

Trade Relations between the ACP countries and the EU A Caribbean Perspective

28th MEETING OF THE ACP-EU ECONOMIC AND SOCIAL INTEREST GROUPS

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Background

- The ACP and European countries have been in a structured partnership since 1975.
- This partnership represents Barbados and 78 other states in their relations with Europe.
- The current treaty was signed in 2000 for a period of 20 years.
- Negotiations for a successor agreement for the post-Cotonou period are to be launched in June 2018.

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Background cont'd

- There is a clear common interest in aligning future ACP-EU cooperation to the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.
- The CARIFORUM-EU Economic Partnership Agreement (EPA) was signed in 2008 and promised much.
- The recent decision of the United Kingdom to leave the EU has forced Barbados, Caribbean and other SIDS to focus attention on the impact of the decision.

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Current Challenges

- There is a relatively short period for the ACP countries to work out a new deal.
- Difficulties persist with Caribbean countries fully accessing the provisions and (promised/anticipated) benefits under the CARIFORUM-EU EPA.
- Caribbean countries continue to suffer from a significant **Implementation Deficit Disorder!**
 - Few EPA Implementation Units established.

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Current Challenges, cont'd

- Absence of a functioning Caribbean Private Sector representative body to advocate on behalf of the sector's interests.

- There will be two major issues affecting the region's trading relationships;
 - Brexit negotiations
 - Post-Cotonou negotiations
 - Both negotiations will be happening simultaneously!

- The BREXIT process outcome will undoubtedly recast the region's trading arrangements under the CARIFORUM-EU EPA.

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Current Challenges, cont'd

- Recent developments in the global trading arena necessitating:
 - The adoption of a broader vision, and
 - The recognition that a joint approach is not only necessary but will be pivotal to the outcome of negotiations.

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The Future

- On 29 March 2017, the Government of the UK triggered the commencement of the exit negotiations between the UK and the EU.
- The trade implications of BREXIT for the CARICOM-EU EPA resides in the recognition that the UK could no longer be a party to the foregoing EPA.
- Can CARICOM maintain, at a minimum, the level of preferential access to the UK market that it enjoys under the EPA?
 - ❑ Work has already commenced on an internal review of the EPA at CARICOM to determine those provisions that would not be appropriate to carry over into an agreement with the UK.

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The Future

- The UK wishes to have agreements concluded in the most straightforward way possible, before the completion of its EU exit negotiations.
- It is also in the CARICOM's interests to have an agreement with the UK on trade concluded in the shortest timeframe and ideally before the UK concludes its exit negotiations with the EU.
 - Why would they want this?
- The private sector must take greater advantage of the EPA.

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The Future

- The convening of a broad-based meeting of the regional private sector inclusive of the largest companies as well as the smaller exporters is imperative; the buy-in of these groups is critical!
 - ❑ CARIFORUM-EU EPA negotiations largely excluded direct involvement of these groups.

- The recent convening of the first ever Commonwealth Meeting of Ministers of Trade in March 2017, signaling a potentially new trading arrangement among the countries of the Commonwealth should not be scoffed at.

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A Caribbean Perspective

Thank You.