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Position Paper of The Netherlands

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1. Introduction

The Cotonou Partnership Agreement (CPA), also named as the EU-ACP Partnership Agreement, was the latest partnership agreement between the EU and African, Caribbean and Pacific (ACP) countries, which was signed in 2000 after the expiration of the fourth Lomé convention since 1975. The Cotonou Partnership Agreement is a 20-year period and will expire on 29 February 2020. It is the existed most comprehensive partnership agreement between developing countries and the EU; since 2000, it has been the framework for EU's relations with 79 countries from ACP group. It is a wide-ranging agreement with underlying values and principles that covers many policy areas under three pillars: the political dimension, economic and trade cooperation, and development cooperation. The fundamental principles of the Cotonou Agreement include equality of partners, global participation (states and non-state actors), dialogue and regionalisation.

Checking the evolution history of this partnership relations between the EU and those ACP countries which compose the world least developed countries (LDCs), the ACP countries are regarded as the EU's backyard countries that once were mainly the colonies of the powerful EU member states, used to be the UK, France, Netherlands, Spain and Italy. The first agreement signed by the EU and ACP countries dates back to the Lomé convention in 1975, aiming to help those ACP countries to move towards a self-sustained development by providing development aids mainly via the European Development Fund (EDF), as well as by signing those beneficial trade agreements with the ACP countries. With the subsequently revision for two times after the signature of the CPA in 2000, the agreement entered into force in April 2003 and has been revised in 2005 and 2010 in accordance with the revision clause to re-examine the Agreement every five years.

While the world is changing, more complex and contested. To follow the trend and keep the EU's commitment in the UN summit of the 2030 Agenda which includes the 17 Sustainable Development Goals (SDGs), taking the current crisis of Brexit into consideration, with the emerging powers like China and other Brics countries (Brazil, Russia, India) and plus the South Africa, as well as industrialized countries like the United States; this partnership relation is under questioning and needs innovation in search for future development formula.

2. The situation as it pertains

To the European Union

Relations between the European Union and the African, Caribbean and Pacific countries are longstanding. Development ties between the EU and the ACP countries predate 1975. A development fund, which was the precursor of the present-day European Development Fund, was established as early as 1957, when the European Economic Community was founded. The first Lomé convention was signed in 1975 and was subsequently renewed three times. According to the fourth Lomé convention, the convention expired in 2000. Since 2000, the partnership between the EU and the ACP countries has been governed by the Cotonou Agreement, which aims to contribute to poverty reduction and the gradual integration of the ACP countries into the world economy. The Cotonou Agreement will expire in 2020 and covers 100 countries with a total of some 1.5 billion people. It provides a great opportunity for a thorough review of the partnership between the EU and the ACP countries, taking into account the current global context.

Through the Cotonou Agreement, the EU and ACP countries have solid and structured international cooperation. The parties have reached agreement in this partnership on many salient issues. Besides, access to natural resources, the partnership

with ACP group offers the EU an excellent opportunity for privileged economic and political relations with nearly 80 developing countries. If this partnership could more strategically focus its efforts on pursuing the common political goals at the United Nations, then it can strengthen the position of the ACP countries and the EU on the global stage. Therefore, paying full attention to the historical and strategic importance of its cooperation with ACP countries is consistent with Europe's short- and long-term interests.

In the cooperation with the ACP countries, EU has long considered ACP to be the only beneficiary, while this situation is decreasing with time goes by. Therefore, it is crucial to reconsider the importance of the broad political partnership while seriously consider the importance of the relationship between the EU and the ACP countries. The cooperation has a rich history and a wealth of knowledge has been accumulated.

To Netherlands

The ACP countries are important partners for the EU. Netherlands believes that we must absolutely maintain the continuation of partnership.

Incorporating development efforts broadly into political dialogue and economic cooperation and trade, which promotes policy coherence for development. The partnership between the ACP countries and the EU is a modern tool. It is very consistent with the contemporary thinking on comprehensive development methods characterized by policy coherence. This partnership is also well-suited for inclusion in the future international agenda for global public goods. It is expected that this agenda will emphasize the integration of different policy areas, including gender equality, human rights and good governance, climate change and environmental policy, immigration, peace and security, economic and financial development.

Within the EU, the Netherlands is considered a pioneer in the field of policy coherence. Seeking coherence is indeed one of the main elements of Dutch development policy. In particular, now, the portfolios for foreign trade and development cooperation have been brought under a single minister. The ACP-EU relationship has been somewhat disrupted by the Economic Partnership Agreements (EPA) negotiations. More importantly, the more integrated development rationale expressed by the Cotonou Agreement and the international agenda on sustainable development, which will more permeate the EU trade standpoints in the future.

Netherlands plays a brokering role in the difficult negotiations on the EPA that both sides highly valued. It also lays a solid foundation for a constructive role in the transition to a post-Cotonou partnership framework.

Finally, it can be stated that since the signing of the Cotonou Agreement in 2000, the world has undergone fundamental changes. In view of the new challenges and changes in the geopolitical context, any decision on this effect must be taken into account. Our starting point is still to view the EU as a community of values where the achievements in the fields of human rights, the rule of law, and democracy are crucial. Actively promoting world peace and security is a cornerstone of the foreign policy. However, due to the new multi-polar global relations, the EU's geopolitical influence is declining.

3. Proposals/Solutions

Given the normative ambition of the EU-ACP grouping, goals can only be achieved with practical and operable tools and methods. Pragmatic economic help is definitely superior to the intangible political settlements with abstract notions. For the social dimension, there are many tricky problems to be solved, including poverty, inequalities, youth, education, gender, social inclusion and climate change.

The solution can be mainly focus on the sub-mentioned forms--loans, aid (both capital, technology and humanitarians), investment and trade, research and development, and regional cooperation.

Regionalisation is an irreversible phenomenon and regional organizations like the African Union (AU) has presented itself as an unneglected regional power with years of accumulated development. The AU not only unites ACP countries in Sub-Saharan Africa, but also includes the countries in the northern part of the continent. The EU will have to, on the basis of openness and diversification, make the best use of the comparative advantages of the AU and the ACP countries.

At the global level, the decision-making should be more responsive, inclusive, participatory and representative. And developing countries' participation in global governance must be strengthened. This is ideal for areas where ACP-EU cooperation can contribute. For example, demonstrating joint political goals successfully at the United Nations in a concrete and constructive manner.

The Netherlands believes that in accordance with the spirit of the existing agreement, any ongoing ACP-EU partnership should be explicitly linked to the SDG agenda. It includes identifying the common interests in global governance of public goods and further organizing political dialogue on the elements of the agenda. There are new opportunities for the natural resources to be properly utilized for a sustainable economy. It includes renewable energy from the land and sea, water and industrial policy. In this aspect, it is potential to exchange more information on positions and activities, and it may even be coordinated. The numerical majority of EU and ACP countries in some international forums may perhaps have a greater impact on agenda setting and decision-making at the global level.

For the loans, the EU should firstly operate it in the EU level while allowing the

relevant member states to provide additional help. The loans should be set at a low interest rate.

For increasing the efficiency of the partnership, the EU needs smart management of the development projects, and streamline the often cumbersome administrative procedures which has frustrated the ACP regions plenty of times when receiving development aid from the EU, and minds the manners when providing aid to the ACP regions, which has made those ACP countries feel mistrust and, at times, even inferiority.

For the development aid, which used to dominate the EU and ACP bilateral relations by the aid-driven agreements, has to be improved to guarantee the implementation. To help the implementation of agreements, a new balance of incentives and sanctions must be defined in the future EU-ACP Association Treaty for Development.

For the matters of rule of law and of regulatory governance, there are tools and methods as preconditions for effective implementations, including policy structures and processes; criteria for resilient statehood and societal development must be included into the reasoning of a future EU-ACP association framework. Besides, steps to monitor the resilience in those ACP countries and early warning mechanism need to be started so as to facilitate the real development in the ACP region. Only enforceable mechanism of regulatory governance can break those monopolies which prevent development progress from taking place.

For the trade, as a significant instrument of development, there is an urgent need to come up with innovative approaches and criteria to cope with the ever-changing complicated global context. The growing demand from non-ACP developing countries to the industrialized countries including the US for the EU to abandon the preferential trade relations with the ACP group, in favor of a general and globalized free trade

approach has pushed the EU to reconsider the special trade relations with ACP countries. A tiny slip, however small, can lead to failure. To maintain the EU's role as a key actor in the global context, this part need to be well settled without neglect.

According to available assessments, the Cotonou Agreement and the EDF have performed well and sometimes played a vanguard role. Over the years' development assistance for ACP and non-ACP countries (through the EDF and DCI, respectively) have converged in practice, in terms of both content (poverty focus) and procedures (programming). A discussion that has been going on for some time is whether the EDF should be integrated into the Development Cooperation Instrument (DCI). Therefore, EDF can finance through the general EU budget rather than through a separate fund. This is a complex issue. Netherlands is in favour of funding the EDF through the EU budget. Or the alternative proposals for the EDF should be solidly founded on public and preferably independent strength-weakness analysis.