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## Report

drawn up on behalf of the Committee on Development and Cooperation

**on the negotiations for a new Lomé Convention**

**Rapporteur: Mr J. BROEKSZ**

PE 54.576/fin.

By letter of 2 May 1978 the Committee on Development and Cooperation requested authorization to draw up a report on the negotiations for the renewal of the Convention of Lomé.

By letter of 18 May 1978 the President of the European Parliament authorized the abovementioned committee to draw up a report on this subject. The Committee on External Economic Relations was asked for its opinion.

On 18 May 1978 the Committee on Development and Cooperation appointed Mr Broeksz rapporteur.

It considered the draft report at its meetings of 21 September, 18 October, 24 October and 23 November 1978, and at the last of these meetings unanimously adopted the motion for a resolution.

Present: Miss Flesch, chairman: Mr Broeksz, rapporteur, Mr Dondelinger, Mr Fioret, Mr Hughes (deputizing for Mr Glinne), Mr Ligios (deputizing for Mr Vernaschi), Mr W. Müller (deputizing for Mr Cunningham), Lord Murray of Gravesend (deputizing for Lady Fisher of Rednal), Mr Pucci (deputizing for Mrs Walz), Mr Schreiber (deputizing for Mr Lagorce), Mrs Squarcialupi (deputizing for Mrs Iotti), Mr Vergeer and Mr Würtz.

The opinion of the Committee on External Economic Relations is attached.

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The Committee on Development and Cooperation hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on the negotiations for the renewal of the Convention of Lomé

The European Parliament,

- having regard to the report of the Committee on Development and Cooperation and the opinion of the Committee on External Economic Relations (Doc. 487/78),
  - whereas the new ACP-EEC Convention must set a specific and original example for a true partnership between the developing countries and the industrialized countries by being firmly rooted in a global development strategy and by making a positive contribution to resolving the new problems of international cooperation in such fields as energy, technology, scientific research, investment and raw materials,
  - believing that the future Convention should be taken as an opportunity to reinforce the pattern of relations between developed and developing countries,
  - hoping, therefore, that the Council in its guidelines and the Commission in the negotiations will not confine themselves simply to consolidating the present Convention but endeavour - as part of a regenerated development strategy - to arrive at an improved convention so that the ACP countries will feel themselves to be full partners in the action being taken to meet their most pressing needs,
1. Feels that the negotiating parties should look favourably on the applications for accession from countries which are among the world's poorest and whose economic structure and production are comparable with those of the ACP States;
  2. Considers that - in order to emphasize the permanent nature of the links between the Member States and the ACP States and to facilitate the economic planning of the ACP States - the new Convention should be concluded for a period of 10 to 15 years, and that it should contain provisions allowing it to be reviewed or adjusted to changes in the situation if the negotiating partners so request;

3. Feels that the new Convention must be based on the principle that the most disadvantaged sections of the population in the ACP States should be the main beneficiaries of development policy;
4. Stresses that this calls above all for the development of small-scale agriculture, craft trades and small- and medium-sized businesses, and for good elementary education, an efficient health care scheme, a sound housing policy and adequate water supplies;
5. Condemns the re-emergence of protectionism in world trade and calls on the Community to take the necessary measures to make it possible, through the restructuring of certain sectors, to maintain all preferences granted to the ACP States, particularly by ensuring greater freedom of access to the Community market for the agricultural products of those States;
6. Welcomes the Commission's resolve to protect workers in the developing countries through supervision by the International Labour Organization (ILO) over some of the agreements ratified by the developing countries within the framework of the ILO;
7. Deems it necessary to condemn the following violations against the human person:
  - political assassination or causing political opponents to disappear,
  - torture,
  - long periods of imprisonment without trial,both out of respect for the inhabitants of the countries of the contracting parties and in order not to lose the support of public opinion;
8. Requests that, in order to ensure respect for national sovereignty and for the principle of the equality of the ACP and EEC states, a procedure be agreed between the negotiating partners;
9. Is of the opinion that, in conformity with the resolution unanimously adopted by the ACP-EEC Consultative Assembly on 29 September 1978 in Luxembourg, the question of a reference to human rights in the future Convention will, at the appropriate time, need to be approached with great care and a high sense of responsibility, and that such a reference will undoubtedly apply just as much to the EEC as to the ACP States;

10. Emphasizes the need to maintain, in all circumstances, Community measures designed to meet the fundamental needs of the population itself;
11. Expresses satisfaction at the generally successful operation of the STABEX system and requests the negotiating parties to investigate the possibility of including more processed products in the system;
12. Draws attention to the advantages for both parties of greater regional cooperation in fishing activities;
13. Takes the view that industrial cooperation should be stepped up concurrently with the development of systematic consultation of the economic and social circles of the ACP States and the EEC, particularly by means of a common regional approach;
14. Welcomes the Community's resolve to argue, during the negotiations, in favour of the need for selective investment protection, that is of investment which benefits the people themselves;
15. Feels that in fixing the amount of the new European Development Fund account should be taken of, inter alia, the reduced effect of preferential concessions to the ACP States, inflation and the growth of gross national product in the Member States, and recalls the undertaking of the industrialized countries to attain the target minimum of 0.7% of GNP devoted to official development aid;
16. Hopes that if the dramatic problems affecting southern Africa have still not been settled when the Convention is signed, the latter will specify the amount and terms of the exceptional aid to be granted to the countries in that region engaged in the struggle against continuing racism and colonialism;
17. Reaffirms that the new European Development Fund must be financed from the Community budget and that the new Convention should be approved by the European Parliament;
18. Instructs its responsible committee to take steps in conjunction with the other members of the ACP-EEC Joint Committee to ensure that the new provisions concerning that committee and the Consultative Assembly are not adopted before the Joint Committee has been consulted;
19. Requests the Committee on Development and Cooperation to continue to follow the negotiations for the renewal of the Convention of Lomé and to report to it again if necessary;
20. Instructs its President to forward this resolution and the report of its committee to the Council and Commission of the European Communities.

EXPLANATORY STATEMENTI. INTRODUCTION

1. The present Convention of Lomé will expire on 1 March 1980. Article 91 of the Convention states that a year and a half before this date 'the Contracting Parties shall enter into negotiations in order to examine what provisions shall subsequently govern relations between the Community and the Member States and the ACP States'.

Negotiations began in Brussels on 24 July of this year for what has now become known for ease of reference as Lomé II<sup>1</sup>. Formally, then, the requirement of Article 91 has been met, though the proceedings of that day consisted mainly of speeches made by Mr PATTERSON on behalf of the ACP States and Mr GENSCHER on behalf of the EEC. The negotiations proper will not begin until September and it is hoped that they will be concluded by about May 1979.

2. In the hope that it will be able to exert some influence on the results of these negotiations, the Committee on Development and Cooperation has requested and obtained authorization to draw up a report on the provisions to be incorporated in the new agreement.

This report does not aim to examine in detail the technical problems associated with the implementation of the present convention. These problems have too specific a technical nature for efficient discussion at parliamentary level.

Your rapporteur proposes to attract particular attention to some political aspects of the renewal of the Convention of Lomé.

II. THE GEOGRAPHICAL SCOPE OF THE CONVENTION

3. When the Convention of Lomé was signed on 28 February 1975, the signatories were the nine Member States of the EEC and 46 countries in Africa, the Caribbean area and the Pacific, to be known as the ACP countries. The Convention of Lomé was preceded by a number of other agreements and in order to explain to an outsider why this collection of, at first sight, very different developing countries concluded the Convention of Lomé with the Community, it is necessary to go back into the past.

When negotiations between the six original Member States of the European Community had already reached an advanced stage, France insisted that the European Community should include special provisions in the Treaty of Rome in favour of what were then French colonies (principally in Africa). France

<sup>1</sup> It is in fact not yet certain that the new convention will also be signed in Lomé, the Togolese capital

insisted on these provisions because its relations with the countries in question and particularly its relations with French subjects in those countries were very close. This found expression for one thing in a system whereby the said countries were guaranteed the sale of certain tropical products at a pre-arranged price. The latter was in general quite a bit higher than the world price for such products (this was known as the 'surprix' system).

4. Finally, an arrangement was included in the fourth part of the Treaty of Rome whereby the then colonies of the six Member States became associated with the European Community. In simple terms this meant that a free trade zone was created between the Community and each of these countries and territories overseas and also between the latter countries themselves. Financial and technical aid was distributed through the first European Development Fund, to which 581.25 million u.a. was allocated.

When these former colonies became independent at the end of the 1950's and the beginning of the 1960's, negotiations were undertaken which resulted in all the countries associated with the Community under the earlier provisions (with the exception of Guinea under Sekou Touré) concluding the Yaoundé Convention with the EEC. They were subsequently joined by Mauritius. Some time later an agreement was concluded with three East African countries: Uganda, Tanzania and Kenya - the Arusha Convention - under which these countries were also accorded certain trade advantages.

5. However, the financial and technical aid given to the Yaoundé countries was not accorded to these countries. This was due not so much to unwillingness on the part of the Community as rather a lack of interest on the part of these English-speaking countries, which, for political reasons, did not want to bind themselves closely to the Community.

The EEC-Nigeria Agreement, which was practically the same as the Arusha Convention, was never ratified on account of the war in that country. When the Community was enlarged to include three new Member States, the United Kingdom demanded and obtained more or less the same status for a number of its Commonwealth countries. A number of African countries which had no historic links with the Community, such as Ethiopia and Liberia, were also invited to take part in the negotiations. The result was the Convention of Lomé, whereby practically all the independent African states of the time - with the exception of the non-black countries of Northern Africa, Rhodesia and South Africa - concluded an 'association agreement' with the Community.

The Convention of Lomé helped France and, later, Great Britain to maintain their policy in Africa through the Community and hence with Community financial aid. French policy in particular had a clear economic and cultural basis. There are of course close links between the two.



In the monetary field the situation was maintained whereby the creation of the CFA franc zone guaranteed the French-speaking countries in Africa that had joined this system a fixed rate of exchange for their own currency against the French franc. This system naturally gave a particular advantage to French companies and subjects established in these countries and which were thus shielded, as it were, from the very violent fluctuations to which the majority of the currencies of the developing countries are subject.

Politically, one of the things which the Convention of Lomé did was to consolidate the status quo, i.e. the 'balkanization' of Africa, and hence the consequences of the division of Africa by the former colonial powers.

This division was a purely political one and bore no relation to ethnic realities, frontiers being drawn across tribal lands. The consequences of this are now more topical than ever; take for example the situation in Shaba, which is partly attributable to the fact that members of the same tribe live in both Zaire and Angola. French policy in Africa is linked understandably with economic and cultural expansion. The fact that this policy can also have detrimental effects is evidenced by the happenings in Chad, Zaire and elsewhere.

6. Since the signing of the Convention of Lomé the number of countries party to the Convention has risen to 55<sup>1</sup>. Dominica, which was declared independent on 3 November 1978, will shortly become the 56th member country.

Although an impressive number of developing countries are now party to the Convention of Lomé, they are in general developing countries with small populations. Consequently, only a small proportion of the total inhabitants of developing countries in the world are linked, through the Convention, to the Europe of the Nine.

In recent years there has been an increasing awareness of the fact that aid from the industrialized countries should be given principally to those in greatest need. Seen in this light, the geographical scope of the Convention of Lomé is open to criticism, for one might well ask why a number of countries are not party to it even though they are clearly among the poorest countries of the world and also, in some cases, could claim preferential treatment on account of their historic links with one of the Member States of the Community. It is also noticeable that the list of countries participating in the Convention of Lomé does not fulfil the criteria which the Commission itself laid down in October 1974 on the future development policy of the European Community. This policy was summed up in a document with the phrase: 'To each according to his

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<sup>1</sup> Namely: Surinam, the Seychelles, the Comores, the Solomon Islands and Djibouti, Cape Verde, Papua-New Guinea, São Tomé and Príncipe, and Tuvalu.

needs, by bringing all our means to bear'.

7. When consulted on this point, the European Parliament stressed in a resolution that, with regard to the geographical distribution of Community aid, it should be granted first and foremost where it was most required. Such aid should, in addition, be granted according to the following criteria:

- the capacity of the recipient country to make effective use of the aid;
- the efforts of the recipient countries to ensure that all strata of the population gain the fullest possible benefit from the increased prosperity;
- the amount of aid received by these countries from other sources.

It would be unrealistic to show surprise at the fact that theory and practice are here poles apart. The Conventions of Yaoundé and Lomé were the result of political decisions by both the EEC and the ACP countries. An industrialized country has to bear in mind not only pure and simple development policy considerations but also practical and political interests when formulating their development policy. In theory, of course, aid should go first of all to the poorest countries. But even a country like the Netherlands, which regards itself as a champion of human rights and which claims to want to help first and foremost the poorest countries within the framework of its development policy, gives a disproportionately large share of its development aid funds to countries such as Indonesia - where human rights have been violated on a large scale for many a year - and Surinam and the Netherlands Antilles, which, with a pro capita GNP of 1,370 US \$ and 1,680 US \$ respectively, cannot be considered particularly poor.

8. The European Community alone is not in a position to offer all the developing countries in the world the same preferential treatment as that given to the Lomé Convention countries. Aid is also needed from other industrialized countries such as the United States, Russia, Japan and Australia. Official development aid from the Western industrialized countries has scarcely risen in recent years, certainly not if one takes account of the drop in the exchange rate of the dollar and inflation. According to the OECD Development Assistance Committee, in 1977 the United States spent 0.22% of its gross national product on official development aid. West Germany, the richest country in the EEC, allocated only 0.27% to such aid, whilst the estimate made for Russia was 600 million dollars, a really scandalously small amount for a country of such importance. That the situation can be different is shown by countries such as Sweden and the Netherlands, which each year devote more than 0.7% of their gross national product to public development aid.

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<sup>1</sup> In 1975, see World Bank Atlas 1977

It is therefore clearly unrealistic to expect the Community to invite, for example, India, Pakistan and Bangladesh to accede to the Lomé Convention.

9. The Convention of Lomé will nevertheless have to remain open - now or after independence - to countries such as Mozambique, Angola and Namibia and Zimbabwe. Despite financial difficulties, enlargement to include a number of other states, in view of their great poverty and their geographical proximity to the countries which already belong to the Convention, would be both possible and reasonable. Countries such as Haiti and North Yemen immediately spring to mind. Other countries such as Burma, Nepal and Afghanistan also have, it is true, a low gross income<sup>1</sup> but the fact that they cannot be compared with the present Lomé countries either in their production or in their economic structures does not make their inclusion in the Lomé club any easier. Your rapporteur therefore suggests that the Commission and the Council be seriously asked to consider whether it would be possible to include Haiti and North Yemen in the new Convention.

Some would argue that this would lead to a stampede if Haiti is allowed in, Guatemala will be knocking on the door tomorrow and will be followed by a queue of Latin American countries. Your rapporteur does not find these arguments very convincing. If the criterion of extremely low gross national product is applied, the majority of Latin American countries do not qualify and we may in the future be compelled to accept certain continental Latin American countries (unless it is thought that overseas territories such as Belize will always remain dependent on the United Kingdom).

It is also important for the Community's policy, in particular, in the Caribbean, that there should be greater unity of action through the Convention of Lomé. That the same opinion prevails on the Caribbean side emerged from the speech by the representative for Trinidad and Tobago, H.E. Mr O'Neill Lewis, during the meeting of the ACP-EEC Consultative Assembly in Luxembourg in September.

The fact remains however that if certain countries are admitted there may be some which are responsible for serious violations of human rights. But if, as is your rapporteur's desire, the new Convention contains provisions in this area it will be possible, simply by referring thereto, to reject applications from certain countries<sup>2</sup>.

<sup>1</sup> See Annex I

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The argument that North Yemen is an Arab country (and that the Convention of Lomé is restricted to non-Arab countries) may perhaps be answered by pointing out that a number of Lomé countries belong to the Arab League.

10. As has been remarked above, a large number of important developing countries will remain outside the Convention of Lomé. These countries, situated mainly in South-East Asia and Latin America, have a right to the Community's support for both political and moral reasons. Your rapporteur is therefore also of the opinion that all initiatives which have so far been put into effect in order to create a general Community policy should be strengthened and receive full support from the European Parliament. This applies in particular to Community aid to non-associated countries, a system of general preferences and the granting of food aid. The Community's solidarity with third countries ought not to be limited to the Lomé countries and, although these countries have a right to preferential treatment for historical reasons, this ought not to prevent the Community from increasing the aid it gives to other, often poorer, countries.

### III. THE DURATION OF THE CONVENTION OF LOME

11. The present Convention was entered into for a period of five years. However, the permanent nature of the link between the Member States and ACP countries is now generally appreciated by all and an agreement of longer duration therefore seems desirable. This might have the advantage of preventing hiatuses or transitional provisions from disturbing relations until Member States are able to ratify the new agreement. A longer duration will also help the Lomé States in their long-term planning. Of course, the financial provisions would have to be reviewed after a fairly small number of years, for one thing in order to regulate the size of the European Development Fund.

Parliament considered furthermore that a directly-elected European Parliament ought to approve the new agreement rather than the national parliaments. This will certainly be the case when development cooperation is financed entirely from own resources through the Community budget. The delays which are experienced now will then be a thing of the past.

12. Some Member States seem to have an objection against an agreement for an unlimited period because they feel that they have not yet had sufficient experience with the Convention<sup>1</sup>. This is in fact true and moreover, if we wish to amend and improve the Convention, experience will also have to be gained with these amendments and improvements and perhaps, in due course, a new evaluation of the then current situation may be desirable. It is not easy to amend an agreement which has been concluded for all time. It therefore seems desirable to extend the period, but not to have an unlimited one. In your rapporteur's opinion, a period of ten to fifteen years should be considered. That will allow plenty of time for acquiring experience with the new convention before negotiations for the following one have to begin. Nor can it be denied that a period of recession is not an ideal time for the EEC to enter into negotiations if the best possible terms are desired for the developing countries.

#### IV. BASIS FOR THE NEW CONVENTION

13. Even more than the present agreement, the new convention must be based on a number of clear principles. These principles largely coincide with those laid down by the Commission in its 'fresco' and to which the European Parliament gave its general approval in May 1975.

First of all aid must be directed primarily to the poorest countries and steps must be taken to ensure that the policy conducted by those countries makes it possible for the aid to be used to benefit the most needy section of the population. It will be even more necessary than at present to include special measures in the convention for these countries. It is not, of course, easy to check whether aid really reaches those for whom it is intended. Yet what is at stake is too important not to make an effort in that direction. The risk that too much of the EEC's development aid will go to the already privileged superstratum of the population must be eliminated. The situation in various Latin-American countries shows how disastrous it is for the development of a country if a very small section of the population has a very large share of the national wealth. In Africa, fortunately, the situation is not so bad. The European Community must take care that it does not show

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<sup>1</sup> It should be pointed out, however, that the agreements between the Community and the Maghreb and Mashrek states have indeed been concluded for an indeterminate period and that the Member States did not have any experience at all in this area.

favour to the upper levels of society. To this end it might give particular support to countries whose political aim is to reduce differences in income. This means, in general, that the poorest countries will have to obtain a lot of financial and technical assistance for the development of their agriculture, for providing a good general elementary education, an efficient health care scheme, good water supplies and a sound housing policy. Countries which are already to some degree in an advanced stage of development should be given more assistance in the fields of industrialization and export promotion.

14. As regards access to the European market, your rapporteur believes that in general efforts should be made to secure free access to the EEC market for products from the ACP countries. The very minor restrictions still remaining should be removed.

Your committee did not share the view that one hundred per cent access should be ensured; see paragraph 5 of the motion for a resolution.

The present economic situation should not serve as a pretext for introducing a certain amount of protectionism into the new Lomé Convention. There is certainly a danger of this; witness the Community's policies on textiles, agricultural products and steel. The Community's policy towards third countries where these products are concerned has a clearly protectionistic flavour.

Unemployment in the Community may well prompt short-sighted politicians to defend such measures vis-à-vis industrialized countries such as the United States and Japan, but they should be resolutely rejected in each case where the developing countries are involved.

The Community's protectionism often seems to take somewhat hypocritical forms. For example, the Community's memorandum suggests requesting the ACP countries to observe the provisions laid down by the International Labour Organization in Geneva. The reason given for this is the need to protect the workers in ACP countries. It might be thought that the ultimate objective is to protect workers in the Community. The same applies to the remark in the memorandum that, if a new agreement of unlimited duration is concluded, it will not be possible to guarantee ACP countries free access for their products to the European market. Attention should also be drawn to the 'cut off' system introduced some years ago in the Community generalized preferences scheme. Officially, the reason for this is to allow the most developed developing countries (Hong Kong, Taiwan, Brazil, etc.) to export only a certain amount of goods under the preference scheme so as to leave export outlets available for less developed countries. In fact, this second group of countries has no chance of making use of the preferences so, ultimately, only European industry stands to benefit from the system.

Your committee prefers to regard the above remarks as an attempt to counteract the exploitation of workers (two-shift system with a 12-hour working day, female and child work etc.) in the ACP countries. Commissioner Cheysson's statement in this connection to the effect that the International Labour Office in Geneva would investigate annually, at the Community's request, whether certain obligations entered into by the ACP states within the framework of the International Labour Organization (ILO) are being complied with, is a welcome supplement to the memorandum. Of particular importance here are certain undertakings with regard to workers themselves, (age of workers, working hours and non-discrimination on religious or racial grounds). The aim of all this, as already pointed out, is to prevent workers from being exploited (e.g. by major multinational undertakings, as sometimes happens) and to ensure that development benefits the people themselves. In this way mounting protectionism among workers themselves in the EEC (such as can be observed in the United States, for instance) can be combatted and the Community's tendency to take protectionist trade measures would thereby be attenuated.

Since the situations which need to be avoided are encountered in countries which do not belong to the Convention, the various arrangements should be made under a Community system of generalized preferences. But in order to avoid discrimination similar proposals should also be included in the new convention.

The Committee on Development and Cooperation should vigorously oppose any attempt to discriminate against developing countries by protectionist measures. It is perhaps worthwhile pointing out in this connection that the European Parliament's Committee on Development and Cooperation is practically the only potential lobby for the interests of the developing countries. Few illusions should be entertained about the attitudes of the members of other EP committees, certainly not before they have been directly elected. To champion development policies at European level can at the moment mean electoral suicide in some cases. It is to be expected that agricultural and business circles will call for measures to protect European agriculture and industry whilst the finance ministers will certainly not abandon their natural proclivity to spend as little money as possible. A good development policy is in everyone's political and economic interests. In the long term it is also in the interests of European industry: increased purchasing power in the ACP countries can lead to higher European exports. And, of course, Europe lacks certain raw materials which the developing countries can supply. (For a list of raw materials which the ACP countries can supply see Annex II.)

## V. HUMAN RIGHTS

15. Since Mr Carter became President of the United States, there has been an increasing interest in human rights and a greater tendency on the part of rich countries to make aid to poor countries dependent on a certain conception of human rights. Although the intentions of many in this field are undoubtedly good, it is hard to avoid the impression that a lot of what is said on this subject is rather hypocritical or else is out of touch with reality. The concept of human rights is of course a very elastic one and what is found completely normal in one country will fill the inhabitants of another with horror. It must also be remembered that no country has a monopoly on corruption or violation of human rights. Recent events in Europe (the scandal surrounding Prince Bernhard and President Leone in the Lockheed affair<sup>1</sup>, the actions of the criminal Rote Armee Fraktion in West Germany and the Red Brigades in Italy, the treatment of political prisoners in Ireland) ought to prompt European statesmen to be somewhat cautious on this point. This is certainly true if one considers that these events have occurred in highly industrialized and so-called civilized countries which operate a democratic system and where a certain economic and intellectual freedom does not put most people in an intolerable situation which might otherwise have gone some way to justifying these violations. If the European side insists on some reference to human rights in the new Convention, we should take care not to set ourselves up as judges of the ACP countries. In principle, the Convention of Lomé is first and foremost an economic pact and certainly, in general and apart from some exceptions, its aim cannot be to force upon the recipient countries certain political or moral standards by means of economic reprisals.

16. On the other hand there are violations of human rights which are so offensive and degrading that they cannot be tolerated in any country or in any circumstance. This applies particularly to certain flagrant contraventions of the 'Universal Declaration of Human Rights'<sup>2</sup>, such as:

- political assassination or causing political opponents to 'disappear',
- torture,
- long periods of imprisonment without trial.

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<sup>1</sup> Although the two men were not convicted following a parliamentary enquiry the fact remains that there must have been a scandal for a parliamentary enquiry to have been called

<sup>2</sup> For complete text, see Annex III



The European Community will be able to go on granting development aid only if its political leaders have the support of public opinion. Whereas the general public can today be informed with great ease by modern communications media of the need for development aid, it will quickly turn against the granting of such aid if a few seconds later the same news media announce that, in a country to which a considerable amount has just been sent as development aid, a large number of people have been executed without trial. The modern mass media ensure that there is no excuse any longer for anyone not to take an interest in the fate of the people in the developing countries and that everyone can, with very little difficulty, acquaint himself with conditions there. Whilst one consequence of this is that everyone has the duty to do what he can to improve conditions in these countries, there is also the fact that every violation of the rule of law has an immediate effect on the Western countries' attitudes to development aid. For this reason alone some reference to human rights in the new agreement is necessary, desirable and in the interests of both the Member States and the ACP countries. Any such reference must be formulated in a very precise and detailed manner so as to make it clear that only the three cases mentioned at the beginning of this paragraph can be regarded as justification for taking sanctions. There must also be no doubt that the provisions on this subject will apply both to ACP countries and EEC countries. Such situations ought to be submitted for scrutiny to an independent institution, for example the ACP-EEC Council, which would give its ruling by a majority decision.

The Committee on Development and Cooperation has expressed its dissenting view on these points in paragraphs 7, 8 and 9 of the motion for a resolution.

17. It is self-evident that any sanctions would have to be confined to, for example, the stopping of project aid. Community action limited to meeting the fundamental needs of the population itself would have to continue. In this way it will be possible to avoid a situation where the population suffers further from a policy of which it frequently is already the principal victim. In particular this means that food aid should be continued. For the rest, if there were no majority in favour of sanctions in the ACP-EEC Council, the Community could merely express its indignation. Under Article 92 of the present Convention, the Convention may be denounced at any time by one of the partners upon six months' notice.

#### VI. INDUSTRIAL COOPERATION

18. In this sphere the Convention of Lomé brought in certain innovations, but the time required to set this cooperation in train has meant that the experience of the parties to the Convention is still too limited for final conclusions to be drawn at this stage.

It is clear that the Community must do more than simply make available a certain amount of money and technical knowledge. The Community must restructure its own market so as to encourage the manufacture of certain industrial products in the ACP States. The purchasing power which would then be created in the ACP States would also benefit the Community's industry.

However, so far, the Community has done virtually nothing in this sphere, on the contrary, at the slightest difficulty - for example in the textile sector - the exporting developing countries have been subjected to measures referred to euphemistically as voluntary self-restraint.

19. The aim of industrializing the ACP States cannot simply be to import Community technology and patterns and thereby create a community to which all the mistakes made by the West are transferred without question and in which the inhabitants of the ACP States are estranged from their environment. In your rapporteur's opinion, emphasis should be laid on those industries which save foreign exchange by replacing imports. This can frequently best be brought about by creating joint ventures, and here the Centre for Industrial Development can often make a significant contribution. Although the Centre for Industrial Development only began operating in early 1977, the initial results can be said to be satisfactory. Thanks to its efforts, projects have been set up in the ACP States which have created 3,000 jobs there as well as some 1,500 jobs in the Community. Your rapporteur therefore feels that more resources should be made available to the Centre for Industrial Development in the new Convention. The Committee on Industrial Cooperation which, pursuant to Article 35 of the Convention of Lomé, is to suggest appropriate solutions to problems arising in the field of industrial cooperation between the ACP States and the Community and guide the activities of the Centre for Industrial Development, is to organize regular meetings with the economic and social sectors of the ACP States and the Community, pursuant to Article 10 of Decision No. 1/76 of the ACP-EEC Council of Ministers. Your rapporteur wonders whether any such meetings have already taken place, and if so, when? In general he is of the opinion that industrial cooperation must be stepped up, together with the development of systematic consultation with the economic and social circles of the ACP States and the EEC.

Regional cooperation can provide an important stimulus for the development of the ACP States, particularly when it involves industrial cooperation. The Community has spent money on this and the ACP countries have shown interest in this form of cooperation. It is now up to both partners to intensify regional cooperation in the new convention.

The Commission and the Council have proposed that during the negotiations, discussions should also be held on a scheme to encourage and protect foreign investment in the ACP States. In doing so, account must naturally be taken of the obligation to respect the sovereignty of the ACP State in question. This applies in particular to the right to refuse certain foreign investment, and to the requirement that such investment should fit in with the economic policy and development of the ACP State in question.

In view of the stagnation of Community investment in the ACP States in recent years, protection against non-commercial risks appears desirable. The ACP States did not react too enthusiastically to this proposal. Mr Patterson said that granting European investors privileged status would be incompatible with the international obligations of the ACP States and also discriminate against present investors. Your rapporteur cannot accept these objections. To begin with, provisions could apply to both certain old and certain new investments. Furthermore, nothing need prevent the ACP States from offering a similar arrangement to non-Community countries in a unilateral declaration made when the new Convention is signed. After all, the aim is to promote prosperity in the ACP States, and since such investment can contribute towards this, the Community should also be in favour of its encouragement.

For these reasons guarantees should be given for specific investments only, i.e. those which benefit the people themselves, under the investment programmes drawn up by the ACP States themselves. There should be prior consultation, especially between the Commission, the ACP State concerned and the relevant economic and social circles in the EEC.

#### VII. THE INSTITUTIONS

20. As regards the Institutions, your rapporteur has the impression that in general they have worked effectively. He therefore wishes to make only two comments on this subject. The first concerns consultation with the economic and social sectors of the Member States and of the ACP States. It is clear that in particular the industrialization of the ACP States and the better international division of labour connected therewith will necessitate the transfer of certain industries from the Community to the ACP States. No such transfers can of course be effected without consulting particularly the employers' and employees' organizations in the Community. The new Convention must therefore contain a provision which is more specific than that laid down in Article 74(6) of the present Convention and which makes it compulsory for the Council of Ministers to consult employers and employees both in the ACP States and the Community.

21. Article 80 of the Convention of Lomé contains provisions relating to the Consultative Assembly. Although these provisions have not given rise to any serious dissatisfaction on the part of the Institutions involved, it would be better if new provisions could be laid down in this sphere in close consultation with Members of the European Parliament and representatives from the ACP States. The action taken by the Council of Ministers on resolutions and opinions submitted to it by the Consultative Assembly could be discussed at the same time.

Other matters could also be discussed, such as the Council's obligation to reply to written and oral questions.

To this end it would be necessary for the negotiating parties to meet representatives of the European Parliament and the ACP States during the negotiations to exchange views on the aforementioned matters. This could follow the pattern of the conciliation procedure instituted between the European Council and the Parliament.

#### VIII. STABEX

22. This is one of the innovations in the Convention of Lomé. In general the ACP States are satisfied with it. At their request, the list of products covered by the Stabex system has been extended to include a number of agricultural products such as ilang-ilang, wool, mohair, gum arabix, vanilla and cloves. Although in world trade terms the economic importance of these products is not particularly great, for certain ACP States they are of real economic significance.

For some time now the ACP States have been requesting a further extension of the list to include, amongst other things, a number of minerals and raw materials such as phosphate and copper. Your rapporteur is not certain whether such an extension would call for more appropriations for the new Stabex fund than the Community can afford. In principle extension of the Stabex system is desirable because it can help to diversify the economies of the ACP States. Care must be taken, however, that some of the Stabex funds do not find their way into the coffers of the anything but poor multinationals. Since it is frequently the large international undertakings which control production of and trade in certain minerals, there is a real danger that this could happen. Your rapporteur feels, therefore, that it would be better to begin by improving the present system. This could be done by taking account of price increases due to inflation when calculating the amounts to be transferred to the ACP States. The possibility should also be examined of including more processed products in the system. The prevailing system mainly encourages the export of unprocessed raw materials so that the added value consequent on processing does not benefit the exporting ACP State. This clearly runs counter to one of the basic principles of a sound development policy, which should aim at encouraging the developing countries to process their raw materials themselves.

23. The efficiency of the system could also be increased if more specific provisions were laid down concerning the use of financial transfers. To avoid any misunderstandings, it should be clearly stipulated that the funds transferred by the Community must be used to benefit unequivocally the sector to which the transfer relates. This could be achieved by expending the money on improvements in any stage of the production of the product in question.

Current provisions relating to the use of funds do not rule out possible misuse. Article 20 of the Convention merely states that 'the recipient ACP State shall decide how the resources will be used. It shall inform the Commission annually of the use to which it has put the resources transferred'.

In conclusion your rapporteur would point out that the system would be more effective if the more developed of the ACP States were to repay the loans made to them. Although this obligation is laid down in the Convention of Lomé, economic conditions have been such as to prevent the application of this provision. What is more, after a five-year period the Council may decide that rights to repayment should be waived.

#### IX. SUGAR

24. The application of the protocol on sugar causes difficulties every year. Your rapporteur has the impression that these difficulties arise principally from the increase in the Community's own sugar production. In itself it is laudable that the Community should have committed itself to take a certain amount of sugar from the ACP States at guaranteed prices, in particular since the guaranteed price is fixed during annual negotiations 'within the price range obtaining in the Community, taking into account all relevant economic factors'<sup>1</sup>.

It must be admitted that the Community itself is at fault here; by fixing an annually increasing sugar price it has encouraged Community sugar production. The Community now suffers because the higher price has to be paid for a specific amount of ACP sugar, and this at a time when the Community itself is producing too much sugar.

Trends in Community sugar production since a common market organization came into force on 1 July 1968<sup>2</sup>:

<u>Marketing year</u>	<u>'000 tonnes white sugar equivalent</u>
1968/69	6,812
1969/70	7,434
1970/71	7,052
1971/72	8,084
1972/73	9,007
1973/74	9,516
1974/75	8,570
1975/76	9,682
1976/77	10,005

<sup>1</sup> Article 5(4) of Protocol No. 3 to the Convention

<sup>2</sup> See the answer from the Commission of the European Communities to Written Question No. 712/77 by Miss FLESCHE, OJ No. C 52, 1.3.1978, p.14

25. These statistics illustrate the increase in Community sugar production in recent years. The only conclusion which your rapporteur can draw is that the Community must reduce either its sugar prices or the amounts of Community sugar for which the guaranteed price is payable in an effort to reduce Community sugar production. Since it is particularly the wealthy north-European farmers who have gone over to sugar-beet cultivation, it should be possible, given their technical skill and professional ability, for them to change over to other crops, preferably products which do not compete with those from the ACP States and of which there is a shortage in the Community.

Furthermore, the Sugar Protocol is separate from the Convention itself. With effect from 1 March 1980 it can be denounced by either side, subject to two years' notice.

Finally, an interesting Brazilian experiment is worth mentioning in this connection. This concerns research into the possibility of using cane sugar and its by-products to produce alcohol (which might be blended with petrol). The results of this research are encouraging. There is a distinct possibility of such research making a contribution to the satisfactory solution of numerous problems (sugar surpluses, energy shortages, unemployment). The European Community should therefore take an interest - and in particular participate financially - in such projects.

#### X. FISHING ACTIVITIES

26. At the official opening of the negotiations, the representative of the Member States of the Community declared that the Community was willing to discuss cooperation in fishing activities (transfer of know-how, fitting-out of fishing vessels, assistance in respect of training etc.) with the ACP States. In reply, the representative of the ACP States said that, although cooperation in fishing activities appeared desirable to them, they felt that such cooperation could best be achieved through bilateral negotiations in accordance with the arrangements made by the International Conference on the Law of the Sea - which is indeed still struggling with this problem. Your rapporteur does not share this opinion. To begin with, this Conference, despite lengthy meetings, has only resulted in even more confusion and disagreement.

If the ACP States concerned were also willing to negotiate jointly with the European Community, they could take much more worthwhile action - through regional projects - than if they were each to act in isolation. Fishing is becoming increasingly subject to international competition and a joint approach to fishing problems would undoubtedly help the ACP States to acquire a strong and solid position in this area.

It would also be better, in your rapporteur's view, for the negotiations on fishing rights to be conducted by the relevant ACP States from a given area jointly with the Community, as this would assuredly strengthen their negotiating position.

#### XI. INFORMATION AND CONSULTATION PROCEDURE

27. In the past the ACP States have repeatedly complained that they are consulted too late or not at all, especially on trade measures which the Community intends to take. For its part the Community has contended that the ACP States have not always informed it of measures they had taken, especially in non-tariff matters.

The ACP States' complaint is also linked to a difference of opinion as to the meaning of the term consultation. The Community assumes that it is enough for it to inform the ACP States in good time of measures it intends taking. The ACP States not only wish to be informed in good time of what the Community intends to do but to participate in the discussions held prior to the decision being taken. This matter has caused problems each year when the Community has informed the ACP States of its plans concerning generalized preferences. The Community has argued that it had the right to offer preferences to other developing countries, especially since it was not violating its obligations towards the ACP States in that it was not withdrawing any rights from the ACP States. Although these arguments are valid from a strictly legal point of view, your rapporteur feels that in practice they do adversely affect the ACP States and are therefore against the spirit of the Convention of Lomé. If the Community continues to give preferential treatment to developing countries other than the ACP States, this means that the ACP States have to face competition from a number of much wealthier developing countries such as Yugoslavia, Brazil, Korea, Hong Kong and Taiwan.

The Community must therefore introduce greater differentiation in its system of preferences, starting from the principle that its prior aim is to give aid to the poorest developing countries.

#### XII. THE SIZE OF THE NEW DEVELOPMENT FUND

28. The present Development Fund amounts to roughly \$2 per head of population in the ACP States. This is a small sum seen in the context of both the needs of the ACP States and the economic prosperity enjoyed by the Europe of the Nine and its consequent international obligations. Furthermore, the Community's constant reduction of its tariff concessions to the ACP States makes it more important than ever that financial and technical aid should be increased.

Your rapporteur feels that, apart from the aforementioned criteria, the new Fund must take account of the increase in the Community's Gross National Product and inflation. Should the new Convention be concluded for an unlimited period or for more than five years, the amount of the Development Fund must at all events be 'adjusted' every few years. It should be recalled in this connection that the industrialized countries did agree to devote a minimum of 0.70% of their GNP to official development aid. Only one of the EEC countries has so far reached this level.

When voting on the motion for a resolution, the Committee on Development and Cooperation expressed the hope that, if the grave problems affecting southern Africa had still not been settled when the Convention was signed, the latter would specify the amount and terms of the exceptional aid to be granted to the countries in that part of Africa engaged in the struggle against continuing racism and colonialism (see paragraph 16).

#### XIII. COOPERATION IN THE ENERGY FIELD

29. It is common knowledge that the Community produces far too little energy to meet its own needs. In particular it is expected that the Community will experience oil supply difficulties around 1985.

Numerous ACP States, on the other hand, have great potential in this area, particularly as regards solar energy and energy which can be produced from uranium.

Your rapporteur believes that cooperation between the EEC, which possesses technology and financial resources, and the ACP countries, which possess raw materials, can be profitable to both sides. A special protocol, for example, might be included in the new convention in order to provide a framework within which cooperation should operate in this field.

Your committee has not yet had the opportunity - though it will have in the near future - to examine this problem in depth, in particular on the basis of the communication from the Commission to the Council on cooperation with developing countries in the field of energy (Doc. COM(78) 355 final), but it is already obvious that this is an important area for cooperation.

#### XIV. COOPERATION IN THE SOCIAL AND CULTURAL FIELD

30. The agreements which the Community has concluded with certain countries, e.g. the Maghreb countries, contain a separate chapter on cooperation in the social field. The Maghreb agreement contains a provision to the effect that a Member State of the Community shall not discriminate (by comparison with its own citizens) in respect of working conditions and wages against workers from the abovementioned countries who are employed on its territory. The same applies to social security legislation applicable in those Member States. Periods of insurance, work or residence completed by such workers in the various Member States can be taken into account for the calculation of pensions of all kinds.

Your rapporteur feels that it is in the interests of the ACP countries to raise this point during the negotiations. Given the large numbers of workers from ACP countries in the Community, particularly in France and the United Kingdom, similar provisions in the new convention might be extremely beneficial to the ACP countries. Moreover, it would seem particularly



appropriate for this matter to be raised at a time when the Community is rightly attaching so much importance to respect for human rights.

31. The negotiators might also give consideration to the question of a degree of cultural cooperation. The inhabitants of the Community cannot be expected to show solidarity with developing countries in which the most fundamental human rights are being outrageously trampled under foot and by the same token a strong response can be elicited from the people of Europe if they are better informed of the real circumstances prevailing in developing countries. This might be achieved by extending existing scholarship arrangements. It might also be achieved by student exchanges enabling students from the EEC, for example, to become familiarized with social and cultural life in the ACP States. Exhibitions might be organized in the EEC and in the ACP countries on cooperation between the partner countries. These exhibitions should be of an unequivocally informational nature and provide as much information as possible about the economic, political, social and cultural life in the Member States and in the ACP States. The possibility of organizing an ACP week modelled on the EUROPALIA held in Belgium a few years ago might also be investigated.

The existing cultural agreements between Member States and the various ACP States should be more effectively coordinated. The study of ACP languages should be encouraged. The possibilities of information and exchange in this area are practically unlimited.

Your rapporteur does not expect that much of the above can be achieved in the short term but he attaches importance to the need for possibilities in this area to be opened up during the negotiations.

#### XV. CONCLUSION

32. In drawing up this report your rapporteur has not aimed at giving a comprehensive picture but has concentrated on a few specific points. Certain aspects which have worked satisfactorily so far should be consolidated in the new Convention. This applies in particular to:

- the development of small and medium-sized undertakings;
- the utilization of co-financing, that is, cooperation with other investors in joint undertakings;
- cooperation with non-governmental organizations.

Consideration must also be given to the establishment of cooperation in those spheres which prove to be increasingly important to the ACP States and where at present little or nothing is being done. The development of merchant shipping would be one such aspect. For example, special premiums might be granted for the transport of food aid if it were undertaken by ACP vessels. The Member States' experience in shipbuilding and merchant shipping could also be transferred to the ACP States by means of bilateral programmes. It appears from Mr Patterson's speech at the opening meeting that the ACP States also attach great importance to these problems; we might therefore consider making a start on a joint ACP merchant fleet with appropriations taken from the Regional Fund, which might possibly be increased in the new Convention.

33. More must also be done in the tertiary sector, especially in tourism and insurance. At present the latter is probably still entirely in the hands of nationals and investors from non-ACP States. In view of this sector's economic importance, such a situation is unacceptable in the long term.

In general the Community must try to give the poorest ACP States more aid in the form of grants and ensure that they receive a larger share than the somewhat wealthier ACP States. Above all, the aid must go to those sectors of the population which need it most badly, and the Community must try to ensure that this in fact happens.

A reference to the need to respect human rights, especially Articles 3 and 5 of the 1948 United Nations Universal Declaration on Human Rights<sup>1</sup>, should, in the opinion of your rapporteur, be included in the new Convention in accordance with the principles set out in points 16 and 17.

The normal denouncement clause in the Convention, fixed under Article 92 at present at six months, can still be applied at any time in the case of a serious emergency, with the Community's aid being restricted during that time to food aid and the like to cover the most basic needs of the population.

34. If the Community seriously intends to observe the obligations devolving on it from the Convention, it must also carry out the necessary restructuring measures in the Community so that certain industries can actually be transferred to the ACP States. This is the logical consequence of the

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<sup>1</sup> Article 3 : Everyone has the right to life, liberty and security of person

Article 5 : No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment

solidarity of which the Community has quite rightly so often said the Convention of Lomé to be the expression.

Finally, your rapporteur feels that the Community must continue to give and increase the aid which it is at present giving to non-associated countries, so that the Community's solidarity with the Third World may also find expression in those countries which are not associated with the Community in the Convention of Lomé.

SOCIAL AND ECONOMIC SITUATION IN 1976

<u>Country</u>	<u>Population (millions)</u>	<u>GNP 1976</u>
Burma	30.8	120
Nepal	12.9	120
Afghanistar	14.0	160
Yemen (People's Democratic Republic )	1.7	280
Haiti	4.7	200

In the present Convention of Lomé the GNP is considered to be in the low income group from 100 to 390 and in the low middle income group from 380 to 680; only Gabon with 2,590 is well in excess of this.

ACP STATESANNEX II

## List of raw materials

WEST AFRICA

Ivory Coast	-
Dahomey	-
Gambia	-
Ghana	Diamonds
Guinea	Bauxite, aluminium, iron
Guinea-Bissau	Bauxite, petroleum, zircon, phosphates
Upper Volta	-
Cape Verde Islands	-
Liberia	Iron, industrial diamonds
Mali	Industrial diamonds
Mauritania	Iron
Niger	-
Nigeria	Petroleum
Sao Tome Principe	-
Senegal	Phosphates
Sierra Leone	Iron, diamonds
Togo	Phosphates

CENTRAL AFRICA

Burundi	-
Cameroon	Aluminium
Congo	Diamonds
Gabon	Petroleum, manganese, minerals
Equatorial Guinea	-
Central African Empire	Diamonds
Rwanda	Tin, tungsten
Chad	-
Zaire	Diamonds, copper, zinc, manganese

EAST AFRICA

Botswana	Diamonds
Comoro Islands	-
Ethiopia	-
Djibouti	-
Kenya	Petroleum products
Lesotho	Diamonds
Madagascar	-
Malawi	Tung oil
Mauritius	-
Uganda	Phosphates, copper
Seychelles	Guano
Somalia	-
Sudan	Chromium
Swaziland	Asbestos, coal, iron
Tanzania	Diamonds
Zambia	Copper, coal, zinc

CARIBBEAN

Bahamas	Petroleum products, cement
Barbados	Petroleum products
Grenada	-
Guyana	Bauxite, aluminium
Jamaica	Bauxite, aluminium
Surinam	Bauxite, aluminium
Trinidad & Tobago	Petroleum and petroleum products, asphalt

PACIFIC OCEAN

Fiji

-

Papua New-Guinea

Copper, gold, silver

Western Samoa

-

Tonga

-

UNIVERSAL DECLARATION OF HUMAN RIGHTS

PREAMBLE

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world,

Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people,

Whereas it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law,

Whereas it is essential to promote the development of friendly relations between nations,

Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom,

Whereas Member States have pledged themselves to achieve, in co-operation with the United Nations, the promotion of universal respect for and observance of human rights and fundamental freedoms,

Whereas a common understanding of these rights and freedoms is of the greatest importance for the full realization of this pledge,

Now, therefore,

The General Assembly

Proclaims this Universal Declaration of Human Rights as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education



to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

#### Article 1

All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

#### Article 2

1. Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

2. Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.

#### Article 3

Everyone has the right to life, liberty and security of person.

#### Article 4

No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.

#### Article 5

No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.

#### Article 6

Everyone has the right to recognition everywhere as a person before the law.

Article 7

All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

Article 8

Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.

Article 9

No one shall be subjected to arbitrary arrest, detention or exile.

Article 10

Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him.

Article 11

1. Everyone charged with a penal offence has the right to be presumed innocent until proved guilty according to law in a public trial at which he has had all the guarantees necessary for his defence.
2. No one shall be held guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offence was committed.

Article 12

No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.

#### Article 13

1. Everyone has the right to freedom of movement and residence within the borders of each State.
2. Everyone has the right to leave any country, including his own, and to return to his country.

#### Article 14

1. Everyone has the right to seek and to enjoy in other countries asylum from persecution.
2. This right may not be invoked in the case of prosecutions genuinely arising from non-political crimes or from acts contrary to the purposes and principles of the United Nations.

#### Article 15

1. Everyone has the right to a nationality.
2. No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

#### Article 16

1. Men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and to found a family. They are entitled to equal rights as to marriage, during marriage and at its dissolution.
2. Marriage shall be entered into only with the free and full consent of the intending spouses.
3. The family is the natural and fundamental group unit of society and is entitled to protection by society and the State.

#### Article 17

1. Everyone has the right to own property alone as well as in association with others.
2. No one shall be arbitrarily deprived of his property.

#### Article 18

Everyone has the right to freedom of thought, conscience, and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

#### Article 19

Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

#### Article 20

1. Everyone has the right to freedom of peaceful assembly and association.
2. No one may be compelled to belong to an association.

#### Article 21

1. Everyone has the right to take part in the government of his country, directly or through freely chosen representatives.
2. Everyone has the right of equal access to public service in his country.
3. The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.

#### Article 22

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

#### Article 23

1. Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.
2. Everyone, without any discrimination, has the right to equal pay for equal work.
3. Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.
4. Everyone has the right to form and to join trade unions for the protection of his interests.

#### Article 24

Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.

#### Article 25

1. Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.
2. Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

#### Article 26

1. Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.
2. Education shall be directed to the full development of the human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities

of the United Nations for the maintenance of peace.

3. Parents have a prior right to choose the kind of education that shall be given to their children.

#### Article 27

1. Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits.

2. Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

#### Article 28

Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.

#### Article 29

1. Everyone has duties to the community in which alone the free and full development of his personality is possible.

2. In the exercise of his rights and freedoms, everyone shall be subject only to such limitations as are determined by law solely for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of morality, public order and the general welfare in a democratic society.

3. These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.

#### Article 30

Nothing in this Declaration may be interpreted as implying for any State, group or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein.

DECLARATION adopted and proclaimed,  
10 December 1948 by the General  
Assembly of the United Nations

OPINION OF THE COMMITTEE ON EXTERNAL ECONOMIC RELATIONS

Draftsman : Mr G. BERSANI

On 20 June 1978, the Committee on External Economic Relations appointed Mr Bersani draftsman.

It considered the draft opinion at its meetings of 19 and 20 September and 18 October 1978 and adopted it unanimously save one abstention on 18 October 1978.

Present: Lord Castle, acting chairman; Mr Bersani, draftsman; Mr van Aerssen, Mr Brugha, Mr Cifarelli, Mr De Clercq, Lord Kennet, Lord St. Oswald and Mr Vandewiele.

1. The Lomé Convention, which was concluded on 28 February 1975 between the Member States of the European Community and 46 African, Caribbean and Pacific States, and which entered into force on 1 April 1976, will expire on 1 March 1980.

Pursuant to Article 91 of the Convention, the Contracting Parties shall, eighteen months beforehand, 'enter into negotiations in order to examine what provisions shall subsequently govern relations between the Community and the Member States and the ACP States'.

These negotiations were formally opened in Brussels on 24 July 1978 and work effectively began in mid-September in a series of committees each examining a specific group of related issues.

The importance of this work should not be overlooked as it is evidence that the Lomé Convention is an agreement in which two parties negotiate on a basis of legal and political equality, despite the very great differences in their economic situations.

2. As these negotiations for a new Lomé Convention are beginning, the present Convention has reached the halfway stage in its five-year period of application.

It has therefore not been possible for all the machinery and structures it has established to attain their maximum operating efficiency, but the overall situation, which is partly the product of earlier experience, does provide sufficient basis to make an initial assessment of the Convention's effectiveness and prompts useful suggestions as to the direction which the new round of negotiations should take.

The first point which needs to be emphasized is that the number of ACP member countries has risen in a little more than two years from 46 to 55 and that two new African countries, Angola and Mozambique, have expressed interest in attending or participating in the negotiations in some way and another African country, Namibia, may do likewise once the settlement proposed by the United Nations has, as we hope, brought this country to independence.

Not only does this expansion demonstrate the Community's attractiveness to other countries situated in the Convention's agreed areas of application, it also means that the Convention's influence will be felt over vast homogeneous regions with major effects on trade and the total impact of the Convention on the convergent development of vast areas of the world.



For example, the fact that almost the entire African continent has entered into an on-going partnership with the European Community has a beneficial effect at many different levels including those which fall directly within our committee's terms of reference.

This is equally true of the Caribbean region which acceded to the Convention as part of a wider understanding and is now assuming an important regional role within the agreement.

Neither should the fact be ignored that some of these Caribbean countries, such as Guyana and Surinam, also form an integral part of Latin America.

3. The Lomé Convention provides for a number of inter-related forms of economic cooperation, many of which require direct comment from the Committee on External Economic Relations.

However, before examining these specific points, it seems appropriate to make an overall assessment of the Convention's effectiveness particularly now that the negotiations on its renewal have begun.

Highly relevant here is the work carried out by the Consultative Assembly and the Joint Committee between 24 and 29 September 1978 in Luxembourg.

At these meetings it was freely acknowledged that the Convention had enabled considerable progress to be made and that it continued to represent - in a world dominated by conflict - 'a new model for relations between developed and developing States, compatible with the aspirations of the international community towards a more just and more balanced economic order' (preamble to the Convention).

Despite this, however, the urgency of the extraordinary problems which most ACP states have to face (19 of them being amongst the 25 poorest countries of the world), the delays in implementing certain policies (including the industrial policy), some considerable difficulty in implementing commercial and financial cooperation, renewed crises over wide agricultural areas, recurrent difficulties in some sensitive sectors of the agreement (sugar, bananas, rum) continue to maintain a vague feeling of dissatisfaction amongst ACP countries which has to be considered as sympathetically as possible.

One of the major reasons for this are the continuing repercussions of the world economic crisis which in some respects weighed particularly heavily on the ACP countries: galloping inflation, leading to growing indebtedness, the return of protectionistic policies, erratic changes

in raw materials prices and changes in the terms of trade which all too often harm the interests of the developing countries.

Closer consultations on these problems between the EEC and the ACP countries seem highly desirable in view of the EEC's influential position in the world economy and the significance of the association (bringing together more than 600 million people) in the context of north-south relations.

4. Following this general introduction, a concise appraisal must be made of the main aspects of the Convention falling within the Committee's specific terms of reference.

These would seem to be :

- (a) the system of trade agreements, generalized preferences and commercial cooperation; compatibility with GATT, etc;
- (b) the functioning of the STABEX system as a means of stabilizing import revenues from some raw materials;
- (c) industrial cooperation, with particular reference to the Centre for Industrial Development; guarantees for investments of common interest, etc.;
- (d) financial cooperation;
- (e) possible special measures for the agricultural sector in addition to the specific issues of bananas, sugar, rum and fruit and vegetables.

Under the trade agreements the ACP countries have obtained access to the Community market for their products. As a result of these provisions almost all ACP products (99.2%) may enter the Community market free of customs duties or taxes having equivalent effect and no quantitative restrictions are applied. The same applies for most agricultural products (94.2%) although here the freedom of access had to be somewhat restricted in view of the provisions of the common agricultural policy. Here it should be noted that, according to the latest estimates, ACP exports of fruit and vegetables have almost doubled since 1976.

This accounts to a large extent for the rapid growth of trade between the Nine and the ACP States over the last few years. Exports and imports between the EEC and the ACP countries totalled 12,500 million EUA in 1977 and were more or less balanced. Thus the large trading deficits which were recorded in 1975 and 1976 have been corrected.

In 1977, Community exports to the ACP States accounted for 7.6% of total sales outside the Community market and 20.2% of exports to all developing countries.

In 1977, Community imports from the ACP accounted for 7.3% of total imports and 16.6% of imports from all developing countries.

Compared to 1976, Community imports from the ACP increased by 19% in 1977, as against 6% for imports from other developing countries.

Community exports to the ACP increased by 27% over the same period while exports to other developing countries rose by 20%.

5. In the light of these figures, the general view has been that the Convention has worked satisfactorily, although ACP representatives have criticised a number of specific points.

In particular, the ACP States regret the constant erosion of the system of preferences governing the access of their products to the Community market and strongly criticise the implementation of the protocols on sugar, bananas and rum and the excessive rigidity with which the Community's technical bodies have applied the measures concerned with commercial and financial cooperation.

It is not surprising that the erosion of preferences should have been raised. This criticism is often levelled at the Community by the countries with which it has concluded preferential agreements and which are worried by the increasing number of agreements of the same kind or by the extension of the Community's generalised preferences scheme which arises necessarily out of the EEC's overall policy on development. Moreover, many countries outside the agreement (Latin America, South-East Asia, the Indian sub-continent) accuse the Community of systematically favouring only a few regional groupings of developing countries.

For some time now the Community, including the European Parliament, has been giving the utmost attention to the compatibility of the various aspects of its development aid policy as part of a balanced overall vision. The ACP share of Community imports is increasing more rapidly than that of other Third World countries and, as a whole, the ACP states still enjoy more favourable treatment at the express wish of the EEC. It is also true that the EEC's overall aid policy towards all developing countries has been constantly evolving and gaining strength, witness for example the EEC budget for 1979.

6. The main innovation under the Lomé Convention is compensatory financing for fluctuations in export earnings. The Stabex system guarantees the stabilization of earnings from exports by the ACP States, mostly to the EEC, of 'certain products on which their economies are dependent and which are affected by fluctuations in price and/or quantity' (Article 16 of the Convention).

On several occasions the European Parliament has considered matters relating to the operation of this guarantee system (e.g. the report by Mr Aigner, Doc. 539/77) and hence there is no need to examine the details of this question again here.

On the whole, one can say that this finely balanced system has worked in practice. STABEX was allocated a total budget of 375 m EUA for the duration of the Convention, divided into annual instalments of 75 m EUA (the balance being carried forward to the following year), and the system has enabled many ACP countries to compensate for sudden falls in earnings (usually due to local circumstances such as bad harvests and natural disasters). This of course applies in particular to the countries on the list of 'least developed' states which are not required to reimburse the amounts advanced under STABEX. It should also be pointed out that the implementing rules have been improved since 1976, both as regards the number of products eligible and as regards financing techniques (for example, by virtue of the provisions which make it possible to grant an advance in respect of falling earnings during the current year, Senegal has just received an advance of 19 m EUA in view of this year's disastrous groundnut harvest).

In general, the ACP countries have not reacted unfavourably towards the methods of implementing STABEX. They nevertheless call for a less restrictive interpretation of the system and an extension of its guarantees to other products including minerals which, with the exception of iron, are not eligible under STABEX.

There is particular pressure for an extension of the STABEX guarantee system to cover copper (Zaire, Zambia etc) and phosphates (Senegal, Mauritania etc).

These are vital questions for the countries concerned and the restoration of their economies which have been badly shaken by the recent violent changes in the international terms of trade.

After an animated discussion and a difficult vote, a majority was found in favour of special measures for these products utilizing as far as possible the methods used in STABEX (i.e. particular compensation measures) without however involving STABEX directly.

We too feel that STABEX is not only an important instrument but also a very delicate one. It should therefore be strengthened and refined (possibly by introducing a closer commitment to the agricultural sector by means of more rigorous standards on financial transfers to the sectors concerned and by encouraging exports of processed products which will provide further income from the value added, but we must avoid imposing burdens upon it which might very well lead it into a serious crisis.

7. Industrial and financial cooperation is an essential feature of the new relations between the Community and the ACP. The limited progress made suggests that substantial improvements must be sought during the negotiations for a new convention.

It should be pointed out, however, that after a rather slow start the Centre for Industrial Development now plays an important role, and thanks to its activities and the information it has provided to interested circles, it has enabled the Community and the ACP to carry some projects into effect.

At the opening of the negotiations in Brussels, the President-in-Office of the Council stated that he hoped that the provisions of Article 13 of the Convention would be supplemented in order to make it clear that trade promotion activities could be carried out from the production stage.

We agree that this is an important and complex question which demands special attention during the negotiations on the renewal of the Convention.

One particularly important problem concerns investment guarantees. Whereas all agree that they should be considerably strengthened, recent developments in various sectors, such as mining, have been disappointing.

In the initial stage of the negotiations, the ACP States displayed a negative attitude on this issue, probably in part because of some misunderstanding about the EEC's intentions. It was feared that the EEC was seeking to secure privileged protection for its own investors. In fact the Community's desire is to establish, for investments considered by the ACP States themselves of common interest, a legal and administrative framework which would certainly be free of discrimination and would not interfere either with the economic policy models of the individual partners.

Dialogue between the parties is in progress; the gap between the original positions has narrowed somewhat and limited headway has been made.

8. One subject meriting further investigation is that of greater technical and economic cooperation in the agricultural sector.

The agricultural regions in some ACP countries are falling behind their targets which is hitting the supply of food and is bad for the continuity of development in general.

The majority of projects financed by the European Development Fund have of course been agricultural ones but it is not always the case that a large volume of investment in itself constitutes a policy.

9. In the course of this first stage of the negotiations, as was evident from the speeches made by the two Presidents-in-Office of the Council, other problems have been tackled not directly linked to the economic and trading aspects of the relationship but which inevitably have a bearing on the wider significance of a partnership between States involving groups in society and ultimately man himself.

There is the problem of human rights, but in addition to extremely serious violations of human rights by any one of the contracting Parties, consideration could also be given to other components of a 'human and social dimension' to the Convention including guarantees for the rights of ACP workers and students in Europe, the strengthening of consultations and, as far as possible, participation by the social partners together with suitable forms of cultural cooperation helping to reinforce economic cooperation itself.

10. The brief survey made above indicates what effort the Community is making in favour of the ACP countries.

The Lomé Convention, which was in many respects innovative, represents 'the only serious attempt to give real impetus to the new international economic order, the main principles of which were laid down in the UN declaration of 1 May 1974' (preamble to the resolution of the EEC-ACP Conference in Luxembourg of 29 September 1978).

This declaration states that the purpose of the new order is to correct inequalities and redress existing injustices, and make it possible to eliminate the widening gap between the developed and the developing countries.

The Community took this major step within the framework of the Convention at a time when the nine Member States were suffering from a serious economic crisis and were faced with a considerable rise in unemployment.

While there has been some relief in some fields, this crisis still persists, marked by a slowing down of economic activity, while new producer countries are demanding a new, more just international division of labour.

In spite of these difficulties, the Community cannot limit itself to maintaining the advantages so far granted to the ACP countries however great they may be. The EEC must examine its position in a responsible fashion, and guide the more responsible sections of public opinion so that Europe's stand during these negotiations will be to recognize the seriousness of the problems of the developing countries and to act in accordance with the responsibilities it carries by virtue of its democratic vocation and its position in the world.

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