

Today, many developing countries are becoming less dependent on aid and are generating more of their own resources through trade and investment. Ireland is supporting these countries to grow their economies and use trade to generate the resources and income they need to be able lift themselves out of poverty.

### **(1) Strengthening trade capacity**

Trade is central to economic growth and poverty reduction. Virtually every country that has achieved sustained economic growth has done so by opening up their economies. However, many low-income countries are still confronted by major obstacles in expanding and diversifying their trade.

Africa's share of global exports still remains low at 3%. Countries that miss out on the benefits of global trade are locked out of opportunities to benefit from international expertise, low-cost production inputs and much-needed technology.

In recognition of the important role of trade, economic growth and generating domestic revenues, Ireland supports a range of initiatives and programmes at national and international level aimed at strengthening the capacity of developing countries to expand and benefit from international trade.

Ireland have an increased focus on private sector development in many of our partner countries in Africa. Our work in this area is guided by the Africa Strategy of the Department of Foreign Affairs and Trade.

### **(2) Supporting fair and ethical trade**

There is an increased awareness in Ireland and elsewhere about the importance of Fairtrade. In 2011 Irish consumers spent €159 million on products with the Fairtrade mark, up from €138 million the previous year.

Fairtrade is about better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world.

By requiring companies to pay sustainable prices (which must never fall lower than the market price), Fairtrade addresses the injustices of conventional trade, which traditionally discriminates against the poorest, weakest producers. It enables them to improve their position and have more control over their lives.

## **2. Trust Funds (TFs)**

We can make full use of trust funds, private funds and so on. The EU has supported both upstream and downstream debt management capacity strengthening initiatives for developing countries. Upstream activities typically focus on debt management diagnostics using the Debt Management Performance Assessment tool (DeMPA), debt sustainability analysis (DSA), medium-term debt strategy development and reform plans. Downstream activities focus on operational functions such as effective debt recording and reporting, IT support systems, operational risk management and annual borrowing plans. In addition, budget support allows us to have a regular and engaged dialogue on debt and investment issues and to monitor the risks associated with them on a regular

basis together with partner countries.

### **3. Issue Debt**

Developing countries need large amounts of capital to support infrastructure construction, while offsetting the shortfall in commodity prices and demand for some exports. They are also more likely to enter international capital markets because of favourable conditions, and many have started issuing eurobonds in recent years.

When the eu is providing debt to ACP countries, developing countries should be encouraged to strengthen their debt management capabilities. The eu supports the initiative to strengthen the upstream and downstream debt management capabilities of developing countries. Upstream activities typically focus on debt management diagnostics, using debt management performance assessment tools (radio waves), debt sustainability analysis (DSA), medium-term debt strategy development and reform plans. Downstream activities focus on business functions such as effective debt records and reporting, IT support systems, operational risk management, and annual lending programs. The European Union, along with ACP countries, regularly tests risks in a dialogue that should involve timely debt investments.

## **2、 Prioritisation Of Development Goals.**

The future eu-african union development treaty must respond to the mistakes and insights that have been made. It must address the need to enforce the management governance mechanism in order to achieve its own goals. The first priority is to prioritise the right priorities, rather than prioritizing each issue.

Ireland has played a very unique and central role in the process to agree the Sustainable Development Goals. From Ireland's point of view, we propose to prioritize development from the following aspects:

### **Goal 1: Reduced hunger, stronger resilience**

Our top priority continues to be reducing hunger and vulnerability, and building people's resilience to natural and other disasters. Under this goal, we seek to ensure that the links between hunger and other development challenges, such as environmental protection and gender inequality, are better understood and acted upon with the urgency that they require.

This will also enable us to focus more on countries that are facing humanitarian crises, those in situations of fragility and those recovering from conflict.

### **Goal 2: Inclusive and sustainable economic growth**

To achieve a sustainable solution to poverty, countries need to generate their own revenues through sustained and equitable economic growth leading to employment, revenue growth, trade, investment, and enhanced human wellbeing. Under this goal, we seek to work strategically in countries to advance pro-poor economic growth and sustainable development, supporting efforts that respond

effectively to climate change.

### **Goal 3: Better governance, human rights and accountability**

Stronger governance, the pursuit of human rights – including gender equality – and better accountability are powerful drivers to ensuring the reduction of hunger, the building of resilience, and the promotion of inclusive and sustainable growth. Under this goal, we support the building of better governance and accountability, and the protection and promotion of human rights, throughout all of our work.

#### **Priority areas for action**

In order to deliver on the goals six priority areas for action will guide our aid spending and our policy engagement.

1. Global Hunger
2. Countries that are fragile (See our work in Sierra Leone and Liberia as well as how we work in Emergencies)
3. Climate Change and Development
4. Essential Services including Education, HIV and Aids, Health and Social Protection
5. Trade and Economic growth
6. Human rights and Accountability