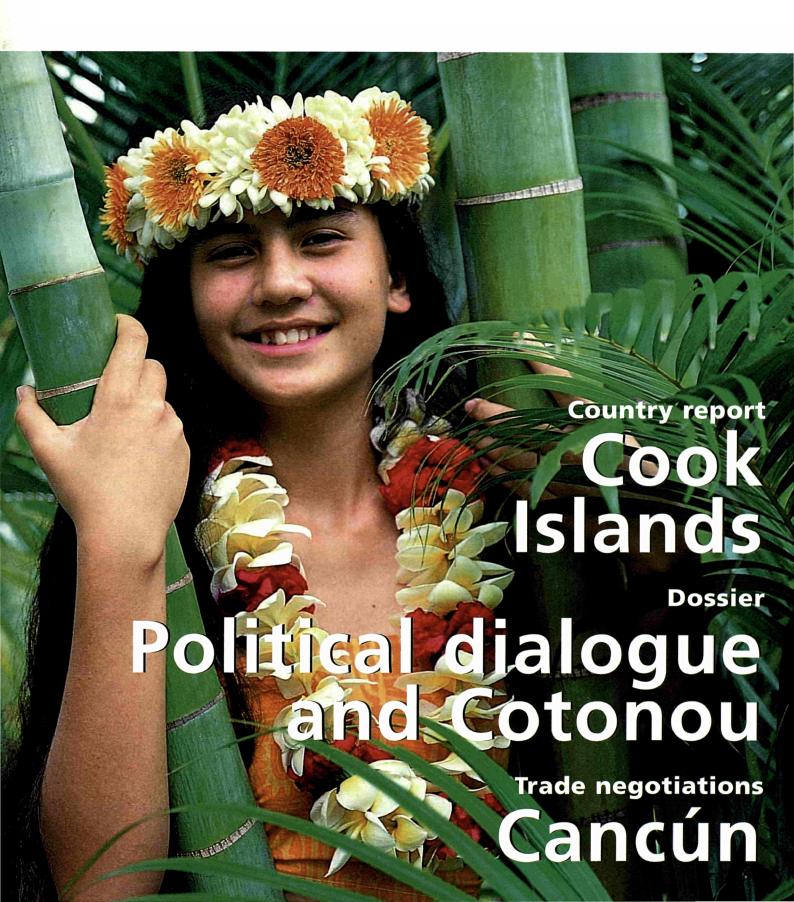
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Editorial

HIV/AIDS: doubt and hope

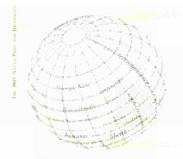
Recognised as the most fatal pandemic known to humanity in the last six centuries, AIDS continues to cause devastation in the world. Figures in the UNAIDS report published on 22 September 2003 make stark reading, especially concerning Africa. This continent alone has three guarters (30 out of 40 million) of the people in the world with HIV/AIDS. In 2002, 3.5 million new infections were reported, and approximately 2.5 million people died, bringing to more than 15 million African victims of the epidemic since its appearance. Ten million of those infected are young people from 15 to 24 years old, and three million are less than 15 years old. In certain countries, 40 per cent of adults are infected by the disease. Behind these sobering figures are the many devastating socio-economic consequences of the pandemic. Development indicators such as life expectancy have moved back in the seriously affected countries. The population pyramid is being radically altered, with a small number of young adults - the group that has traditionally provided care for both children and the elderly – supporting large numbers of young and old people. According to UNAIDS, the future of millions of orphaned children is compromised and could be a source of instability if action is not taken.

In recent years initiatives to fight the disease have multiplied. New strategies have been set up through national plans to fight AIDS and some – all too few – countries obtained good results. However, the current response is not commensurate with the gravity of the situation.

For instance, less than a third of young people in the worst-affected countries use condoms with non-regular sexual partners. Access to life saving drugs for HIV/AIDS is now considered a crucial element of the comprehensive response to control this epidemic. But less than five per cent of the people who need these medicines have access to them – and fewer than one per cent in the worst affected areas in sub-Saharan Africa. This percentage is even lower when it comes to the simple one-dose treatment during labour, which could have prevented half the 800,000 infant infections last year.

During a major AIDS conference in Kenya's capital Nairobi this September, participants deplored delays in gaining access to treatment and in allocating sufficient funds. Of the annual \$10 billion estimated as the amount needed by the international community at the historic UN session on HIV/AIDS in 2001, only \$4.5 has been pledged. Without a substantial increase in resources, the chance to control AIDS will vanish. The recent WTO decision to facilitate developing country access to generic low-cost treatments is a small glimmer of hope. But all depends on the way this measure is applied and the resources mobilised.

The fight against AIDS in the world and particularly in Africa is above all a question of political will – of the rich countries but also of the affected countries. The \$200 billion for the fight against terrorism, mobilised in 2003 alone, shows what is possible if one agrees to go to the trouble.



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Democracy and Development

The ACP-EU Courier is the voice of the ACP-EU partnership in political, economic and social cooperation. This relationship can be traced back 45 years to the Treaty of Rome. The two sides have set up joint institutions and are involved in an ongoing political dialogue. The partnership was last renewed on 23 June 2000 with the signing of the Cotonou Partnership Agreement, covering a 20-year period. As well as the political dimension, this agreement provides for intense cooperation in the trade area as the EU seeks to ensure that the ACP countries do not suffer marginalisation in the current multilateral trade negotiations (Doha Round). The partnership has always focused on development assistance which

targets the twin objectives of poverty reduction and sustainable development.
Giving voice to men and women from ninety-three EU and ACP countries across the globe facing

the future in a spirit of partnership:

"The UN is much better at peacekeeping than at peace enforcement"

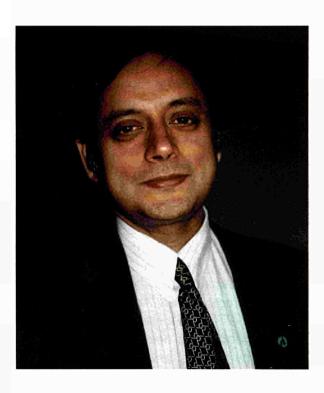
Shashi Tharoor has worked in the United Nations since 1978 in various capacities. Beginning his career at the High Commissioner for Refugees, he was then deeply involved in several UN peacekeeping operations, such as the one in the former Yugoslavia. He was then executive assistant to Secretary-General Kofi Annan. Since June 2002 he has been UN Under-Secretary-General for Communications and Public Information, responsible for the UN's external communications and media relations. Tharoor is also an acclaimed writer. He spoke to the *Courier* while in Brussels in the context of the reorganisation of the UN's Department of Public Information.

Dorothy Morrissey

Following the war in Iraq there is an ongoing debate about the legitimacy of that war and the occupation, and the role of the UN. Can you comment on that and the lessons to be learned?

Those are all rather large issues. First, we mustn't lose sight of the fact that there must have been a hundred wars since the Second World War which did not involve Security Council authorisation: only twice in its 58-year history has the Council actually authorised war, once in Korea, and the first Gulf War, Desert Storm, when a member state had essentially swallowed up another member

state of the UN. So it would be unfair to judge the Security Council by its failure to agree on something which has not been amongst the principal yardsticks for its success over the years. Second, as far as Iraq is concerned, 17 times before the war the Council had agreed on issues relating to Iraq, and almost immediately after the war the issue came back to the Council. There was a precedent four years ago when NATO bombed the former Yugoslavia over Kosovo without reference to the Security Council, and got the Council to approve the arrangements that followed. So this would not be the first time that the UN was irrelevant to a war, but fundamentally relevant to the ensuing peace, and that's ultimately where the UN needs to be judged, on the contributions it makes to improving the lives of ordinary human beings.



Peace and security elsewhere in the world have been effectively maintained by the same Security Council. During the eight or nine weeks that they were disagreeing most ferociously over Iraq, the same Council members were agreeing on a whole host of other issues, from Côte d'Ivoire to Congo, Cyprus, East Timor, Afghanistan and so on. The Council's agenda is much larger than any one country, and indeed the UN's agenda is much larger than the Council's.

As far as Congo is concerned, UN peacekeepers deployed there appeared unable

to protect the civilians, in a situation the UN warned could turn into a Rwanda-type genocide. Why did the Secretary-General have to call on outside forces to intervene?

The mandate of the UN force was not to protect the population. The force was given an extremely modest mandate, to observe the implementation of a peace agreement. They were not there to protect the general population, which would have required a far larger force, far better armed and equipped. But I would agree that it was a rather ill-conceived mandate in the circumstances, and many of us in the UN felt so at the time. But that is the mandate the Council gave us, so we needed to turn to an outside force to come in with robust, credible strength. The UN in any case is much better at peace-

keeping than at peace enforcement. Peace enforcement is something that you really need war fighters to do; we are peacekeepers, not war fighters, we don't call upon countries to come in to make war on our behalf, we call upon them to come in to help uphold the peace.

Another example was Sierra Leone where the UK intervened, and Liberia where the US intervened. Are we seeing the emergence of a new kind of peacekeeping, where a particular country gets involved, then hands over to the UN?

I don't want to generalise to that point, because we have an excellent record in Africa of pure UN peacekeeping; for instance in Mozambique in the early to mid 1990s, where we ended the civil war, held free elections, disarmed the combatants, and left a government in place which has now become one of the success stories in that region. We are now on the Eritrea/Ethiopia border, having brought an end to a savage war, which reminded people in many ways of the trench warfare of the First World War. We managed to police a bloodless stalemate in Western Sahara, and so on. So I don't want to suggest that going in with outside countries is the only way the UN can do peacekeeping in Africa. But there are some situations in which the rapid and robust application of military force requires a country to accept a certain responsibility that may be more difficult to expect from countries far away who come in to serve the UN cause when there is a peace agreement. The three interventions you are alluding to - the French in the Congo, the British in Sierra Leone, and the Americans in Liberia - all involved situations where the fighting was still going on, and where a credible, extremely well-armed force was needed to restore order. There has been a very interesting precedent outside Africa, in East Timor, when the Australians, immediately after the Council resolution, led a very robust force, rapidly established law and order and then handed over to a UN peacekeeping force which continued to uphold the law and order that had just been established. That model worked very well in East Timor, and it's one that we can expect to see being applicable in some

situations. But we've learned in peacekeeping never to think of one size or one method fits all. There will be different formulae for different situations. I personally would hope that we don't undo the lessons of the decolonisation period by inviting former colonial powers back in very often, but we cannot get away from the fact that in some situations it is countries with a historical interest in a particular problem, and sometimes a historical conscience about a particular problem that are most likely to be willing to risk the blood and treasure involved in a direct intervention.

A similar case is occurring in the Solomon Islands, with an Australian intervention approved by the 14 member states of the Pacific Forum. How do you feel about this kind of regionally approved intervention, rather than UN approved?

The charter of the UN speaks in terms of regional arrangements; there has always been the assumption that occasionally, in appropriate circumstances, responsibility can be delegated to regional organisations or regional arrangements. The pros are very clear: these are countries that know their own region well, they have a stake in its stability, and they act with not only a local knowledge but the advantages of proximity which helps in terms of deployment logistics and so on. The cons are also well known: that this could become, in some cases, an opportunity for the development of a regional hegemony that imposes its will on other countries. When the UN comes in it is usually with troops from half a world away, not from countries which have an axe to grind, because the whole logic is that the UN speaks for the disinterested voice of the international community as a whole. So we have to look at it case by case: there may be some situations where all concerned, including the recipient country, want a regional arrangement. You may remember the ECOWAS intervention in Liberia and in Sierra Leone before the UN got in, under the auspices of a sub-regional arrangement, but with a strong regional power, Nigeria, bearing the bulk of the military burden. But there are many parts of the world where such regional



_meeting point: Shashi Tharoor



French Artemis soldiers under EU command and with a UN mandate in the Democratic Republic of Congo (DRC). The EU launched a military operation, code-named Artemis, in the DRC, conducted in accordance with a UN Security Council Resolution.

Peter Beck Christiansen/European Commission

arrangements may not be feasible, either because the capacity doesn't exist, or because the political will cannot be found in the region, and in those cases, as well as those where the challenges are too great for the region, the UN will always be called upon to intervene. At its peak through the nineties, we had between 14 and 18 UN peacekeeping operations around the world, so we've still been very much in demand.

Can you expand on the case of East Timor, which has just joined the ACP Group, and the UN's role there, which was without precedent?

East Timor was an extraordinary challenge for us in terms of post-conflict peace building because we came in when literally, everything had been destroyed. This was not only a country where we were starting from zero, but in many ways from minus. The reason was the extremely unpleasant developments after the referendum that called for independence, where militias went on the rampage and we believe that not enough was done by the Indonesian authorities at the time to stop this rampaging. We were fortunate to have an extremely responsible and impressive East Timorese national leadership, forged in the crucible of exile in some cases and of military resistance in others, and in the case of Xanana Gusmão himself, long years in prison; an analogy to Nelson Mandela comes to mind. The UN took care of everything; unlike Kosovo where we divided responsibilities, with NATO doing the security and the UN doing the civilian administration, in East Timor we were responsible for everything: law and order, military security, economic reconstruction, rebuilding, and actually running the government. The UN's Special Representative, Sergio Viero de Mello¹, was de facto, for a year and a half, the viceroy of East Timor, which is not a term the UN would normally use. For the UN it was an extraordinary experience, which culminated in a real handover to the East Timorese, after a process in which we had been fully involved. We had international officials working inside the various ministries, and a UN official helped lead the negotiations between East Timor and Australia over the oil concessions. That benefited the East Timorese because of the clout and expertise a UN official could bring to the bargaining table. We have also been able to restore to some degree the economic life of the country, even though there is a long way to go yet.

A lot of countries feel marginalised by the fact that decisions are taken by the five permanent members of the Security Council. Is the Security Council's legitimacy compromised by this somewhat anachronistic situation, based on a reality of 50 years ago?

Discussion on this has been going on for a decade. Everyone agrees on the diagnosis and no one agrees on the prescription. The diagnosis is, as you stated, that indeed the UN does reflect the geopolitical realities of 1945. The countries which were called the "allies", called themselves the United Nations from 1943 onwards, so in fact the UN that we know today is the victorious allies of World War II converting themselves into a peacetime organisation, and naturally the composition of the Security Council reflects that. The Charter still refers to "enemy states". But two of those so-called enemy states, Germany and Japan, are now the third and second largest contributors to the organisation financially. So there is a certain reek of anachronism. But the question goes beyond that, to questions of representativeness; in 1945 the Security Council consisted of 11 members out of a total UN membership of 51. Today it is 15 members out of a total UN membership of 191, which means it has gone from a body of 22 per cent of the members to a body of less than eight per cent, and many countries therefore feel they don't have a chance to play a part. Some fairly major countries are excluded from permanent membership - major in terms of either industrial strength and economic output, or in terms of population or a combination of the two, or in terms of their contribution to UN activities. There's also been a clamour for improving the non-permanent membership; Europe, with five per cent of the world's population, has 33 per cent of the seats on the Security Council. So all of these problems have been diagnosed. What we don't have is agreement on the prescription. Do we expand? To what number? How do we balance being more representative but not being too large to be effective? Do we expand in both categories, permanent and non-permanent? This debate has dragged on for so long in a body called The Open Ended Working Group of the General Assembly, that it is now universally known as the Never Ending Working Group of the General Assembly!

 Mr Vicira de Mello was killed in the August 2003 terrorist bombing of the UN headquarters in Baghdad

Meeting on desertification in Cuba

The sixth session of the Conference of the Parties (CoP-6) to the UN Convention to Combat Desertification (UNCCD) took place in Havana, Cuba from 25 August to 5 September 2003. More than 2,000 delegates – representing 180 countries, NGOs and international organisations – attended. The European Community provided €0.5m through the European Development Fund for the participation of ACP delegates. In addition, in the margins of the meeting, EU and ACP countries signed a joint statement to enhance cooperation at country level to attain UNCCD objectives¹.

Marc Debois/Marco Morettini*

The UNCCD was adopted on 17 June 1994 and entered into force on 26 December 1996. The Convention currently has 190 parties with the recent ratifications by the Russian Federation and Lithuania. The European Community is also a party to the UNCCD having ratified the Convention in 1998. Within the Commission, DG Development is "chef de file" for the Convention. This means that DG Development staff prepare and coordinate Commission input, organise meetings with experts from Member States and report on Community activities.

The main UNCCD objectives are the fight against land degradation and mitigation of the effects of drought in affected countries through action at all levels (national, subregional and regional), supported by international cooperation and partnership arrangements. Technology transfer and effective involvement of local communities and civil society are instrumental in achieving these objectives.

The Convention contains five regional implementation annexes, for Africa, Asia, Latin America and the Caribbean, the northern Mediterranean and Central and Eastern Europe. The African annex is the most elaborate, both in form and content. It addresses a broad range of issues, including commitments and obligations of both African and developed-country parties with regard to technical assistance and cooperation.

Enhancing implementation

UNCCD implementation has been somewhat problematic in the past. Desertification is a worldwide problem, but solutions are essentially local or regional, not global. The idea of addressing global "public goods" through a global convention as in the case of the other Rio conventions (particularly biodiversity and climate change) did not really function in the UNCCD case.

This situation and the lack of a dedicated financing mechanism in the Convention meant that the first four CoPs spent time on procedures and institutions rather than on substance. However, at CoP-5 in October 2001, work in the different Convention bodies started to move from the planning phase to actual implementation, in particular through the establishment of a new UNCCD subsidiary body, the Committee for the Review of the Implementation of the Convention (CRIC).

The main challenge for CoP-6 was therefore the political capacity and willingness of the parties to switch from issues of process, institutions and budgets (so far predominant) to concrete action such as support for implementation on the ground and peer pressure for stronger action.

What progress?

Did CoP-6 live up to these expectations? On some important issues progress was made. The Conference adopted operational decisions likely to foster the implementation of the Convention and promote its scientific and technological base. Among the 31 decisions adopted, key ones relate to the designation of the Global Environment Facility (GEF) as a financial mechanism for the Convention and the arrangements to facilitate collaboration between GEF and UNCCD; the review of the policies and activities of the Global Mechanism (the financial brokerage service of the Convention); the indication of concrete steps needed for improved implementation of the Convention and the establishment of synergies with other relevant multilateral environment agreements or fora such as climate change, biodiversity and forests; the measures needed to improve the efficiency of the Committee on Science and Technology of the UNCCD.

However, on some other matters such as the High Level Segment of the Conference – held in parallel to the CoP on 1 to 3 September and attended by 12 Latin American and African Heads of State and Government and more than 90 ministers – the debate fell short of addressing the fundamentals of the UNCCD, focusing rather on neo-liberalism and globalisation issues. In this respect the Havana Declaration, while reaffirming strong political commitment to the fight against desertification, does not provide specific operational input for an improved implementation of the Convention on the ground. Furthermore, tense negotiations on budgetary issues put UNCCD accountability, transparency and effectiveness into doubt and did not help to restore the Convention credibility.

- * DG Development, European Commission, Environment and Rural Development unit
- The statement was signed by Ministers Venson and Matteoli (respectively from Botswana and Italy) and Koos Richelle on behalf of the European Commission. It reflects the content of the Joint Paper on drought and descrification approved by the May 2003 ACPEC Council of Ministers.



International trade

Lessons learned in Cancún

The aim of the WTO Ministerial Conference held in Cancún, Mexico from 10 to 15 September 2003 was to take stock of progress achieved halfway through the development round launched in Doha in November 2001. Unfortunately, and somewhat predictably, it ended in failure. Unless negotiations get back on track over the next few months, the breakdown in Cancún could well be the final blow to the credibility of a multilateral trade system which is already in crisis.

Kenneth Karl

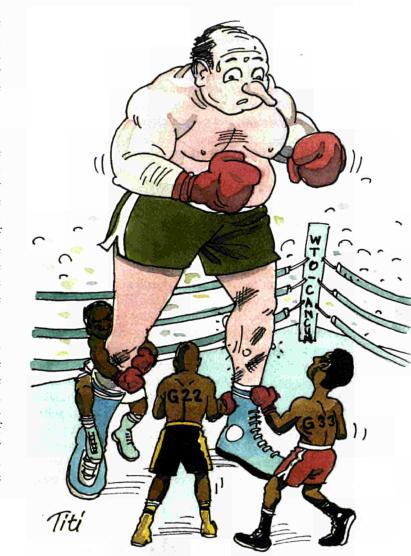
Sunday, 14 September: after five days of intense discussions, the Mexican Foreign Minister, Luis Ernesto Derbez, decided to call time. The WTO Ministerial Conference in Cancún was a failure, ending as it did without consensus among the organisation's 146 members on the content of the draft declaration. Unhappy at not having obtained precise commitments from the United States and Europe on dates and figures for ending farming subsidies, the developing countries refused to make concessions on the so-called Singapore issues of competition policy, investment, trade facilitation and transparency in government procurement. The EU's last-minute proposal to drop two of these dossiers was not enough to salvage the meeting. Despite the many topics on the agenda and the North-North, South-South differences, this conference will be remembered primarily for North-South deadlock, with one side seeking desperately to gain a stronger foothold in world trade by making its voice heard to a greater extent and the other not yet ready to yield on sensitive issues.

Foreseeable failure

Multilateral world trade negotiations, which have been on-going for half a century, have often been protracted, difficult and complex owing to the many interests at play and the growing variety of topics to be discussed. The Doha round, in principle devoted to development, is no exception. However, the signs of an imminent rift between North and South and the ensuing failure of the talks were there well before the Cancún summit. The ghost of Seattle, which was thought to have been finally extinguished by the recognised need for a global system of governance, particularly following the events of September 11, returned to haunt the talks in Cancún. The development programme launched at Doha contained quite clear undertakings, mainly designed to ensure that the specific problems of countries in the South were taken into consideration. Agriculture, special and differentiated treatment, access to medicines via the issue of intellectual property rights, the framework necessary to govern regional agreements, implementation issues... at least a minimum amount of progress was

expected in all these areas before the Cancún deadline. For around two years, the many discussions which were meant to ensure progressive implementation of the Doha agenda – scheduled for completion by the end of 2004 – yielded only limited results.

Usually the mutual stumbling block for countries in the North, agriculture turned out to be an even greater bone of contention between North and South. Deadlines set well in advance of Cancún for the establishment of methods concerning commitments made in this area had not been adhered to, much to the dissatisfaction of many developing countries. In the eyes of these countries, for whom agriculture is not only an



important sector of development but for many first and foremost a question of survival, not enough progress was made on the issues of subsidies, market access and consideration of their vulnerability with regard to market imbalances. The new European CAP (Common Agricultural Policy) reform for the reduction of direct subsidies to farmers did not succeed in easing tension, which was further exacerbated by the cotton initiative.

Delays and broken promises

Another sticky issue prior to Cancún, positive discrimination within WTO rules, avidly demanded by poor countries through an improvement of the special and differentiated treatment mechanisms, was left unresolved. Developing countries, believing that the problems of development can only be incorporated into the multilateral system through the use of such legal instruments, were once more left to read what they would into the delays in this area. Furthermore, the issue of access to medicines, which should facilitate flexibility in the TRIPS agreements (trade-related aspects of intellectual property rights) - which came just a little too late - together with other crucial issues for Southern countries all on the Doha agenda, added to the complexity of these negotiations. Under such circumstances it was too much to hope for a positive outcome when most of the WTO members, each with a veto, openly displayed their dissatisfaction with a system which, they said, should benefit everyone. How could the negotiations be constructive if, in a round specially dedicated to development, concrete measures in this regard had not been taken? During preparatory meetings in Geneva, a representative of one Least Developed Country voiced his scepticism saying, "We have got drawn into a compact of deception and hypocrisy in which trade unfortunately takes precedence over development'.

According to some analysts, this frustration stems from too many broken promises. "Sadly, the reality of the international trading system today doesn't match the rhetoric," said UN Secretary-General Kofi Annan in a statement read on his behalf in Cancún. Developing countries, which in recent years have made considerable progress in deregulating their economies and opening up borders, find it difficult to penetrate the markets of rich countries. Unable to subsidise their own farmers, the odds are against them vis-à-vis countries which are not all prepared to substantially reduce their internal aid packages and export subsidies worth an estimated one billion dollars per day. Passed right in the middle of post-Doha negotiations, the new US Farm Bill was perceived as an insult.

For other observers, countries in the South are gradually beginning to understand the rules of the game. They now know that in order to shed the shackles of marginalisation and benefit from globalisation through an increase in their market shares they also have to play by the rules at multilateral level, aware that the WTO operates on the basis of "legislative lobbying". Non-existent in previous rounds of trade negotiations, these smaller countries looked on as the heavyweights squared up to one another without risking entering the ring, for fear of suffering a heavy blow. The lay of the land is different now in an institution where, unlike the IMF and the World Bank, a country's weight is not assessed on the basis of its financial contribution.

A bad deal for the majority

The Cancún conference was neither the end of one round of negotiations nor the launch of another. It was an interim meeting intended to take stock of the situation halfway through the Doha agenda. However, the failure of this conference only a few years after Seattle could be bad news for many countries. For fifty years, trade has been the main driving force behind world economic growth, faltering slightly in recent years. A positive result in Cancún could have boosted growth worldwide and instilled a little more confidence in economic operators. Now, however, the negative outcome of this conference could weaken a world economy which is already slowing down. This failure also leaves many experts unsure about the true efficacy of the multilateral system and fuels the arguments of those seeking a way out of it.

In Cancún, the countries of the South won a moral and political victory but they did not necessarily gain credible solutions to their problems. In the absence of a fairer multilateral framework which is more capable of governing world trade, they could actually see themselves marginalised further.

If this failure of the multilateral system continues, countries will tend to opt for regional trade agreements or free trade areas. Without entering into the debate regarding whether or not regional trade agreements are just a phase in the globalisation process or a response to the shortcomings of multilateralism, the disorder that could result is worrying. There is a real risk that we will see a plethora of bilateral and regional agreements, leading to problems of accommodating them all at multilateral level. Although permitted by the WTO, such agreements do nonetheless require rules to implement them and to guarantee that they are compatible with the basic principles of free trade. Currently, however, WTO rules concerning such agreements remain vague and imprecise. How can the principal of equal treatment be guaranteed in an environment marked by a proliferation of regional preferential agreements. Can this multi-faceted world trade situation yield greater growth in trade and fairness at world level? There are many questions which must rightly be raised regarding the future of the world trade system.

As regards the WTO, although necessary, genuine consideration must be given to how it currently operates in order to make it a genuine instrument of regulation of world trade, despite the growing number of its members and issues it has to resolve.

A European perspective on the Fifth Ministerial Conference of the WTO

The immediate general reaction in and around the Cancún Conference Centre to the breakdown of negotiations at the WTO's Fifth Ministerial Conference was one of surprise and astonishment. This has not entirely faded just weeks later. WTO members, aided by countless articles in the media, have had some time to digest events, but there is still a lively debate on what particular combination of factors played the key role in bringing about the collapse of negotiations and on what conclusions should be drawn for the future. Peter Young, who was a member of the EC delegation to the Conference in Cancún, gives his view on events there.

The negotiations broke down over an apparently unbridgeable gap in the positions of some members on the launch of negotiations on some or all of the so-called Singapore issues 1. But this was before really intensive discussions had taken place on other key issues on the table such as agriculture, cotton or market access for non-agricultural goods. We shall never know whether compromises could have been reached in those areas that might have smoothed the way to a mutually acceptable outcome on all issues, or whether negotiations would still have foundered but in a different area. There was no opportunity to put this to the test.

Was the failure predictable?

No. I do not believe that any delegation came to Cancún except with the intention of working hard to reach agreement. Of course, everyone had their own offensive and defensive interests to pursue and success was in no way guaranteed at the outset. Since negotiations in the WTO can only advance on the basis of consensus, progress depends on all WTO members being able to come to a mutually acceptable agreement. Cancún served to illustrate the difficulties inherent in such an exercise. These difficulties are both substantive and procedural. Substantive, in that the 146 (soon to be 148) individual members of the WTO have their own diverse interests that cannot easily be pigeon-holed as pro- or anti- any particular issue; procedural in that all those same members need to have the opportunity to make their interests known and to be engaged in the negotiating process.

Did Cancún reflect a North-South divide?

Some commentators and NGOs, and maybe even some governments, have sought to present Cancún as a confrontation between North and South. This is a simplification that presumes that tactical alliances always also reflect substantive realities. In none of the issues that were the focus of attention in Cancún did WTO members split on purely North-South lines. Substantive interests differ both among developed and among developing countries. In agriculture, for example, the interests of countries such as Brazil, Argentina or Thailand in

obtaining better market access for their own globallycompetitive exports are not automatically the same as those of a country that is a net food-importer or of one that wants to be able to maintain high border protection of its own agricultural sector. A number of developing countries, including many within the ACP group, feared that their own ability to export would be affected by multilateral liberalisation that would erode their own existing margins of preference in developed country markets. On cotton, where four Western and Central African countries had very successfully brought the issue into the public eye and onto the negotiating table during the run-up to the conference, many developed countries, including the EC, gave their support, in the context of the broader agriculture negotiations, to initiatives to eliminate market access barriers and export subsidies and to significantly reduce and possibly eliminate tradedistorting internal support in the sector. And on each of the four Singapore issues, there were many developing countries, both before and at Cancún, that spoke in support of negotiations on one or other topic. Similarly, on all these issues, the positions of the developed countries were by no means identical.



play a key role in the WTO and that they can form effective alliances to pursue particular points. The G22 group took a strong stand on agriculture. Individual members of this group, including Brazil, China and India, also played an important role in the discussions on many other issues on the table aside from agriculture. Other groups were very active across the board, including the ACP, the Africa Union, the Least Developed Countries (LDCs) and a G33 alliance of developing countries interested in ensuring wide scope to be able to protect their own agricultural sectors from import competition. These alliances reflected both well-established regional groups, such as the ACP, as well as more ad hoc or temporary alliances, established essentially for the purpose of maximising negotiating influence. Cancún showed clearly that it is no longer possible if ever it really was in a consensus-based organisation where each member has the same right to block a con-

In Cancún, developing countries showed that they

sensus - for the major developed countries, EU and US in the lead, to impose their own will on the rest of the membership. Since all countries have a stake in the multilateral trading system and participate in the system of mutual rights and obligations encapsulated in the WTO, it is only right that they should all also have - and feel that they have - a voice in its future development. Cancún only confirmed what was already evident from previous WTO meetings in Geneva: developing countries have learned how to make sure that their voices are heard in the WTO, and how to group together so as to ensure their interests are taken into account in negotiations. But Cancún also illustrated that current working methods in the WTO do not necessarily facilitate efforts to reach mutually acceptable compromises in the limited time that was available at the ministerial.

Any successful negotiation requires participants to show some readiness to compromise and move away from their starting positions. If all players insist on nothing less than full satisfaction, then negotiations will remain blocked. As far as the EU is concerned, its nego-

tiators showed flexibility both before and at Cancún in responding to the substantive concerns expressed by others in various different areas of the negotiations, including agriculture, nonagricultural market access, cotton and the four Singapore issues. Regrettably - from our perspective concessions and openings on the EU side were not

Joint press conference by EU Commissioners Pascal Lamy (Trade) and Franz Fischler (Agriculture and Fisheries) at the WTO Ministerial Conference in Cancún.

matched by a similar readiness by other participants around the table to move away from their own initial positions and contribute to compromise. This was probably a factor in the mind of the chairman of the conference when he formed the judgement that positions were not going to be bridged in Cancún.

What next?

There were no winners in Cancún. All WTO members lost out, as the foreseen deadline of the end of 2004 for completion of the Doha Development Agenda (DDA) negotiations is now effectively out of reach. That implies a delay also in continuing the process of multilateral reform and liberalisation of trade, including in agriculture, and in the modernisation of the multilateral rulebook in which all WTO members have a stake. Given the strong pro-development component of the DDA, there could be particular implications for the long-term interest of developing countries in achieving a greater integration into the global trading system. Delay and uncertainty may also only play into the hands of countries and interests that prefer protectionism over a measured and controlled liberalisation, or unilateralism and bilateralism over the multilateral, rules-based approach to international trade founded on the WTO.

Ministers at Cancún failed to agree on a Declaration that would have given their negotiators new political guidance on the direction to be taken in the next stage of the DDA negotiations. As a result, we are perhaps now only a third of the way along the likely trajectory of the negotiations, rather than at or just beyond half way. Senior officials will now meet in Geneva before the end of the year to discuss the way forward, but there must be question marks over how easily or quickly they will be able to perform the more political role that ministers were expected to fulfil at Cancún.

In light of the outcome of the Ministerial, the EU will need some time to consult with its member states and with its different internal constituencies, such as the European Parliament and the wide range of stakeholders within European civil society, including the business community and NGOs. The EU has always been one of the most active and vocal advocates of the DDA and has been instrumental in ensuring its strong pro-development character. We have staked a great deal on its success. We have consistently argued that the WTO should be seen as the international forum for developmentfriendly trade opening and parallel rule-making, with the DDA as the preferred vehicle for achieving this. At Cancún, it became evident that not all other WTO members shared this same general political vision to the same extent. This only reinforces the need for some time to reflect both individually and collectively on how best to get the multilateral process back on track and to ensure that the WTO is able to work more effectively than was possible in Cancún in moving forward so as to advance the mutual interests of all its members.

- * Peter Young is First Secretary at the EC Delegation in Geneva.
- 1. i.e. Trade facilitation, transparency in government procurement, investment and

ACP Group disappointed with the outcome of Cancún

The ACP Group went to Cancún with great hopes but with apprehensions as well. There existed in Cancún a real possibility to restore the promise of the so-called Doha Development Agenda, and the Group had prepared well. Great hopes also because of the faith the Group has had in the multilateral trading system.

Morgan Karinge Gitihnji*

Most countries had a good grasp of the issues involved. They articulated their positions in Geneva, Brussels, in the capitals and at regional coordination meetings and had therefore anticipated that these positions would be taken on board at the Ministerial Conference. Despite not reaping any credible benefits from the system, the Group has continued to support the WTO and thus hoped that Cancún would restore the imbalance that has seen this group of countries completely marginalised in international trade. This would have been achieved by bringing development issues back to the centre stage of the Doha work programme. But the ACP Group also had its apprehensions. These arose out of the numerous missed deadlines on issues of critical importance to it. The ACP Group was also uncomfortable with the preparatory process leading to Cancún. The draft ministerial text had ignored numerous proposals made by members of the Group such that they wondered at the criteria used to decide the positions that were included in the draft texts.

ACP position

In preparation for their participation at the Ministerial Conference in Cancún, the ACP Ministers of Trade met in Brussels on 31 July and 1 August 2003. At that meeting, the Ministers adopted a Declaration spelling out the overall ACP Group's position on the Cancún Conference. They appointed Hon. Jacob Nkate, Minister of Trade and Industry of Botswana, Chair of the 6th ACP Ministers of Trade meeting, as the ACP Group's overall spokesperson for the Conference. They planned their participation in Cancún, and agreed to meet prior to and in the margins of the Conference to designate spokespersons for

Four African countries – Benin, Chad, Mali and Burkina Faso – submitted a proposal to the WTO, describing the damage caused to their countries by cotton subsidies, and asking for their elimination and financial measures to compensate for the losses to African cotton producers because of the subsidies accorded to this sector. Their proposal was discussed in Cancún, and received the attention and support of the joint Groups. WTO Director-General Supachai Panitchpakdi, urged ministers to consider the proposal seriously, pointing out that the four countries were asking for a solution based on a fair multilateral trading system.



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each of the subject areas to be identified for consultation during the Conference. Minister Nkate was requested to consult with the Chairman of the Ministerial Conference before its start and as often as necessary, in order to clarify procedures and modalities. This would enable the ACP Group to organise itself and respond as necessary. It was also deemed necessary to agree on a minimum number of representatives to attend consultations on each of the subject areas so as to ensure effective coverage.

Ministers decided that the ACP Ministerial Declaration would be circulated to all participants as an official working document of the Conference. They mandated the ACP Group in Geneva to prepare a vademecum containing the detailed ACP position on all issues on the agenda of the Conference. In preparing this document, the Geneva group was requested to take account of the positions of the African Union and Least Developed Countries (LDCs). The Declaration and the vade-mecum served as a reference for the overall spokesperson and spokespersons on the various subject areas. The Ministers agreed to build alliances and to hold joint meetings with the African Union and the LDCs during the Ministerial. It was also agreed that joint positions and alliances could be developed with other groupings should the need arise. Finally, they agreed to develop and use, before and during the Cancún meeting, a media strategy focused on, inter alia, issuing press releases and convening press briefings and conferences as well as interviews, as often as necessary.

Joint positions

In view of the overlap of membership and commonality of interests, the ACP Group, the African Union and the LDCs met and agreed that the three groups should present joint positions and consult regularly. They appointed joint coordinators who presented the joint position of the three groups on issues under discussion, namely agriculture, non-agricultural market access, development issues and Singapore issues. Other issues of interest to the group were special and differential treatment, implementation issues, commodities, rules on regional trade agreements especially in view of the on-going ACP-EU negotiations on economic partnership agreements (EPAs), LDC issues, small economies, debt and finance, trade and transfer of technology and technical assistance and capacity building, accession observer status and coherence in global economic governance. The issue of cotton subsidies also received the attention and support of the joint groups.

Following the conclusion of the work of the working groups and the preparation of a revised Ministerial text, the three groups met jointly to consider the revised text. They were disappointed that most, if not all, of the issues of interest to them had not been taken on board. The ACP spokesperson, speaking on behalf of the three groups, conveyed to the meeting of heads of delegation the disappointment of the groups. The majority of developing countries expressed similar sentiments. The Chairman of the Conference therefore decided to hold further consultations with a view to narrowing the areas of divergence. With regard to the Singapore issues, which were the first to be considered under Chairman's consultations, it became apparent that two extreme positions existed. On the one hand, the ACP Group, the African Union and the LDCs supported by a sizeable group of other developing countries, could not agree to the commencement of negotiations in this area. On the other hand, South Korea and Japan indicated that they would not support the consensus if negotiations would not begin on all the four Singapore issues. It should be noted that with the exception of trade facilitation, the EC was prepared to drop its demand for negotiations on other Singapore issues.

Following this stalemate, the Chairman of the Conference decided that it would not be possible to reach consensus on the draft Ministerial text.

Importance of solidarity

In retrospect, the meeting of ACP Ministers of Trade held in Brussels created a solid foundation for the participation of the Group at the Cancún Ministerial. In terms of preparation and organisation, the Group was able to articulate its position in a single voice and in a coordinated manner.

The alliance of the ACP Group, the African Union and the LDCs became a formidable force in the negotiations. This underscores the importance of unity and solidarity as well as the strength in numbers in the negotiations. This should be a lesson for the ACP Group for its EPA negotiations with the EU. Although the second phase of the EPA negotiations is due to commence with discussions moving from Brussels to the regions, it is imperative that the ACP group should remain united in purpose to articulate and defend its legitimate interests during the entire process of the negotiations.

In the meantime, the Secretary-General of the ACP Group, Jean-Robert Goulongana, and the WTO Director-General, Supachai Panitchpakdi signed a Memorandum of Understanding in Cancún for closer cooperation between the two organisations in providing training and technical assistance for ACP countries.

The Memorandum of Understanding commits both organisations to cooperate more closely to provide training, technical assistance and support to negotiators of the ACP member states in their efforts to become more active members of the WTO by developing their capacity to negotiate more effectively and to monitor and implement WTO agreements, especially in view of the heavy work-load arising from the Doha Work Programme.

The ACP Group intends to continue to play its rightful role and participate effectively in multilateral trade negotiations.

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Trade negotiations after Cancún:

All parties must now re-evaluate their positions

The WTO negotiations in Geneva failed to produce a draft ministerial text which commanded consensus, a situation similar to that which preceded the ministerial meetings in Seattle and Doha. The fundamental differences in Geneva were substantial and deeply entrenched, such that a series of mini-ministerial meetings was not able to resolve them prior to the Cancún meeting. In addition, the hastily conceived US-EU proposal on tariff reduction formulas, particularly in agriculture, did not assuage the concerns of the developing countries. As a result, the expectations of the Cancún Ministerial were extremely ambitious in that instead of taking decisions on a few substantive issues, an agreement in Cancún would have required ministers to delve into fairly complex technical issues.

Richard L. Bernal*

The principal issue to be resolved in Cancún was the modalities for tariff liberalisation in agriculture and nonagricultural market access. Other important issues included TRIPS and public health, special and differential treatment for developing countries, the Singapore issues (investment, competition policy, government procurement and trade facilitation) and the treatment of cotton from the least developed countries. Developed countries believed that there was a need for greater efforts in trade liberalisation by the developing countries. In turn developing countries were disappointed by the attitude of the developed countries towards meaningful advancement on development issues. They felt that the wealthier and more developed countries could and should make more substantial concessions. The gap between these opposing perceptions was never narrowed and played a significant part in derailing the talks.

The deadlock on the Singapore issues allowed the developed countries to blame the developing countries for the break-up of the meeting, ignoring the fact that the most contentious issue was the relatively meager offers by the developed countries on agriculture, and in particular the inadequacy of the proposals to reduce trade distorting subsidies and domestic support. All indications were that it was most unlikely that the entrenched position on agriculture could be resolved to attain a consensus in Cancún. Had the meeting foundered on agriculture, it would have revealed that developed countries had made an unacceptable proposal, which did not adequately address the concerns of developing countries. The developed countries cannot escape some blame for the collapse because of their disappointing stance on agriculture.

Collapse of the Cancún meeting

As is normal at WTO Ministerial meetings there are a series of formal plenaries and meetings, the "green room" (where participation is generally reserved for countries whose input and positions are considered to be key), and a phalanx of informal and subsidiary meetings. It is not clear why Chairman Derbez allowed the "green room" meeting to start with a discussion of the Singapore issues which were the subject of diametrically opposed positions on whether there was "an explicit mandate" to begin negotiations. Developing countries reiterated their position that there was no mandate and furthermore they would not countenance the inclusion of these issues in a post-Cancún WTO process.

It was surprising that no attempt was made in the "green room" to discuss agriculture, non-agricultural market access, TRIPS or other critically important topics. Perhaps starting the agenda with agriculture or deferring the resolution of the Singapore issues could have allowed progress to be made or agreement to be reached on some items, providing momentum to the deliberations.

Developing country solidarity

The developing countries as a group remained united on issues such as special and differential treatment for developing countries, the Singapore issues, reduction of agricultural subsidies in the developed countries and cotton in the least developed countries. The developing country solidarity is a heartening sign of a new resolve, the emergence of a new dynamic in the WTO negotiation process and augers well for the future. It took the developed countries by surprise, occurring at a time when the "quad" countries of the US, EU, Canada and Japan were disunited and could not mount the traditional monolithic disposition towards developing countries.

Developing countries were united with respect to the paucity of meaningful proposals on issues of concern to them, and commonality of interests in broad thematic issues. Importantly, the developing country strategic alliance remained firm despite the existence of sub-groups united around special interest issues e.g., the least developed country issues and small economy issues. Traditional coalitions, such as the ACP Group, arrived in Cancún with previously agreed positions as expressed in the ACP Ministerial Declaration, and maintained solidarity throughout the meeting. Nascent coalitions blossomed and new alliances emerged, most notably the G22, and the Alliance for Special Products and Special Safeguard Mechanisms.

WTO: pause, rewind or fast-forward

Some have opined that the Cancún meeting was a oncein-a-generation opportunity to advance the multilateral trade agenda. This gross exaggeration was calculated to mobilise support for a decision on the terms of the developed countries and to deter dissent. Those not predisposed to agree to any terms would be portrayed as spoilers. Predictions that the collapse of the Cancún meeting would lead to the demise of the WTO are overblown, as the outcome will not impair its essential functions, which are

Cancún



From left to right, Martin Redrado, secretary of Trade and Foreigh Economic relations, Argentina; Ivonne Juez de Baki. Ecuador's Minister of Foreign Trade; Youssef Boutros-Ghali, Egypt's Minister of Foreign Trade: Celso Luiz Nunes Amorim, Brazil's Minister of Foreign Affairs, and Alexander Erwin, South Africa's Minister of Trade and Industry, join hands after their joint meeting during the Cancún

negotiating new rules, implementing existing ones and adjudicating disputes in the application of rules. All three functions will continue as: (1) The Ministerial mandate to negotiate the Doha Development Round is still in place and has a schedule of completion of January 2005, (2) The process of implementing existing rules will continue unabated, and (3) disputes will undoubtedly continue to arise.

Multilateral versus bi-lateral

Even before leaving Cancún, US Trade Representative Robert Zoellick began to berate those countries which refused to accede to the commencement of negotiations on the Singapore issues, disparaging them as "won't do's" and accusing them of being involved in political posturing and rhetoric. In a thinly veiled threat, he stated that the US would pursue bi-lateral initiatives with those countries deemed to be serious about trade liberalisation. However, this bi-lateral process has been going on since the FTA with Canada transformed into NAFTA, and other initiatives which were moving apace before Cancún, with the recent conclusion and Congressional approval of free trade agreements with Chile and Singapore. Additionally, negotiations with Central America started months before anyone could have predicted deadlock in Cancun. Similarly, a commitment was given to the Dominican Republic to commence negotiations in early 2004.

Recrimination and the "blame game"

Zoellick warned that the losers were the developing countries, who in his view threw away the opportunity to make gains in the multilateral trade system. Such a perspective is predicated on predictions of how much a deal in Cancún could boost world trade and thereby lift exports and growth in the developing countries. The World Bank estimated that a new round of trade liberalisation would raise global output by \$290 billion to \$520 billion, supposedly lifting 144 million people out of poverty by 2015. Other estimates are less optimistic; for example, it has been calculated that ending agricultural protectionism would boost growth in the global economy by \$100 billion dollars, but only \$8 billion would accrue to poor countries. These figures cast doubt on the notion being propagated that developing countries were the big losers, when the reality is that in today's world economy the major beneficiaries and therefore main losers would in

fact be the developed countries. Approximately 25 per cent of growth in the US economy emanates from exports and the figure is higher for most other developed economies.

The viewpoint that the failure of the talks is attributable to the stubbornness of the developing countries diverts attention from the unacceptable proposals of the developed countries on agriculture, and their disregard for developing country interests in special and differential treatment, implementation and development issues in general. The last minute US acquiescence to the agreement on TRIPS and public health seemed reluctant and less than genuine. Furthermore, the lateness of the EU-US compromise proposal on agriculture did not allow time to mobilise support or revise the proposal.

Prospects for progress

All parties must accept some responsibility for the lack of a result and should therefore refrain from attempting to place blame on others. While the original deadline for completion of the Doha Development Agenda seems in jeopardy, it is far more important to achieve a balanced development round promoting agreement than to adhere to any particular schedule. The prospects for progress in the WTO negotiations will centre on the negotiations in agriculture. The reform of the elaborate system of subsidies and domestic support in agriculture in the US, Japan and the EU is an extremely difficult task and commitments to reducing or eliminating these trade distorting measures through the WTO would not be welcomed in an election year in the US nor in European capitals determined to reform the CAP over the longest possible time period. After a period of sober reflection member states must resume the negotiations in Geneva as soon as feasible. They must review their positions technically and politically and recommit to full engagement in the WTO negotiations without being substantially diverted by simultaneous involvement in bi-lateral and regional initiatives. This is not a time for despondency or complacency: the pause, which inevitably follows Cancún, is an opportunity for a through re-examination encompassing all the disciplines and issues. It is a time to realise in a globalised world that national economic well-being can best be attained and sustained in a multilateral trade system in which there is opportunity and development for all.

Director General of the Caribbean Regional Negotiating Machinery (RNM), created by CARICOM governments to develop and execute an overall negotiating strategy for trade-related negotiations in which the region is involved.

EU, Cotonou and EPAs: the view from the Pacific Islands

Perceptions between partners, no less than regions, are important in that they usually either reflect real positive intentions or an indifferent attitude: the former would signal a continuation of present policy direction; the latter a need to improve and generate a more positive interaction with one another. It is safe to say that the relationship between the European Union and the Pacific Islands, as reflected in current attitudes, is found between these poles and if anything is being characterised more and more by a desire for constructive interaction.

Dr Malakai Koloamatangi*

This is true from the point of view of the islands, which, in the eyes of the EU, are the 14 members of the Pacific Islands Forum – a regional grouping that came to life in 1971. It is made up of the Pacific's independent nation states, but also includes New Zealand and Australia. Its mandate is to foster cooperation at intergovernmental level in political and economic matters in ways that will benefit the islands at regional and international level, though it lives by a liberal interpretation of this.

It is probably more difficult for the Pacific states to see the EU in such a neat fashion. Interestingly, the tidy configuration that is the Pacific Islands Forum representing "the Pacific" in the EU's estimation is not as integrated as the EU. Whereas the integrated EU is not generally seen by Pacific nations as being a simple, unitary artifice but rather as a complicated and evolving entity. At other times EU member states are regarded as individual countries loosely joined for the pursuance of greater economic and political benefits, much in the mould of Pacific regional organisations, including the Pacific Islands Forum. Hence, the great enthusiasm shown by the EU with regard to the "blending" nature of the Pacific Islands Countries Trade Agreement and the Pacific Agreement on Closer Economic Relations.

Familiarity with Europe

As relations and attitudes generally reinforce each other, the Pacific, despite the vast distances in spatial, cultural and other terms, has had a long time - since the 1500s – to familiarise itself with Europe and Europeans. This was particularly evident during the colonial period when individual European countries, including Great Britain, Germany and France, administered colonies in the region and thus Pacific societies were able to experience first-hand European ways. Intimacy with European ideas and practices, similar to the current relationship, vacillated between seeing Europe as the way to the good life - to the point that people dressed, spoke, thought, and lived in a not totally convincing attempt to look like Europeans - and a total rejection of Europe, which was paralleled by a growing demand for self-determination.

But perceptions from the Pacific are as much coloured by local conditions as they are by the EU's policy instruments. In other words, the 14 Pacific states as part of the African, Caribbean and Pacific (ACP) group have an effect on relations. And so did the Lomé Convention previously, and now the Cotonou Agreement. Development policies, nevertheless, are justifiably triggered by local conditions. Although ties through Lomé enhanced such elements as the idea of partnership and a more holistic approach to development which was encouraged by combining aid, trade and politics, clearly the tangible socioeconomic results were inadequate. This was reflected in the ACP countries' share of the EU market which declined from 6.7 per cent in 1976 to three per cent in 1998, while about 60 per cent of total exports were concentrated in only 10 products.1

Cotonou was the answer. Underpinned by the political dimension, need for participation, focus on poverty reduction, new framework for economic and trade cooperation and a reform of financial cooperation, it aimed, as Article 1 states "... to promote and expedite the economic, cultural and social development of the ACP states, with a view to contributing to peace and security and to promoting a stable and democratic political environment".

Overarching approach

In practical terms, it signals, according to Poul Nielson, Commissioner for Development and Humanitarian Aid, a move away from limited targeted assistance to comprehensive sector programmes where, if the problem is access to education, you not only build schools but also look at teachers' salaries, job satisfaction, child labour and how education is seen by local communities.

The significance of the Cotonou Agreement to the Pacific was perhaps summed up best by the Secretary General of the Pacific Islands Forum Secretariat, Noel Levi, during his opening remarks at the Forum Officials Committee Pre-Forum Session of the 34th Pacific Islands Forum meeting in Auckland, August 2003, where he highlighted the comprehensive nature of the agreement: "Good governance must be taken seriously for it is no longer just a "catch phrase". It is real and enshrined in

George Gwyer, DG Development, European Commission



Koos Richelle, Director General of the European Commission's development directorate-general (2nd from right), speaking with Lady Kidu, Papua New Guinea's Social Welfare and Development Minister and her constituents in Pari, just outside the capital. Port Moresby.

Forum meeting, Nauru and Niue had their "Country strategy papers" signed (allocating €2.3 million and €2.6 million respectively) and a €3.965 million Financing Agreement was signed for Tuvalu. Coupled with the conviction among Pacific ACPs that not only is the EU capable funding the Cotonou Agreement but that it will do so, a desire for amicable relations will be further cultivated.

EPAs

The success or otherwise of the new agreement will hinge to a great extent on the effectiveness of the Economic Partnership Agreements (EPAs) - one of Cotonou's development vehicles. However, it seems that the fundamental cri-

teria of the EPAs are sufficiently flexible, to the extent that the process can, if need be, become an end in itself, somewhat shortening the distance between success and failure. They are also understood as such by both parties. To further ensure success, the EU is willing, at the conclusion of the current all-ACP negotiations, to allow a little leeway to Pacific ACPs in order to familiarise themselves with the upcoming negotiations, including a period of consultation and further dialogue with the EU's assistance and participation.

Although there is a sense of optimism among the 14 Pacific states that the new partnership agreement may finally deliver what so many well-intentioned strategies have failed to do in the past, there are still challenges to be met. From the perspective of thinking and ideating one another, it is important that entities, ideas and practices are seen for what they are in reality. For instance, the EU needs to understand the breadth and depth of the Pacific as a region and individually, and the common and unique conditions contained within such characterisations. For the Pacific, it must be sincere in its efforts to assist the Cotonou Agreement and the EPAs in succeeding. This should be helped by the fact that the EU has a generally positive standing in the region, without any colonial baggage to hold it back. Rather, there is, generally, only a progressive orientation.

Pacific island thinking. Accounting for around €100 million annually, the EU is one of the largest donors of aid to the region. In addition, the Cook Islands, one of six new ACPs, has already benefited under Cotonou. It has received €2 million as part of the larger pool of funds

soft laws, such as the Aitutaki Declaration, and in the

hard laws, including the Cotonou Agreement. As a pre-

requisite to donors assisting our members' efforts to

achieve sustainable development, it is also very necessary.

We sometimes tend to forget that good governance was

practiced by our ancestors; the terms may be different,

but the very fundamentals are what we value even today".

depend not only on individual countries' perception of

the Cotonou Agreement and the perceived benefits, but

also on their political role in their respective locales. For

instance, civil society organisations, which feature promi-

nently in the new agreement's scheme of things, are elat-

ed at being finally acknowledged for their role in devel-

opment. However, requiring governments to be inclusive

towards these organisations without an existing tradition

for doing so, or where the political culture excludes even

These possible difficulties, however, may be balanced,

as already mentioned, by the consequential advantages.

They also help to elevate the EU's position generally, in

contemplating such an idea, will prove challenging.

Acceptance of such an overarching approach will

that it will receive over the next 20 years, to implement education and health programmes in the outer, more isolated, islands. As well, during the recent Pacific Islands

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- 1. http://europa.eu.int/comm/development/body/cotonou/overview_en.htm

Microprojects in Suriname a contribution to community needs

In many ACP states, microprojects are perhaps one of the most visible activities of the European Development Fund. Experience shows that these "demand driven" projects can be particularly successful where the socio-cultural pre-conditions for the microproject concept – in particular community ownership and participation – exist.

Bas van Helden*

The basic principle of microprojects is that they meet priority community needs, are undertaken at the initiative of the beneficiaries and are implemented with their active participation. The European Development Fund contributes up to three-quarters of the total value of each individual project and the local community a minimum of one quarter, in cash and/or kind. Individual microprojects are small in value, sometimes only a few thousand euro but often make a huge difference to the community involved because they respond to a commonly felt priority need.

This is also the case in Suriname, where the second microprojects programme (€5 million) started in November 2001. The programme will be implemented over a period of five years. The overall objective is to reduce poverty, social inequality and dependence on

has become clear that important spin-off effects are the strengthening of civil society in Suriname (the major partner in implementation) and an enhanced dialogue between government and civil society. NGOs play a key role in the implementation of the microprojects and cooperating with the local communities. In addition, there is an increased role for the private sector; in several projects the communities call upon financial support from private sector companies in Suriname to co-finance projects. The project concept ensures a fair geographical spread

state intervention. Since the start of the programme it

of projects and interventions, in capacity building, social infrastructure and income-generating activities, all at community level.

The implementation process is now accelerating and a total of 15 projects have been completed. A further 32 are in various stages of implementation. In addition, 140 project proposals are being processed for implementation. There is a major emphasis on social infrastructure and indeed the positive effects on the communities are clear: one project involves providing basic sporting facilities for a secondary school in one of the outer districts - according to the school principal the only alternative to drink and drugs; another, the rehabilitation of a home for destitutes and abused women. Furthermore, many schools will be rehabilitated and given adequate facilities, small children's day-care centres for low-income women workers created, technical and administrative training for producer groups provided and many others. In nearly all cases it was clear: there was no alternative source for help, and without the microprojects programme these projects would simply not have materi-

Now that local communities are equipped with better facilities, the next issue is maintenance. Local communities, with the help of NGOs, will establish maintenance groups to take on this responsibility.

* DG Development, European Commission, Caribbean unit.

Above: A women's group from Suriname's interior is taught basic business skills in order to create income from embroidery work. Guidance is provided by the National Women's Movement. Total project cost: €19.000 (of which €13.000 from the EDF).

Below: A small children's day care centre in a social housing scheme in the capital Paramaribo, which makes it possible for less privileged women to have a job. Total cost: €25.000 (of which €14.000 from the EDF).





Political dialogue and Cotonou







One of the notable changes introduced by the ACP-EC Cotonou Partnership Agreement is the strengthening of the political dimension through enhanced dialogue. A broader and more coherent framework, which includes political aspects, has replaced a model of cooperation which for a long time focused on economic objectives. Today, one of the essential characteristics of this multilateral partnership is that it combines development aid (essential for the ACP countries), trade (to respond to the challenges of globalisation) and a strengthened political dimension which enables the partnership to take into account political aspects which also have an impact on development. Making political dialogue a major pillar in the ACP-EU partnership is a demonstration that the relationship has come a long way in terms of putting political issues in the forefront.

The Cotonou Agreement not only reaffirms the political aspects of the partnership, but clarifies and significantly strengthens the accompanying political dialogue which already existed between the parties. Article 8 of the Agreement lays down the principal criteria to be used as a basis for a balanced and efficient dialogue. Other provisions on political dialogue are found in Articles 96, 97, and 98. In May 2003, guidelines for conducting this dialogue were approved by the ACP-EC Council of Ministers. The political dialogue under the Cotonou Agreement is still at a learning stage and time will be needed to assess its relevance and to fine tune its modus operandi.

In the first article in this dossier, Lyssandros Stathopoulos from the European Commission gives a general overview, saying that political dialogue under Article 8 is regular and continuous, ensuring exchange of information and mutual understanding. Karin Arts says that while the Agreement contains an advanced set of provisions on human rights, democracy and good governance, certain obstacles impede effective implementation. Andrew Bradley from the ACP Secretariat describes measures being taken to operationalise political dialogue, and looks at its application within the ACP and even beyond the ACP-EU relationship. The following two articles give a European (Gérard Karlshausen from CNCD) and an ACP (Nancy Kachingwe from MWENGO) civil society perspective. Hanja Maij-Weggen describes the role the Joint Parliamentary Assembly can play, especially through its newly created Standing Committee on Political Affairs. Finally, James Mackie looks at implementation during the three years since the signing of the Agreement, citing specific cases, and proposing possible approaches.

Kenneth Karl

EU-ACP relations are governed by the Cotonou Agreement, an

integrated framework based on partnership and promoting

cooperation, trade and political dialogue. Article 8 of the

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"Political dialogue under **Article 8**

reflects the normal state of affairs in relations between the Community and the ACP states"



Lyssandros Stathopoulos*

Political dialogue reflects the normal state of relations between the partners. It has an ubiquitous and omnipresent character and is applied permanently. It is regular and continuous, not a one-off event, ensuring exchange of information and mutual understanding, and establishing common priorities. Thus, it is applied in all ACP states with which the Community cooperates, irrespective of other processes, notably those related to Article 96 (consultations on respect of essential elements). There is, therefore, no need to formally start a dialogue, although it may be useful to reinforce it or to structure it to ensure that it addresses key issues.

Holistic approach

Article 8 is inclusive, covering a wide range of issues - not just the "essential elements" but also peace and security, global, regional and sectoral development cooperation policies, environment, gender, migration, cultural heritage, as well as specific issues, like arms trade, excessive military expenditure, drugs, organised crime, ethnic, religious and racial discrimination. This reflects the recognition that striving for peace and security and fighting against poverty necessitate tackling issues beyond the traditional sphere of "high" politics (for instance,

environment) i.e. beyond managing and projecting power between self-ruling states. It requires cooperation in areas directly affecting the human condition beyond boundaries and beyond governments. Article 8 provides a framework encompassing areas for action which can help attain the overall objective of poverty eradication. This holistic and "interdisciplinary" approach and the ensuing possibilities of mixing appropriate policies requires a high degree of coherence, complementarity and coordination. The parties to the dialogue can agree jointly on specific issues which are urgent and/or of importance to a country.

Article 8 calls for flexible parameters, so political dialogue can be conducted through existing instruments rather than by creating new structures This flexibility is its greatest asset. It concerns the choice of items for discussion without a need for specific terms of reference or a strict time frame. No formal start and/or formal end need to be envisaged, and questions such as the venue, the composition of the parties, the frequency, the level of formality, the institutional framework reflect the wishes of the parties and can be changed in the course of the dialogue. In practice, understanding of that flexibility is not so evident. Insistence by either party, i.e. EU or ACP government, on a "formal" opening of political dialogue, on drafting of formal terms of

Dominican Republic, Santo Domingo. Fighting against poverty and striving for peace and security require a multifaceted approach. For this reason Article 8 of Cotonou foresees a "regular, balanced and deep political dialogue eading to commitments on both sides"

reference, on modalities of conduct, on an exclusive list of items of discussion and details, on dialogue by appointment only, even reluctance to "enter" into political dialogue are all examples of a perception that political dialogue is something exceptional, a one-off occasion that needs to be conducted in a prearranged manner, or even an intrusion into the normality of political life that needs to be neutralised as far as possible.

The guidelines on political dialogue adopted by the ACP-EC Council of Ministers in May 2003 are intended to help the "practitioners" understand it as a process with flexible parameters and make full use of the possibilities it entails.

Flexibility should not be conceived as lack of credibility or resolve to tackle real issues and potential difficulties. A certain level of regularity with realistic timetables would inspire confidence as well as commitment of the parties to the dialogue and ownership of the whole process. Dialogue in itself is positive but to be really useful it must address root causes of problems and cannot avoid fundamental issues such as respect for human rights and good governance. The programming process of the 9th EDF, for example, entailed elements of political dialogue including exchange of views on the state of affairs in a country, the identification of problems, the suggestion of solutions, the wider implications of development cooperation, the association of non-state actors.

Associating civil society

The full association of non-state actors is a significant innovation of Cotonou. Associating civil society with political dialogue presents a particular challenge to established practice. Non-state actors have been brought into the programming of aid, but their association with dialogue on political issues is sensitive and for governments in difficult circumstances may appear problematic. Political dialogue involving civil society as

a rightful party will be a learning process, requiring experimentation. The varying degrees of organisation, the underlying national political conditions and local traditional dialogue mechanisms mean that a country-specific approach is required. The ease of involving civil society in the process of political dialogue may reflect the degree of democratic maturity of the government institutions in any specific country. To date, civil society has not been systematically involved in the political dialogue process at country level. Certain sensitive issues require careful consideration in terms of liaising with a particular civil society interlocutor, and national authorities may occasionally be reticent to give publicity to such dialogue. In order to hold a substantial, inclusive dialogue at country level aimed at reducing the risk of problems turning into crises, a greater effort to implicate civil society needs to be made. Like all parties involved in political dialogue, civil society should also be able to demonstrate legitimacy and accountability in terms of constituency, and participate according to their expertise on the subject and capacity to conduct the dialogue in a sustained manner. These requirements cannot be used indiscriminately as a "legitimate" obstacle to exclude civil society - pluralistic dialogue is enriching and reinforces the efforts of all those governments with a genuine will to promote the well-being of their people.

Dialogue can underpin regional integration

Regional and subregional organisations can also be associated with the political dialogue. No new structures need be created - dialogue with these organisations is already taking place on the spot, or forms part of an institutional obligation. The dialogue which began with the Southern Africa countries in Berlin in 1999, in the aftermath of apartheid in South Africa and the emergence of SADC, in retrospect could be considered as an example of Article 8 in operation. The objective of regional integration and cooperation can be served by involving regional organisations in the political dialogue. Regional integration can be built on a number of conditions, including respect for peace and security and for the essential elements (human rights, rule of law, democratic principles, good governance). Indeed, once these basic preconditions are fulfilled, regional integration tends to consolidate and lock-in the achievements. Thus, political dialogue with regional organisations can effectively underpin the regional integration process, a major strategy of the Cotonou Agreement, especially in light of the future trade regime between the Community and the ACP states. The topics of dialogue with the regional organisations generally reflect their relative strengths and specialisations and respond to their evolving mandate and capacities. Political dialogue, therefore, should be pragmatic and undertaken where a value added is expected in strengthening regional integration processes. Regional organisations tend to develop an increasing political role (for instance, the role of ECOWAS in crises in West Africa) which makes dialogue with them all the more relevant and necessary.

Joint institutions

The ACP-EC Council of Ministers, Committee of Ambassadors, Joint Parliamentary Assembly and other institutions also provide an occasion for political dialogue in a larger and therefore more comprehensive framework. Topics of mutual interest at that level can be general (regional integration, conflict prevention, attainment of global development goals etc) and/or particular, with wider political ramifications (for instance, a country situation with destabilising spillover effects in the region). Political dialogue at the joint institutions provides a useful opportunity for stocktaking, where the overall quality of the Community's political dialogue with the ACP can be assessed.

An inherent potential weakness - but also a real strength - of political dialogue is the multiplicity of the actors involved. This multiplicity reflects a process which is expected to be conducted in a spirit of openess and mutual respect which can therefore be considered democratic and legitimising. At the same time, pluralism requires that the positions expressed are coordinated and coherent. The sui generis structure of the EU, involving the Commission (headquarter services and delegations), the Presidency, and the Member States, in political dialogue makes coordination and coherence of positions a sine qua non for the credibility of the dialogue process and of the EU itself. To "speak with one voice" remains a difficult challenge for the Union in its relations with the ACP states; coordination and coherence in this area have been improved but further progress is needed.

Non-respect of essential elements

All cooperation agreements signed by the European Community contain clauses on respect for essential elements, which allow for suspension, in full or in part, in the case of nonrespect. In the Cotonou Agreement there is a consultation procedure set out in Article 96. The intellectual and practical boundaries between this specific procedure and the general process of political dialogue have not yet been systematically understood. Indeed, a learning process through the application of Article 96 has so far demonstrated the differing characteristics of the two articles. Political dialogue under Article 8 reflects the normal state of affairs in relations between the Community and the ACP states, whereas consultations under Article 96 arise as an exceptional, ad hoc event dealing with a political pathology. Political dialogue is preventive and proactive, continuous, balanced, inclusive, informal, flexible, infinite. Consultations are reactive, one-off, unilateral, exclusive, formal, structured, finite. Political dialogue is ultimately the most effective "long-range, deterrent weapon" against potential governance problems and helps to avoid their deterioration through remedial measures. Consultations have been described as the "ultimate weapon". But this description subjugates the consultation procedure to an automatic logic of sanctions which fails to appreciate that there is an obligation for dialogue, that political dialogue continues during this procedure, that assistance may be requested by the party involved to redress the situation and assistance granted, that a roadmap with commitments can be agreed, and that after all that, if appropriate measures ought to be taken they have to be proportional, progressive and certainly reversible. Article 96 con-

sultations may indeed be the "ultimate" step but not a "weapon" since it is not meant as a punitive or coercive process. It is rather the ultimate remedy that the Union can apply in cases where the will of a government to respect the essential elements is lacking.

In the end, is EU-ACP cooperation better with Article 8? Should we invent an Article 8 if we did not have it? The answer to both questions is undoubtedly yes. Next question: are we doing enough to make good use of this provision?

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Associating civil society with political dialogue presents a particular challenge to established practice... their association with dialogue on political issues is sensitive and for governments in difficult circumstances may appear problematic.





Political dialogue requires investment:

meeting the human rights commitment of the Cotonou Agreement

The Cotonou Agreement contains an advanced set of provisions on the role of human rights, democracy and good governance in ACP-EU development cooperation. These provisions further refine the previous Lomé arrangements for addressing human rights concerns. They result from a long process of ACP-EU human rights dialogue, which started in the late 1970s and gradually intensified since. Despite the rich heritage and the evolution

during a relatively long lead time, in practice many obstacles still impede effective implementation of the formal Cotonou human rights provisions. After a brief description of the formal framework, this article presents some of the factors that currently influence, negatively and

While the formal framework is now adequate, effective implementation requires serious political and financial investments.

positively, the prospects for human

rights dialogue under Cotonou.

Karin Arts*

In July 2003 the Foreign Affairs Committee of the European Parliament adopted the draft "Annual report on human rights in the world and the European Union's human rights policy" (covering the year 2002). The motion for a resolution contained in the draft of this important document qualifies Cotonou's human rights mechanism "as exemplary for its provisions on consultations, suspension and participation by civil society".1 When considering the paper commitment, this qualification is certainly justified as there are few to no other examples of development cooperation arrangements that incorporate human rights in such a leading way and that provide such detailed procedures for taking them up in practice. It is a tremendous achievement that ACP and EU states succeeded in jointly formulating this elaborate set of human rights provisions which provide a clear basis for constructive human rights action under Cotonou.

However, when considering the implementation record so far, it is obvious that beyond the paper commitment controversies still abound. The recent debate about how to respond to the human rights situation in Zimbabwe and the (related) cancellation of the November 2002 ACP-EU Joint Parliamentary Assembly illustrate this.2 Obviously, the scope for controversies to decrease, and the practice of regular human rights dialogue to increase, depends on a number of circumstances, including the approach taken, clarity of standards, proper dialogue and policy preparation and follow-up (by quality information and staff), and greater consistency and coherence.

Negative and positive approaches: the formal framework

For many people political dialogue in the first place has a negative connotation. They view it as a tool, to resort to in situations of severe human rights crisis only and as a prelude to punitive measures. However, it is important to stress that the Cotonou Agreement approaches political dialogue from a positive point of departure. According to its Article 9, respect for human rights is an integral part of sustainable development and shall be actively supported by the ACP-EU partnership. Like democratisation, the rule of law and good governance, human rights are a main component of the ongoing process of political dialogue that is supposed to take place between the parties to the Cotonou Agreement. The objective of this dialogue is "to exchange information, to foster mutual understanding, and to facilitate the establishment of agreed priorities and shared agendas", and to prevent situations in which Cotonou's non-execution clause would be invoked (Art. 8). The latter entails a mandatory consultation mechanism that can be initiated once one party is of the opinion that another party has failed to meet the basic standards of human rights, democratic principles and the rule of law, the so-called "essential elements" of the Agreement. Such consultations are meant to thoroughly examine the situation "with a view to seeking a solution acceptable to the Parties" (Art. 96) and to identify remedial measures taken or to be taken by the party concerned. At the end of the consultation process "appropriate measures" may be embarked on, including, in the last resort, suspension of the Agreement. A similar procedure exists for addressing serious cases of corruption (Art. 97). The practice of consultations under Articles 96 and 97, that is ad hoc political dialogue, has so far received much more attention and public exposure than the structural political dialogue envisaged under Article 8. Unfortunately, this reinforces the negative image of political dialogue. For the sake of credibility and as a matter of priority, the positive approach should be more strongly promoted and publicised. Stepping up structural political dialogue, and documenting and prominently publishing "best practices" are practical ways of doing this.

The need for information

While at first sight the Cotonou Agreement maps out sufficiently clearly a human rights agenda, it still remains rather general. The rough contours of standards to be met are provided, but these by no means extend to a roadmap ready for implementation at the national level. Obviously this was done on purpose, so as to create the necessary space for national prioritising and own policy choices. National human rights policymaking and international monitoring of the results requires expertise and resources, inter alia for gathering information and

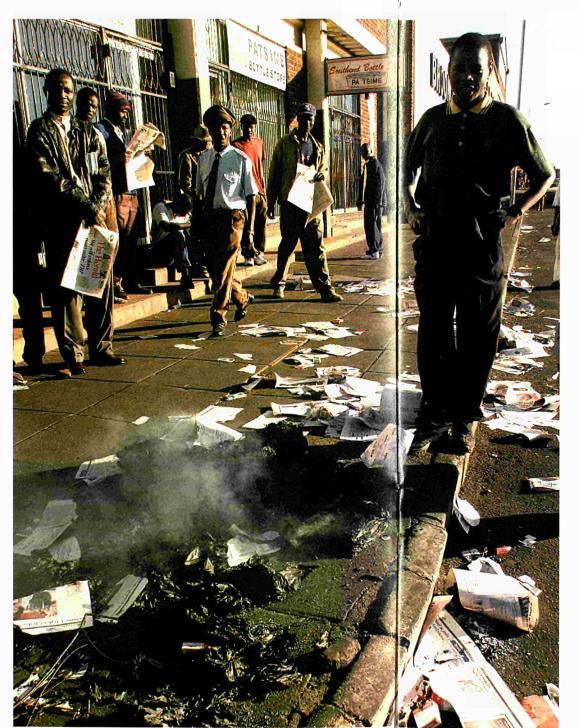
for undertaking relevant research and case studies. Simply keeping up to date with all relevant developments is a major challenge for both ACP and EU states and their separate and joint institutions. For policy to be effective though, it is indispensable to closely monitor the situation on the ground and to assess the extent to which policy decisions are acted upon or remain adequate. The availability of quality information, managed and interpreted by competent staff, is an absolute precondition for ACP-EU human rights political dialogue to gain intensity and effect. Therefore, much more thought and resources should go into human rights data gathering. For, while it is clear that the Commission, the Councils (EU and ACP-EU), individual governments and parliamentary actors have different information needs, it is also a fact that there is a certain core that is relevant to all and that perhaps could be provided most efficiently through a central inter-institutional facility. After all, a lot of good quality human rights monitoring is occurring in the practice of the Commission, the UN, relevant regional organisations, individual governments and non-governmental organisations. Rather than reinventing the wheel or duplicating efforts, it would be a fantastic achievement if ACP-EU human rights dialogue were to find ways to open up these hitherto rigidly separate sources of information to each other so that all could feed the central facility or files. A standard human rights impact assessment tool, for which recently some interesting groundwork was done by the Dutch Humanist Committee on Human Rights, might be useful too.3

Transparency of procedures

While there is little experience with the structural general political dialogue foreseen in the Cotonou Agreement, the adhoc consultation mechanism has been used increasingly since mid-1998. 4 This included consultations on the human rights situation in Togo, Niger, Haiti, Fiji, Côte d'Ivoire, and Liberia. Compared to what was in the past, the ad hoc mechanism clearly enhanced the two-way process in responding to human rights violations. It also improved the transparency of EU decisionmaking on punitive measures in response to human rights violations. At least the ACP states now have the formal option of presenting their side of the story and of calling for consultations themselves. The latter has not occurred as yet, but it should be self-evident that the Cotonou human rights standards apply equally to the EU member states and that occasionally it might be appropriate and strategically wise for an ACP state to call for consultations on a relevant situation in Europe. The Union has started the habit of putting in writing the considerations which lead it to request consultations, or which make it take certain measures at the end. Increasingly, these documents spell out what exactly, according to the EU, should be done to improve the situation to the extent that the measures taken could be ended. The latest example concerns the consultations on the Central African Republic (triggered by the coup of March 2003), after which the EU presented its understanding of the commitments made by the transitional government during the consultation procedure through explicitly listing them, and by

adding specific time limits to some. Interestingly, in this case the parties created a follow-up committee for monitoring progress made, which is a welcome novelty. 5 Occasionally the ACP Group also writes up its views on the process of human rights dialogue. 6 The combination of these positions makes it easier for all parties concerned to assess the feasibility and the credibility of the outcomes of the political dialogue.

In an attempt to clarify the role and meaning of Article 8 of the Cotonou Agreement, the May 2003 ACP-EU Council of



Ministers adopted a set of "proposed guidelines" for structural ACP-EU political dialogue. 7 While the document states not to intend elaborating on "the self-explanatory paragraphs" of Cotonou, but rather to clarify the text and to come to agreed guidelines that could facilitate ACP-EU political dialogue, in its current form, unfortunately, the guidelines hardly add to the treaty text. Contrary to what was promised, the guidelines largely reproduce what is in the treaty already. In addition, they routinely refer to such items as flexibility, transparency,

> inclusiveness, legitimacy and process approach, without moving beyond the obvious. They could have contributed more meaningfully by elaborating on the role of civil society in the process, and on the relationship to other procedures e.g. in the context of the United Nations or the African Union/NEPAD. This is a sadly missed opportunity indeed.

Consistency and coherence: investment required

The single most influential obstacles to maximising ACP-EU human rights dialogue lie in the areas of (the lack of) consistency and coherence. As stated before, in the human rights domain, (positively oriented) structural political dialogue seems to be of lesser prominence than (usually negatively oriented) ad hoc political dialogue. Ad hoc dialogue targets a small number of ACP states. A large number of countries are left undisturbed although some of them also face serious human rights challenges. The EU decision to authorise the invitation of President Mugabe to

Political unrest in Zimbabwe: a newspaper seller stands next to burnt and torn copies of the independent newspaper The Daily News "There are few to no other examples of development cooperation arrangements that incorporate human rights in such a leading way and that provide such detailed procedures for taking up them up in practice... However, when considering the implementation record so far, it is obvious that beyond the paper commitment controversies still abound. The recent debate about how to respond to the human rights situation in Zimbabwe and the (related) cancellation of the November 2002 ACP-EU Parliamentary Assembly illustrate this.

the Franco-African Summit in Paris in February 2003, which was taken immediately after the renewal of sanctions against Zimbabwe which include visa restrictions targeting leading politicians (and army and police officials), is an example of two obviously inconsistent decisions. While the visa restrictions allow for exemptions for attending intergovernmental meetings "where a political dialogue is conducted that directly promotes democracy, human rights and the rule of law in Zimbabwe", 8 the Franco-African Summit met this rather specific criterion insufficiently. On the ACP side, particular alertness is necessary in monitoring the human rights record of newer members of the ACP group such as Cuba. Consistency also implies that the EU and its member states apply the Cotonou human rights, democracy and governance standards to themselves and seriously and actively monitor relevant developments in that regard. This again requires renewed political commitment and allocation of resources. The coherence requirement relates to the fact that human rights policy does not stand in isolation from other policy realms. For human rights dialogue to contribute sustainably to improving human rights in particular countries, both ACP and EU actors should consider the human rights effects of policy lines they develop on other subjects. For the EU this has implications, for example, for its trade and development policies and the Common Agricultural Policies. The Commission has recently presented policy initiatives in both areas. Bringing in the human rights connection could strengthen the cases and would enhance coherence in EU policymaking.

From the above it is clear that a further enhancement of ACP-EU human rights dialogue on both sides requires a stepping up of political commitment, so as to secure transparency, consistency and coherence. Material investments in the gathering and management of human rights information and for training of all staff potentially involved in directing, conducting or implementing the results of ACP-EU political dialogue are also necessary. In order to keep the process feasible, the practice of continuously expanding the items on the ACP-EU political dialogue agenda should stop. A structural dialogue focusing on the essential core of human rights would be an ambitious enough beginning. Items such as migration, drugs or organised crime could always be added to the agenda later on.

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- 1. Rapporteur Bob van Den Bos, EP doc. prov. 2002/2011(INI), 6 May 2003,
- PR/493327EN.doc, PE 329.281, p. 10, paragraph 7.

 2. See *ACP-EU Courier* n° 196, January-February 2003, pp. 10-13.
- 3. M. Radstake and D. Bronkhorst, Matching Practice with Principles Human rights impact
- assessment: EU opportunities, Humanist Committee on Human Rights, Utrecht, 2002.

 4. See also K. Arts, "Political dialogue in a new framework", in O. Babarinde and G. Faber (eds), EU-ACP Cooperation at the Crossroads, Lynne Rienner, forthcoming.
- See "Consultations with the ACP side on the Central African Republic: European Union Conclusions", 10634/03 (presse 172), Brussels, 17 June 2003.
- 6. ACP General Secretariat, "The ACP Group views the organisation and conclusions of the ACP-EC consultations on the political situation in the Central African Republic in a positive light", press release, Brussels, 12 June 2003,
- 7. "Proposed guidelines for ACP-EU political dialogue (Article 8)", ACP-CE 2153/1/02/REV 1. 8. Council of the European Union, "Common Position amending and extending Common Position 2002/145.CFSP, 5222/03", Brussels, 14 February 2003, paragraph 5.

Political dialogue:

In this article, Andrew Bradley*, of the ACP Secretariat, offers a reflection on the importance of a structural political dialogue in ACP-EU relations, a dialogue which has been reinforced under Cotonou. He looks at measures being undertaken to operationalise the dialogue foreseen in the Agreement, and to come to a common understanding of what it entails. He also looks at the implications for intra-ACP dialogue, and at how political dialogue can extend beyond the ACP-EU relationship,

The ACP Group considers political dialogue as an exchange of views that presupposes the presence of at least two parties. It can take varied forms, whether political, social or cultural and is conducted at different levels, international, regional, or national. It often constitutes the basis for other types of dialogue, and could

Political dialogue could facilitate agreement on development priorities, and allows ACP states to assess progress on issues related to, inter alia, human rights, democratic principles, good governance and the rule of law. Dialogue is an important instrument to address new areas that have a major impact on the development of ACP states, such as peace, conflict prevention, management and resolution, arms trade, migration, etc.

extend to cover social, cultural and economic issues.

ACP-EC political dialogue

The ACP-EC Cotonou Partnership Agreement gave the political dimension a more prominent role in ACP-EC relations. During the successive Lomé Conventions, in particular Lomé IV and Lomé IV(bis), the political dynamics between the ACP and the EU evolved to such an extent that both parties agreed to its subsequent institutionalisation in the Cotonou Agreement. The Agreement provides the basic, broad guidelines for comprehensive, balanced and deep political dialogue leading to commitments on both sides between the two signatory parties. The adoption by the ACP-EC Council of Ministers of a joint paper on "Guidelines for ACP-EU political dialogue within the context of Article 8 of the Cotonou Agreement" at its 28th Session in Brussels in May 2003, is a clear commitment by both parties not only to operationalise and implement the provisions of Cotonou, but also to confirm the importance of political dialogue in the ACP-EC relationship.

Meaningful political dialogue will enhance ACP-EC cooperation, and by extension, increase the impact on poverty eradication consistent with the objectives of sustainable development, and the gradual integration of the ACP countries into the world economy. The Guidelines emphasise the following key principles in ACP-EC political dialogue under Article 8 of the Cotonou Agreement: flexibility, transparency, inclusiveness, continuity, and process approach.

The Guidelines dedicate a full chapter to the selection criteria for the choice of subjects for discussion during political dialogue. Furthermore, given their important role in the development of ACP states, and in concurrence with the provisions of the

one of the main tools for effective ACP-EC cooperation

Cotonou Agreement, non-state actors (NSAs) are identified in the Guidelines as one of the actors in ACP-EC political dialogue.

One of the key objectives of the ACP Group is to ensure the full and timely implementation of the Cotonou Agreement. The ACP Group has instigated a process to pursue a common understanding with the EU on all issues related to political dialogue, and in particular the remaining Articles of Title II (The Political Dimension) and Articles 96, 97 and 98 of the Agreement. The objectives of political dialogue should mirror the principal objectives of the Cotonou Agreement, and facilitate a common understanding and interpretation of the issues concerned, which will enhance the partnership and prevent a situation where one side has to resort to unilateral actions.

Intra-ACP political dialogue

Meaningful dialogue at the ACP-EC level necessitates intra-ACP dialogue, and the parameters for this are enshrined in the Georgetown Agreement of 1975, as amended, the Libreville Declaration, the Santo Domingo Declaration and Plan of Action, and the Nadi Declaration, as adopted by ACP Heads of State and Government. To prepare the ACP Group for effective and sustained dialogue with the EU, the ACP Council of Ministers adopted a "Framework and general principles for intra-ACP political dialogue" at its 76th Session in Brussels in December 2002, which sets the broad parameters for political dialogue among ACP States. Having agreed on these important building blocks for political dialogue, the political dimension of the Cotonou Agreement can further evolve and enhance the ACP-EC Partnership, and in particular its inclusiveness.

The Framework emphasises the fact that intra-ACP dialogue will observe, inter alia, the principles of sovereignty, equality, ACP solidarity and unity. It looks at the objectives, range of applications, form, levels and issues to be covered during intra-ACP dialogue.

The ACP Group is currently reflecting on a number of proposals to strengthen and better equip and prepare the Group for

Refugees in the Democratic Republic of Congo. Peace and security is one of the subjects for discussion during political dialogue



political challenges, opportunities and threats. The fast-evolving global political landscape, the profound internal and external changes to the EU, principle partner of the ACP Group, and the commitment to further enhance ACP solidarity and unity are sufficient reasons for the Group to enhance and expand the modalities and mechanisms for intra-ACP dialogue. The inclusiveness and scope of intra-ACP dialogue were further underscored by the first meetings of ACP Ministers for Research (Science and Technology) and Culture. Meetings of ACP Ministers of Migration, Environment, Health and Education are also being planned.

Improving modalities and mechanisms

The "Framework and general principles for intra-ACP political dialogue" contains a number of proposals to improve the modalities and mechanisms for political dialogue. The ACP Council of Ministers mandated the Committee of Ambassadors to pursue the following proposals:

- establishment of an ACP Early Warning Mechanism (EWM);
- creation of a "Peer Group"; and
- improved utilisation of ACP institutions, or institutional changes. In pursuit of these proposals, the ACP Group plans to better equip itself to deal with internal issues that require attention, prior to any possible action by the EU. The Group's objective is to become a more responsible, credible and reliable partner in relations with the EU, and any other relations it might pursue.

ACP regional integration organisations

The expanded nature of the Partnership Agreement necessitates a closer working relationship between ACP regional integration organisations and the ACP Group, in particular the ACP General Secretariat. In the context of political dialogue, the ACP Group relies primarily on ACP regional integration organisations for the implementation of actions related to conflict prevention and management, preventative diplomacy and peacekeeping in the respective regions. Forty-eight (48) ACP states are members of the African Union (AU), and all matters relating to early warning mechanisms,

preventative diplomacy and peacekeeping in the African states of the ACP Group are coordinated and managed by the AU's Mechanism for Conflict Prevention, Management and Resolution. There is close cooperation and coordination between the ACP General Secretariat and the various organs of the AU, and the AU's conflict prevention and management efforts are fully supported by the ACP Group.

ACP regional integration organisations will also fulfill a key role during the second phase of ACP-EC negotiations for Economic Partnership Agreements (EPAs), to begin from September 2003. The integration and importance of these organisations in the ACP-EC dialogue process should not be underestimated, since they should form the building blocks for positions and actions taken by the ACP Group.

Participation of non-state actors (NSAs)

The Cotonou Agreement enshrines the participation of NSAs in the ACP-EC relationship. By agreeing and ratifying the Agreement, ACP states fully acknowledged the role of NSAs in the development of ACP states. The participation of NSAs is to be facilitated at the national and regional levels, although participation of NSAs at the level of the ACP Council of Ministers and Summits of ACP Heads of State and Government is also assured. Integration of NSA participation is a process, and the ACP Group and the EU have agreed to the setting-up of Steering Committees at ACP national and regional levels to ensure the participation of NSAs in decisions relating to European Development Fund (EDF) resources earmarked for NSAs. Furthermore, the ACP General Secretariat is in the process of producing a NSA Guide, which should facilitate NSA participation in the Agreement.

Dialogue outside the ACP-EC framework

The 3rd Summit of ACP Heads of State and Government held in Nadi, Fiji in July 2002 mandated the ACP Group to strengthen the existing relationship with the EU, and to explore the possibility of expanding its relations with other countries and groups of countries. The ACP Group cooperated closely with the G-77 Group during the World Summit on Sustainable Development (WSSD) in Johannesburg during August 2002, and Canada participated in the proceedings of the first Meeting of ACP Ministers of Culture, in Dakar, Senegal in June 2003. Furthermore, at the 5th WTO Ministerial Conference in Cancún in September 2003, the ACP Group, AU and the Least Developed Countries (LDCs) formed an Alliance to jointly defend their interests at the Cancún

The numeric strength of the ACP Group, its desire to become one of the principal spokespersons of the developing world, and the stated objective to enhance the role and visibility of the Group on the international scene, warrant a focus beyond the ACP-EC relationship, of course without neglecting or downgrading existing relations. The focus in pursuing new relations is on the complementary nature that these relations might have on existing activities and programmes. Poverty reduction is one of the key objectives of the ACP Group, and by expanding its international focus through dialogue, the chances of achieving this objective is maximized.

The ACP Group is committed to take full advantage of the many possibilities and opportunities that dialogue offers, and the Group is at present actively engaged in putting in place the building blocks to ensure a sustained and continuous dialogue among its member states, with the EU and other states and groupings of states. Dialogue, and in particular political dialogue, is an indispensable tool that, if fully utilised, would ensure that the ACP Group takes its rightful place in the international world order.

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In the eyes of many observers, the intensification of political dialogue between ACP countries and the EU depends on the inclusion of civil society, and in particular non-governmental organisations (NGOs), to the greatest extent possible. NGOs working for development can contribute considerably towards improving the partnership and alleviating poverty if a genuine effort is made to involve them in this political dialogue, explains Gérard Karlshausen*.

Political dialogue and European civil society:

what role can development NGOs play?



EU delegations in ACP countries can play a vital role. It is important that they are trained in and open to dialogue, and that this dialogue goes beyond the contingencies of administrative project monitoring or financing procedures.

Article 8 of the Cotonou Agreement expressly provides that representatives of civil society organisations shall be associated with political dialogue. Thus, development NGOs (DNGOs) surely have a role to play, having both a wealth of expertise and partnership networks in ACP countries and links with European citizens.

However, as well as being based on the principal of solidarity, their participation must also stem from a political perception of what the Cotonou Agreement is: the expression of a joint European and ACP desire for cooperation between societies at all levels. DNGOs from the North must contribute not only their knowledge of the South, but also the analyses, attitudes and demands of the European population groups that they mobilise.

Involving European citizens

This requires DNGOs to develop their relationships with their members and their relevant public concerning European issues. In this regard, it is crucial that people are educated on the subject of development, and more effective measures must be taken to inform and mobilise public opinion. It is also important that DNGOs can constantly demonstrate their legitimacy and added value vis-à-vis other actors in the field of cooperation. Their legitimacy depends primarily on their ability to elaborate propositions and mobilise public opinion, while their added value depends in particular on their ability to convert this mobilisation and these proposals into actions. This also means that the European institutions must not regard DNGOs merely as "subcontractors" in the implementation of the Agreement, but as genuine actors of European civil society, fully associated with political dialogue.

The involvement of DNGOs from both North and South in political dialogue clearly also requires that they have access to research tools so as to be able to contribute analyses and concrete facts. The DNGOs' presence alongside the populations and their partnership with organisations in the South is an invaluable advantage.

Opportunities and culture of consultation

If DNGOs are to be recognised as entirely separate actors in dialogue, genuine opportunities for consultation must exist! On a preliminary level, EU delegations in ACP countries can play an important role. This is clearly the level at which real consultation opportunities must be created. The complexity and the sometimes sensitive nature of any political dialogue constitutes a strong argument for the participation of European DNGOs not to be limited, as is too often the case, to formal, restricted and sporadic consultations. Their approach will be less than wholehearted unless they can see the impact of their involvement in dialogue reflected in decisions made by politicians. There is still some way to go in this regard; a genuine culture of consultation must be implemented which respects both the DNGOs' autonomy and capacity as critics and the role of decision-maker which ultimately rests with the authorities.

Effective, acknowledged participation by European DNGOs in political dialogue within the framework of the Cotonou Agreement can only benefit all participants, aiding implementation of the Agreement for the benefit of equitable and sustainable development, as well as making it a real instrument of cooperation between European and ACP societies.

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An elusive reality...

political dialogue in the Cotonou Agreement

Previous EU-ACP Conventions were about aid and trade, and political engagement was not a feature. In the Cotonou Agreement, exactly what political dialogue will amount to remains something of a mystery, says Nancy Kachingwe of MWENGO, an NGO working to strengthen the capacities of nongovernmental organisations in Eastern and Southern Africa. Cotonou's signatories need to explain their thinking in wanting to strengthen the political dialogue in the Agreement, and clarify what it is expected to deliver.

Political dialogue within the Cotonou Agreement tends to add one more layer to the many existing ones. To complicate matters, political dialogue is now also taking place regionally - through regional bodies like SADC, the African Union and through initiatives like the NEPAD peer review mechanism. As social justice activists, we welcome any initiatives that might inject more integrity and honesty into politics. But how can the Cotonou Agreement help us to respond to the major geo-political questions of the day?

What added value?

The move to strengthen political dialogue between the EU and the ACP countries needs to earn credibility and legitimacy, and this can only be done if it is shown to be relevant to the problems that affect the lives of ACP citizens and if it responds to the critical issues that are shaping our world. It is difficult to shake off the image that political dialogue will simply be more of the same meetings, summits and conferences that deliver little.

These are important questions for civil society before engaging with political dialogue. People continue to demand that we be consulted- and listened to - when governments are "dialoguing" on questions that affect their lives. But organised civil society needs also to think critically about how it positions itself in relation to the



Strengthening EU-ACP political dialogue needs to earn credibility and legitimacy, and that can only be done if it is shown to be relevant to the problems that affect the lives of ACP citizens

dialogue under Cotonou. Civil society cannot engage unquestioningly in the process; its involvement cannot bring added value if the political dialogue itself has no added value.

Political dialogue is a dialogue between political entities. But it is difficult to know what political entities we are dealing with. In the case of the EU, which are the political entities we are talking about? In the case of the ACP Group, outside Cotonou, the group does not exist as a political entity, and those that we are trying to build - sub-regional blocs and unions - are minor players in Cotonou. Which framework is most effective?

The idea of strengthening the political dimension of the Cotonou Agreement did not come from civil society. The main fear was that it was simply going to be about (i) sanctions and (ii) conditionalities. There was debate, but rarely about the overall soundness of adding this dimension to what was essentially a cooperation agreement. Despite its intention to take a holistic approach to development, there is a compartmentalisation of issues in the Cotonou Agreement. Social development is dealt with through aid, economic development through trade and political/governance/security issues through political dialogue. Three different sets of ministries are involved - economic/finance, foreign affairs and trade/industry. When do all these come together for a coordinated response to the development challenges of ACP countries? Isn't this what political dialogue should do?

It is difficult to create a participatory framework for political dialogue unless that dialogue approaches issues the way citizens do: in terms of practical, day-to-day questions rather than in the way that states do - in abstract, technical and often narrowly selective ways.

Gaining credibility

Political dialogue is important, particularly if we are able to bring an end to conflicts and the militarisation of our societies, and make life more secure and happy than it is for millions of people. But many questions - indeed doubts - arise in relation to the political dialogue in the Cotonou Agreement; should we be creating new frameworks for dealing with human rights, democracy and security issues or should we be trying to support those that are being generated from within the ACP regions? Without dealing with broader issues of power relations between the North and South - raising questions about the policies of the EU as much as we question ACP governments - can this dialogue gain the credibility that would merit the participation of citizens?

Many other clarifications are needed, such as who the actors should be. But the main problems remain conceptual: the lack of buy-in and perceptions, possibly mistaken, that this is an EU imposition, has given this venture a somewhat inauspicious start. We need more creative approaches that connect governments to citizens, particularly those groups which are under-represented. We need dialogue where there is not only frankness, but where rhetoric and spin is replaced by substance. Dialogue has to be as much about listening as it is about talking. And for governments, not so much talking to each other but talking with others who might have something new to offer.



The role of the Joint Parliamentary Assembly:

political dialogue and the democratic opportunity

The political dialogue between the 92 nations of the European Union and the ACP, underpinned by the Cotonou Agreement offers a model for the future, says Hanja Maij-Weggen, who was until recently Member of the European Parliament (MEP) and Co-Chairman of the ACP-EU Joint Parliamentary Assembly's (JPA) Political Affairs Committee. Underlining the new approach to cooperation in the Agreement, is respect for human rights, democratic principles and the rule of law, and good governance. These must be subjects for regular discussion, and the Joint Parliamentary Assembly can play a

particularly important role.

· involve civil society, the private sector and other non-state players;

 confirm poverty reduction as a key objective within the context of objectives and strategies agreed internationally;

· create an innovative economic and trade cooperation framework with the aim of creating six Economic Partnership Agreements (EPAs);

 rationalise the financial instruments and establish a new system of "rolling programming".

The European Parliament signals its support

The European Parliament's assent to the Cotonou Agreement on 16 January 2002 sent a strong signal of support for the new format of ACP-EU cooperation. Under Article 17 of the Agreement the role of the Joint Parliamentary Assembly, as a consultative body, is to:

- promote democratic processes through dialogue and consul-
- facilitate greater understanding between the peoples of the EU and those of the ACP states and raise public awareness of development issues;
- · discuss issues pertaining to development and the ACP-EU Partnership;
- · adopt resolutions and make recommendations to the Council of Ministers with a view to achieving the objectives of the Agreement.

Endorsement of the Corrie Reform Programme has led to the creation of three Standing Committees with specific areas of responsibility to replace the old system of ad hoc working groups. The three broad areas covered are: Political Affairs, Economic Development, Finance and Trade, and Social Affairs and the Environment.

This new structure will enable the Assembly to operate on the basis of continuous parliamentary business, and provide a forum for more wide-ranging debate before and between sessions. The task of the Co-Chairman of the Political Affairs Standing Committee is to reinforce the political dialogue.

This reform, alongside a number of other key changes, should bring EU development policy closer to the people, both in Europe and the developing world, at a time when deeper cooperation is more necessary than ever.

The establishment of the Standing Committee on political affairs allows the Joint Parliamentary Assembly to maintain an ongoing system to monitor democracy, the rule of law and good governance. This will complement the role of regional assemblies and offers a twin-track, parallel structure for political dialogue between ACP and EU partners,

In Europe, the collapse of the Berlin Wall on 9 November 1989 marked a crucial moment as the Iron Curtain was razed. European unification roars ahead as the EU enlarges from 15 to 25 member states. A constitution for the EU has been prepared by the Convention to replace the old Treaties and to strengthen Europe's voice on the global stage, create more transparent accountability and reform the institutional structures.

Creating democratic opportunities

The creation of a genuine global partnership for sustainable development is one of the main weapons in the fight against terrorism. However, the pursuit of this aim must be based on the core principles of respect for human rights, rule of law, good governance, democracy, transparency and the fight against corruption. To this end, the nurturing of parliamentary democracies is essential to promote the freedom of the individual, enable economic growth and secure prosperity for all nations.

How can the Joint Parliamentary Assembly (JPA) respond to these needs? Does it offer a new democratic opportunity for developing nations?

Under the leadership of the previous ACP-EU Joint Parliamentary Assembly Co-President, John Corrie, foundations were laid to reform the Assembly's workings. The Assembly has become more parliamentary, democratic and efficient, making it better able to fulfil the tasks it was set under the Cotonou Partnership Agreement - and the challenges developed and developing nations together face.

New cooperation format in Cotonou

The Cotonou Partnership Agreement led to several major changes in ACP-EU relations, which should:

· enhance and reinforce the political dimension by establishing the Joint Parliamentary Assembly;



The ACP-EU Joint Parliamentary Assembly was created out of a common desire to bring together the elected representatives of the European Community and of the ACP states. It thus has a vital role to play in ACP-EU dialogue.

Photo European Parliament

enabling differences to be resolved ahead of full Joint Parliamentary Assembly plenary sessions.

By tackling issues immediately, the Standing Committee structure provides an additional avenue for debate that should allow the full Assembly to focus on areas where solutions remain unclear. By acting both as an early warning mechanism and an initial arena for debate, Standing Committees ensure continuous dialogue between ACP and EU politicians and Council members, and provide the chance to gauge opinion on issues from the outset.

If problems persist and dialogue reaches an impasse at either the Committee or regional assembly level, then the debate should be taken forward to the full plenary. But all parties must recognise that such a step could lead to a much-increased chance of applying Article 96 consultation procedures along with appropriate measures. This real risk of sanctions would focus minds on resolving disputes early on and encourage all parties to use the Committees as forums for real agreement, and not as a way to delay or avoid results.

It is now up to politicians and ministers from both EU and ACP countries to make the revised system work. This means real commitment to a common belief, as outlined eloquently in the New Partnership for Africa's Development (NEPAD), that democracy and good governance are preconditions for development. The logic is clear: democracy is the driving force for good governance, which in turn creates the political stability necessary for economic growth, through development aid and ultimately private sector inward investment.

In the new constitution for the EU the European Development Fund's budget will be brought under EU scrutiny – combined with the European Parliament's existing budgetary and co-decision powers over EU development policy. This will give MEPs increased potential to match words with deeds.

The 6th session of the Joint Parliamentary Assembly took place in Rome from 11 to 15 October. For the first time, the Joint Parliamentary Assembly examined reports proposed by the new Standing Committees on:

- rights of children, and child soldiers in particular,
- conflict prevention, the peace process and post-conflict management,
- sustainable management and conservation of natural resources in ACP countries in the framework of the programming of the ninth European Development Fund,
- use of the European Development Fund.

Partnership and political dialogue

under the Cotonou Agreement

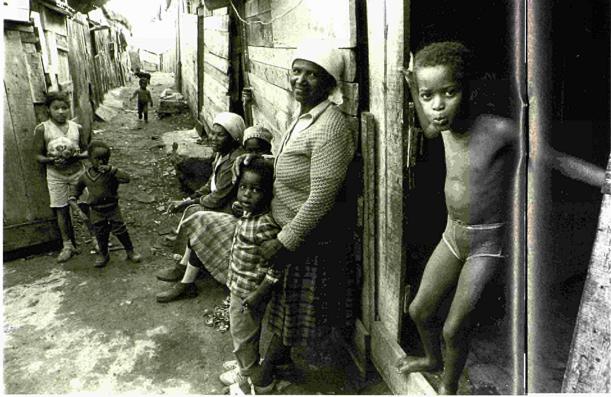


James Mackie*



The evidence for this "mature partnership", was essentially simple: henceforth the partners would recognise explicitly that they had to have a political relationship as well as a trade and aid one. If the partnership was to get away from a dependency relationship, born out of the postcolonial era, then it had to be broad, far-reaching and involve frank, two-way dialogue. The dialogue needed to cover both a number of basic principles that the partners agreed on, but also to make provision for areas of disagreement. It would be a prime tool for increasing mutual understanding and enhancing cooperation on an on-going basis so as to promote achievement of the aims of the Agreement. The dialogue would have to be flexible, inclusive, open and transparent and cover a wide variety of subjects including the so-called essential and fundamental elements. This is all captured in Title II (The Political Dimension) of the Cotonou Agreement, just a few pages from the start of the

But now, three years later, with the CPA finally ratified and fully in force, one has to admit that this bright new dawn perceived back then has turned into a rather cloudy, if not to say drizzly, day with occasional thunderstorms. ACP-EU political dialogue has undoubtedly occurred in various fora and formats, but it has also hit major blockages and raised considerable doubts and fears. These essentially revolve around what happens when dialogue breaks down and the use of sanctions under Article 96. For some this is the new conditionality hidden behind the partnership.



The Political Dimension provisions of Cotonou

It is worth pausing to consider what is and what is not in Cotonou's Title II. The first key point to underline is that Article 96, to which many people refer when they discuss Cotonou political dialogue, is not in Title II, but in the Final Provisions at the end of the Agreement. It deals with the so-called "formal consultations" (called by either party if they feel the essential or fundamental elements of the Convention have been broken and which can lead to "appropriate measures" including sanctions). Article 8, which is in Title II (Articles 8-13), is the basic political dialogue article. It describes the objectives of political dialogue, what it should be about, and how it should be conducted. Therefore strictly speaking, Cotonou's "political dialogue" refers to Article 8 dialogue. In contrast, Article 96 is really not part of that dialogue, but more of a final check, post-dialogue, between partners in a situation of crisis or major disagreement before one takes "appropriate measures" against the other. Invoking Article 96 in fact means that political dialogue has broken down. This is a key point which is regularly forgotten.

Crucially, Title II of the Cotonou Agreement also contains five further articles which are all about substance. These include Article 9 on the essential and fundamental elements; Article 11 on conflict prevention; Article 12 on the coherence of EC policies with the Cotonou Agreement and finally Article 13 on migration policy.

The association of Article 96 with the Cotonou "political dialogue" of course arises because it can only be invoked in cases of violation of the essential elements which are spelled out in Title II and more specifically Article 9. These concern principles of human rights, democracy and the rule of law. Article 9 also refers to good governance as a fundamental element of the CPA, which, if violated by cases of serious corruption, could provoke the use of the twin Article 97. Furthermore, both Articles 8 and 96 have specific links with each other in that both contain a clear indication that the negotiators hoped that regular Article 8 political dialogue between the parties would help avoid the need for the use of Article 96. In sum, while Article 96 (and 97) are formally not part of the CPA political dialogue provisions in Title II, they are clearly and explicitly linked to it by both the subject with which they deal and by the Agreement's expressed hope that more dialogue will lead to less need for the use of sanctions.

So what has the experience been so far of the use of Cotonou's Articles 96 and 8?

Consultations on the essential elements – Article 96

Article 96 is an inheritance from the past Lomé Convention's Article 366a. From the EU point of view this Article works quite well. It allows the EU, in a fairly tidy and well regulated way, to state its opposition to certain events in ACP states and pull out its support in protest. Providing the EU follows the procedure laid out in the Agreement, the ACP

state in question cannot legally say very much other than to disagree and protest their innocence. At that point the dispute settlement procedure (Art. 98) could possibly be invoked though this is rarely done. The only real difficulty for the EU is to decide what would be an "appropriate measure". Cotonou does not shed any light on this question, but in the past this has usually involved the suspension of aid. In extreme situations, the EU might decide to go further and move out of the CPA framework into the legal framework of the EU Common Foreign and Security Policy where it can unilaterally decide to impose other forms of sanctions.

For the ACP these components of the Cotonou Agreement are another matter. The ACP have never invoked Article 96 against an EU member state and it is hard to see this happening. On a purely practical level it would not be easy to get 77 member states of the ACP Group to agree on such action nor on what sanctions to use. It would require a major effort to mobilise support, yet even the UK going to war in Iraq without a UN resolution split the ACP, with some states supporting the US-UK coalition. This inequality between the ability of the Cotonou partners to back criticism of the other side with action is where the limits of the concept of equal partners are reached.

Various Article 96 (and Lomé 366a) cases have arisen over the past five years, some still on-going, with six cases launched under the Cotonou Agreement. Most cases arose after coups d'étâts (Fiji, Côte d'Ivoire, Comoros, Guinea Bissau, Niger...), flawed elections (Haiti, Côte d'Ivoire, Togo...) and human rights abuses (Liberia, Zimbabwe...). The most recent case followed the

15 March coup in the Central African Republic. One case stands out: EU-Zimbabwe relations since January 2002. Zimbabwe has experienced neither a coup nor an unconstitutional change of government. The sanctions imposed by the EC in February 2002 have not achieved the desired result, but the case has attracted a lot of media attention and caused considerable diplomatic difficulties. It is also the first occasion the EU proposed the use of Article 8 dialogue and then moved to Article 96 consultations, thereby inadvertently confirming in many people's minds the links between these two separate sets of provisions (see box on next page).

Some cases are viewed as having achieved positive results. In particular the consultations with Côte d'Ivoire in 2000-2001, and with Niger in 1999 are cited. In both these cases the process moved along similar lines. The consultations seem to have produced honest exchanges of view with the EU indicating its bottom line and the ACP government then proving itself willing to make some changes. Compromises were worked out with agreement on steps to be taken and a timetable to normalise the situation. These agreed stages were then undertaken in a gradual fashion with the EU reciprocating step by step with re-establishing normal relations, in parallel to agreed moves towards democratisation and re-establishment of the rule of law by the ACP

Article 8 political dialogue

Analysis of what has happened with Article 8 dialogue is not as easy because, unlike Article 96, neither the ACP nor the EC keep a systematic record of such cases. The cases are also inherently less dramatic and do not grab the headlines. Equally, so far, there is less academic interest in and analysis of Article 8 dialogue.

Discussion with both ACP and EC officials, however, reveal that there are various difficulties and reservations with establishing and running a successful Article 8 dialogue. Some of these are internal to the preparations on each side and others relate to the dialogue itself.

The EU in particular has a number of difficulties relating to the institutional structure of the Union and to the changing nature of the tasks of the Commission. In due course, with experience, some of these will no doubt become less of an obstacle though others require major changes to inter-institutional relations. To list a few:

- This is a new role for many EC Delegations which are more used to development cooperation work and the administration of aid;
- The need for the EC to involve member states: this is unfamiliar terrain and officials are often unsure how to start and how to agree on agendas and common positions; furthermore EU member states' views on each ACP country vary a lot;
- The role for the EC in the dialogue is not clear to many a coordinating role seems evident, but it should not just be the secretariat for member states;
- · Who should lead the process: the EC Delegation, the EU Presidency, the EU-Heads of Mission, or the EU-Troika?
- There are further complications with Council working groups back in Brussels: should it be the ACP Group or for instance the Africa Group and which one should lead? Both clearly want a

say; the officials in each Group are often different and so there is a tendency towards inconsistency and lack of continuity in

• The EU's need to first agree a common position tends to stultify dialogue with ACP governments once it starts; the EU spokesperson can thus feel hampered in the dialogue by having to "stick to the agreed script".

Article 8 dialogue further tends to impact on EC development cooperation programmes and member states' bilateral aid programmes in different ways. For example, in Zimbabwe some EC officials wanted to finalise and approve, but not sign the country's Country Strategy Paper as a "carrot" in the diplomatic negotiation. The EU member states opposed this on the grounds that this would give confusing signals. At the same time it was not the EU member states which had to live with the consequences of this decision as they could choose to stop their own bilateral programmes when it suited them.

Such problems mean that some commentators on the EC side are raising questions on the way forward. For instance: How is Article 8 dialogue different from what went on quietly in the past in various fora? Why all this fuss about political dialogue now? Maybe it would be best not to refer to Article 8 at all and just get on with the dialogue informally as before?

On the ACP side the concerns are rather different. There is first and foremost among many ACP officials unease about many of the subjects the EU wants to raise (human rights, good governance etc) in the dialogue. Even though the principle of dialogue and the essential elements were agreed in Cotonou these are clearly difficult subjects to handle when the implication of the EC wanting to raise them is precisely that they are not satisfied. There is a view that dialogue can easily tip over into interference. There are questions about openness, transparency and the involvement of civil society; there is sensitivity about discussing difficult subjects in public and with the involvement of other ACP countries. Losing face publicly can also be seen as undermining a government's ability to govern. Thus, for many ACP states, these aspects of the Cotonou Agreement and any EU insistence on discussing essential elements constitute a new form of conditionality. Furthermore, if the EU does insist on raising essential elements issues within an Article 8 dialogue framework, as in Zimbabwe, it is not surprising that Article 8 quickly acquires the reputation of being a prelude to Article 96.

So what then can be done to improve the use made of Article 8? This question does need to be addressed, because there are also dangers in not making full use of the opening for dialogue that Cotonou offers, as ultimately dialogue is clearly the way forward. Two possible approaches to explore might help in this respect:

1. Attempt to defuse the difficult association that has become established in certain quarters between Article 8 political dialogue on the one hand and the start of a process that leads

Zimbabwe – The slippery slope from Article 8 to Article 96

The process followed in the case of Zimbabwe is noteworthy because it is the first time the EU tried to go through an Article 8 political dialogue in the hope of avoiding the use of Article 96. Unfortunately, with Zimbabwe, the EU's proposal to hold Article 8 dialogue got nowhere and this early failure to find a way to use political dialogue as a way out of a disagreement has certainly made it more difficult to get Article 8 dialogue off the ground elsewhere. It is hard to point to any one reason for this failure, but it is instructive to run through the main steps of the case. The process started in mid-2000, just months after the signature of Cotonou. The EU first took quite a long time to agree and prepare a common position in, at times, a difficult internal discussion that was marked by member states taking very different positions on how to proceed. In early 2001 the EU then proposed to the Government of Zimbabwe (GoZ) an Article 8 dialogue on issues relating to violations of essential ele-

ments. The latter at first demurred, then accepted the principle of the dialogue but insisted that the agenda first had to be agreed. Five months later, by the time the GoZ finally agreed to the agenda, the EU Council was losing patience and in June 2001 issued what was effectively an ultimatum insisting on a rapid start. By October, with the Article 8 dialogue still not having started, the EU decided to proceed to Article 96 consultations. After further disagreements about dates and modalities, these were then finally held in January 2002. Not satisfied with the response of the GoZ in the talks, the EU gave notice and then closed the consultations, passing rapidly to a decision on sanctions on 22 February. A year later with no progress on the essential element concerns raised, the sanctions have recently been renewed for a further year.

In retrospect it seems that the Article 8 dialogue never had much chance of succeeding in this case. Both sides at times took aggressive and uncompromising stances, there was a fundamental disagreement about the key issue to be resolved: human rights violations and the breakdown of law and order in the EU's view, or land reform in the view of the GoZ, and impatience on both sides with what each saw as instances of highhanded behaviour and arrogance from the other. Therefore it is clear that the case fell well outside the spirit of the open and constructive dialogue envisaged in the Cotonou Agreement. In such cases, where the differences are so great and there is insufficient political will to compromise, Article 8 dialogue simply cannot even take off, let alone progress and so help the parties avoid Article 96 consultations.

A final note on the sanctions against Zimbabwe, which are of two two types:

- Suspension of EDF and EU member state aid: this had a serious impact on the government budget. There was an attempt to maintain projects that circumvented the government and directly supported the poor.
- · Embargo on arms and travel ban (in the CFSP framework). The impact of these on President Mugabe or the GoZ is hard to measure. The travel ban has proved a running sore in Africa-EU diplomacy and both EU and African nations have suffered as a result of the impact the travel ban has had on international discussions (eg. EU-SADC meeting moved from Copehagen to Maputo, EU-Africa summit postponed sine die, ACP-EU Joint Parliamentary Assembly in Brussels cancelled, disagreements over the France-Africa summit, meetings on NEPAD, etc).

ultimately towards sanctions on the other. This might be done by, among other things:

- Developing a more widespread understanding of how these provisions of the Cotonou Agreement can be used.
- Seeking to give Article 8 an "ordinary and run of the mill" image by choosing non-controversial subjects to start with and by making sure the dialogue goes on continuously on a regular
- · Choosing low-key informal approaches by agreeing to minimise formal diplomatic protocol;
- Having several Article 8 dialogue streams on different subjects going on in parallel and using a variety of formulae;
- Using a variety of types of session, some closed, some open and different participants for each subject.

2. Pay attention to process, as it is usually the way a dialogue is run that makes participants more or less at ease and more or less willing to contribute actively and constructively:

- Dialogue should be two-way and not just set by the EU's agenda, but also by the ACP country's agenda. The EU should be prepared to discuss its policies in general and not just those specifically oriented towards the country concerned: eg, the question of coherence in EU policies (cf. specific reference to this in Article 12) should be of clear interest to the ACP;
- Make sure expectations on both sides are well understood;
- Each side should be seen clearly to be making an effort to respond to the expectations of the other side;
- Ensure views of both sides are listened to properly;
- Identify representatives to lead the dialogue who are, as much as possible, trusted on both sides - make sure they always have an overview;
- Consider using independent/neutral facilitators particularly for subjects that are even a bit sensitive;
- Do not expect to rush discussions;
- Be prepared to be flexible.

Above all, Article 8 should not be used for resolving crises. Article 96 serves that purpose. The key to success with Cotonou's Article 8 may well be precisely in knowing when not to use it. The prime objective of Article 8 is to foster mutual understanding. This should remain its principle goal in practice also. When major disagreements emerge or if one party refuses to discuss a topic which the other sees as vital, then the discussion is perhaps best transferred quickly to another forum (eg, closed door discussions followed by Article 96 action) outside the established Article 8 framework.





Conclusion

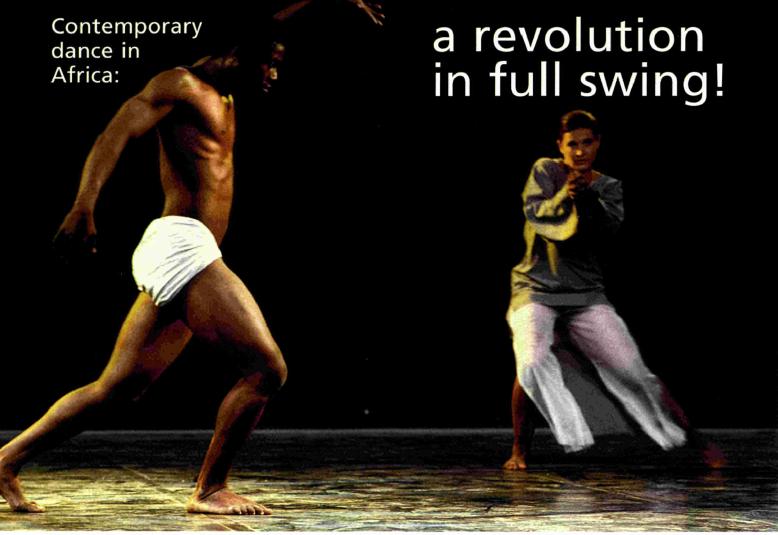
As its title suggests, partnership in development cooperation is a central guiding principle for the Cotonou Partnership Agreement. One key method foreseen for putting this concept into practice was the inclusion of provisions for political dialogue in the Agreement. Unfortunately this is not yet working as well as had been hoped, and there is a sense that expectations in some quarters were perhaps a bit too high.

The negotiators may have agreed the principles, but in practice this has proved a very difficult area to implement. The signing of a general agreement to dialogue does not automatically mean that every official involved will be willing to do so in any specific set of circumstances. On the EU side in particular, it should be recognised that if the EU sees Article 8 largely as a convenient way of tackling awkward subjects and resolving differences with individual ACP governments and focuses its political dialogue efforts on such sensitive subjects, then it becomes very easy to slip into what some in the ACP see as interference. The partnership is manifestly not one of equals and this imposes certain limitations which should be recognised. The EU holds most of the major cards. The ACP feel this means the EU can twist their arm if differences are not resolved.

Of course awkward subjects - inter-alia the essential elements - do need to be discussed and judgement will have to be made from time to time. Dialogue is clearly also the way forward to resolve differences and not only to foster mutual understanding, but with sensitive subjects it has to be handled carefully and there can be no expectation of automaticity. For the "health" of Article 8 political dialogue, the emphasis should therefore be primarily on the fostering of mutual understanding in a wide variety of areas (and not just on the essential elements) and the resolution of crises in relations should be left to Article 96 consultations. Wisdom, care and some restraint in choosing what to discuss, when and how is also a mark of a mature partnership.

^{*} Programme Coordinator at ECDPM responsible for its work on the political dimensions theme. ECDPM is an independent foundation based in the NL and dedicated to capaci-ty building activities focused on strengthening ACP-EU cooperation: www.ecdpm.org.

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Savog company ©Antoine Temp

Of all the forms of artistic expression, dance is perhaps the closest to the essence of universal communication, pure and simple. Body language transcends all differences – and cannot lie! This is demonstrated by a new generation of dancers/choreographers whenever they have the opportunity. Like in Dakar, in June this year, at the second Kaay Fecc ("Come and dance") international dance festival.

Bernard Verschueren

What a celebration it was! But opportunities to discover such a proliferation of talent on the African stage are still too few and far between. A phenomenon in full swing, choreographic art in French-speaking Africa is there to be discovered at events such as "Kaay Fecc" (Dakar), "Dialogues de Corps" (Ouagadougou), "Atout Africain" (Ouidah) and the "Rencontres chorégraphiques d'Antananarivo" (organised by the French Association for Artistic Action). Alongside the many traditional troupes and national ballets surviving here and there, Africa is witnessing the emergence of a young generation of creators, unencumbered by tradition and gradually shaking off the almost obligatory post-independence assertion of identity, who are now exploring the world of choreographic research and creation with polished acumen, assured technical skill and undeniable inventiveness.

Eclectic mix

Nganti Towo, a dancer from Cameroon, is the mainspring of this initiative. He refutes the label "contemporary" because "it's a concept deriving from a Western perspective. Since the very beginning of dance, there has always been contemporary dance, i.e. dance of the moment as opposed to that of the past". To confuse the issue further, Kaay Fecc advertises itself first and foremost as a "festival of all dances"; Mandingue, Afro-American, Serere, Austrian, Casamançais, Italo-Belgian, Ghanaian, Germano-Togolese, Congolese, Burkinabe, Cape Verdian, etc. In Dakar, the stage was alive with striking contrasts at the prestigious Daniel Sorano National Theatre, the Douta Seck Arts Centre and the French Cultural Centre, where demonstrations of ancestral rituals rubbed shoulders with innovative modern methods.

More than just an event, Kaay Fecc sees itself as an "instrument for the development, recognition and professionalisation of dance". Created in 2000, the Kaay Fecc association works to raise awareness and provide professional training throughout the year. It is also involved in dance initiatives for the benefit of young disabled people and traditional dance workshops in Senegalese schools. The first Kaay Fecc festival, in 2001, was a complete gamble, an impulsive act, with makeshift technical and hospitality facilities and the artists performing virtually for free. Through a combination of persistence and ingenuity, and after months

of relentless, repeated efforts to build up (sometimes unusual) partnerships, the organising team managed to scrape together most of the provisional budget for the 2003 event (around a hundred million CFA francs, almost €200.000). One of the major donors was Senegal itself, with a substantial contribution from Dakar urban council.

Showcase for dance for all

The result was a professional event involving 31 companies from very different origins who do not normally work for free, and boasting a technical director, a structured and diverse programme, decent hospitality facilities, and real works of art on the stage. To guarantee the popular dimension so important to its organisers and to give everyone the chance to discover this anthology of dance, the festival was entirely free and for eight days the streets of Dakar were a hive of activity as, under the rapturous gaze of residents, traditional dance groups performed a simb (fake lion game) or a lively sabar (a traditional festive dance). Teaching and demonstration workshops were open to all, with choreographers sharing their expertise, rounding off this international dance festival.

Kaay Fecc also provided a rare opportunity for professionals to meet and share experiences with, and compete against, other professionals who had come with their companies or those who had decided to make the journey to



Dakar, like Salia Sanou or Faustin Linyekula. There were authors who had come for the purpose of looking around and immersing themselves in their brothers' creative spirit; rather than seeking a gateway to the West, which may appear to be the Holy Grail but is often not a solution...

Artistic creation par excellence

The programme of events highlighted the vitality of artistic creation, particularly in Senegal, also home to the "Ecole des Sables", located in the village of Toubab Dialaw. Founded in 1998 by Germaine Acogny, this school takes in over 20 dancers and choreographers every year. Many of the promising young talents of today were

trained here, by professionals from all regions of the continent. The school also witnessed the creation of part of "O More" by Barnardo Montet, a choreographer of Guyanese-Vietnamese origin, which was the festival's opening performance. Loosely based on Shakespeare's Othello, it was a powerful reflection on the issues of mixed race, identity and memory, performed in the manner of a trance by six dancers from Africa and beyond, accompanied from start to finish by Gnawa musicians from Morocco. A symbolic figure of modern Senegalese choreography, Jean Tamba and his company 5ème Dimension presented "Bujuman". Interpreted by four veteran dancers, including the extraordinary Simone Gomis, against a highly colourful visual background and an eccentric audio accompaniment, Bujuman depicts the daily struggle faced by the hundreds of down-and-outs living in modern African cities. For some, the real revelation was young (28-year-old) Congolese Andréya Ouamba, choreographer for the company 1er Temps in Dakar. Four waiting solitary figures became intertwined in controlled, graceful body movements, remarkably interpreted by young dancers, one of whom was Dakar's talented star, Fatou Cissé.

Young artistic creation was not overshadowed, with the public having a whole afternoon to discover some budding talents, aged 6-16, who embody the infatuation with modern dance of a young generation with something to say, like Bertrand Tchébé Saky's "Etincelles", which brought its audience face to face with the reality of street children, delivering a beautiful message of hope. The most intense mixed perspective came from the Savog company; the story, in life as on stage, of a meeting between Togolese Pierre Sanouvi and dancer Annette Vogel from Munich.

A truly international crossroads of dance, Kaay Fecc also played host to the Tâ company from Burkina Faso, which performed "Bûudu ou le songe d'un peuple", focusing on myths, customs, rites and a way of life falling victim to relentless change. The young, friendly group from Cape Verde's Raiz di Polon company enlivened the festival by its presence everywhere. On the stage at the Sorano Theatre they performed "Duas Sem Três", a duet laced with humour playing homage to women, and "CV Matrix 25" on the theme of exile, musically portrayed by an outstanding singer and guitarist who transported the audience to the islands with her swaying morna. The artists of Ghana's Dance Factory offered a spectacle with mixed influences raising awareness of AIDS, one of the themes of the festival. The visual tapestry was enriched by companies from the US, Austria, Belgium and France, who came to show off their creations to a Dakar audience never shy of expressing its opinion. Here and there, a strong contingent of friends and supporters of traditional troupes from the four corners of Senegal gave the crowd a multi-hued appearance and created an atmosphere that often more closely resembled a sports field than a silent, Western-style place of cultural diffusion. Indeed, this meeting between the expression of tradition and artistic creation drawn from inexhaustible roots, a modern, often urban Africa, and a universal choreographic heritage, yielded the emotion, surprise and magic perceptible throughout Kaay Fecc 2003. ■



Cook Islands



Located approximately 3,500 km north-east of New Zealand in the South Pacific Ocean, the Cook Islands comprises 15 islands, scattered over more than two million square kilometres and divided into two groups: the southern group, which includes Rarotonga (the main island), Aitutaki, Atiu, Mangaia, Mauke, Mitiaro, Manuae, Palmerston, Takutea, and the northern group, which includes Manihiki, Nassau, Penrhyn, Pukapuka, Rakahanga and Suwarrow.

The Cook Islands is a self-governing state in free association with New Zealand: while exercising full executive and legislative powers, its citizens hold New Zealand citizenship and have free access to New Zealand. In 2000, it joined the ACP-EU partnership, along with five other Pacific states.

The Cook Islands has long depended on agriculture and subsistence fishing, but today tourism is the leading sector in the economy: the Cook Islands has some of the most beautiful and diverse scenery in the South Pacific, from turquoise waters and white sandy beaches to rugged volcanic peaks. The rapid expansion of the black pearl industry and the launching of the tuna industry have recently provided new employment opportunities for the local population.

Although the main island is relatively developed, the outer islands still lag behind. The government is trying to address these disparities, which are one of the main causes of the migration of a large number of people, including skilled and qualified labour. To this end, the assistance provided by the European Union aims to improve social services (health and education) in the outer islands, thus contributing to the future growth prospects of the country, hoping to lure back some of those who have migrated in the past decade.

Report by Maurizio Carbone

A unique status in international politics

The Cook Islands enjoys a special status in the international arena: self-governing in free association with New Zealand. As a consequence of this unique relationship, Cook Islanders are citizens of New Zealand and have the right to emigrate at will to both New Zealand and Australia. The emigration of skilled workers and the big government deficit are two of the key challenges that Cook Islands faces at the moment.

Believed to be inhabited already in 800 AD, settled from nearby islands in the thirteenth century, visited by European navigators at the end of the sixteenth century, the Cook Islands takes its name from Captain James Cook, who, between 1773 and 1777, landed at a number of the islands that today bear his name. A new phase began in July 1823 with the arrival of representatives of the London Missionary Society, who brought Christianity and drew up legal codes which led to political stability. In 1888, it was declared a British protectorate, with the Southern group named Hervey Islands and the islands of the Northern group named individually.

Free association with New Zealand

In 1901 Cook Islands was annexed by New Zealand and administered as a dependent territory until 1965 when, following an act of self-determination, it became self-governing in free association with New Zealand. From constitution day (4 August 1965), the New Zealand Parliament, unless requested, ceased to have power to make laws in respect of the Cook Islands, and from 1981, it was absolutely precluded from legislating for the Cook Islands, even with the request and consent of the Cook Islands Parliament.

Over the years, the Cook Islands has taken over progressively more responsibility from New Zealand, generally as a result of harmonious negotiations. In 1973, the Prime

Minister of New Zealand and the Premier of Cook Islands clarified some aspects of this relationship in an exchange of letters: there were no legal restraints on the freedom of the Cook Islands, but New Zealand remained responsible for foreign affairs and defence, in consultation with the Cook Islands government. In 2001, to mark the centenary of the formal association between the two countries, a joint declaration updated the relationship, with the Cook Islands seeking and achieving increasing autonomy with respect to foreign and defence affairs. Helen Clark, Premier of New Zealand declared that "if people in the Cook Islands want to assert their independence, New Zealand will not stand in their way", but also noted that if the Cook Islands wanted to become a member of the United Nations, the special relationship with New Zealand should be rethought. Nevertheless, at the moment Cook Islands is a member of the Pacific Islands Forum and of a number of international organisations (i.e. FAO, WHO, UNESCO); it has also established a number of diplomatic relationships with third countries.

Population decline

In a recent poll on whether the Cook Islands should become independent, a large majority voted against it, thus opting to keep the status quo. Cook Islanders, as they are citizens of New Zealand, can reside, work and enjoy social



_country report: Cook Islands



The Saturday morning outdoor market is an occasion to buy a variety of islands produce, but also different kinds of crafts and souvenirs.

benefits in New Zealand and as a result of the Trans-Tasman relationship between New Zealand and Australia, enjoy the same benefits in Australia. No politician could even think of pursuing independence at the cost of jeopardising the New Zealand citizenship.

This open access to both Australia and New Zealand has major implications for migration patterns: according to the latest census (2001), the resident population is about 13,400, while 80,000 Cook Islanders live abroad, mainly in New Zealand. A major disadvantage of the population decline, particularly in the outer islands, is the loss of skilled and qualified workers; this drain is continuing and has a negative impact on the growth of the private sector. The hope is that the recent boom in tourism and pearls may attract some Cook Islanders back, although the government has dropped a campaign to lure islanders home.

Asked why Cook Islanders migrate, Professor Crocombe, a major expert on Pacific issues living in Rarotonga, gives several possible explanations: "In addition to the fact that generally people in small places are attracted to larger places, I see three more reasons. First of all, excessive and inefficient government which absorbs too much of the available income, sets a low productivity model, and keeps the incomes of Cook Islanders much lower than they need to be. Second, the fact that communications, shipping, airlines, most merchandising and a number of other activities are controlled by a small cartel of mainly expatriate businessmen who keep prices excessive and the cost of living too high. Third, the higher pay, wider range of services, and availability of unemployment and other welfare payments in New Zealand and Australia, to both of which Cook Islanders have free access."

A two-party system

Post-independence politics has been dominated by two major parties: the Cook Islands Party (CIP) and the Democratic Party (DP), which has split into the Democratic Alliance Party (DAP) and the New Alliance Party (NAP). The CIP has been under the leadership of Albert Henry for a long time, and the DP under the leadership of Sir Tomas Davis. After ruling the country since independence, Albert Henry was removed from Parliament in 1978 by the High Court on the grounds of electoral corruption. The Henry government had also little understanding of economics, expanding inefficient services, while at the same time productivity in key economic sectors declined sharply.

Albert Henry's successor, Dr Tom Davies, a Cook Islander who spent most of his life in New Zealand and the US, came to power trying to restructure the economy: exports doubled, efficiency increased, nepotism and political favouritism were reduced. His government lasted nine years before being ousted by a vote of no confidence by his own party. Following the 1989 elections, Sir Geoffrey Henry, cousin of Albert, and new leader of the CIP, remained in power for about a decade. The new government continued the practises used before 1978: new jobs were created for political supporters, but to cope with the financial crisis of the mid 1990s, in 1996 over 60 per cent of public services had to be dismissed.

Patronage, party switches by members of Parliament, and cabinet reshuffles are a major concern: politicians are increasingly the target of people's criticism. For instance, over the past five years, the Cook Islands has gone through five coalition governments, which has inhibited consistency in economic and financial policies. The current government, led by Prime Minister Dr Robert Woonton, has been in place since January 2003 following the reunification of the Democratic Party.

The offshore industry

Another major challenge comes from the offshore industry. Created in the early 1980s, the offshore finance business has grown to occupy an important role in the local economy in terms of direct value added (wages and profits), license fees and taxes and a range of indirect effects; it has also proved to be an important source of employment for qualified people. According to Brent Weenink, President of the Trustee Companies Association, "the scale of offshore business activity associated with the Cook Islands is estimated to be substantial, largely because of the asset protection trust. Company registrations are in decline. The number of offshore banks and insurance companies is also minimal. For the past ten years, the finance and business sector (which includes offshore business) has grown at an impressive annual average of six per cent".

If on the one hand this sector has grown at a steady rate, on the other hand major concerns have been raised about the fact that the Cook Islands is included on the OECD Financial Action Task Force (FATP) list as failing to cooperate with international efforts to combat money laundering. The Cook Islands made a commitment to improve the transparency of its tax and regulatory systems and establish effective exchange of information for tax matters with OECD countries by the end of 2005.

The Cook Islands Offshore Banking Commissioner, Matilda Uhrle, says that "new legislation has been drafted to strengthen the country's anti-money laundering law. The new banking act is in line with current international standards on banking supervision and regulation". A new Financial Supervisory Commission was established in July 2003 to license and regulate all trustee companies and banks providing domestic and international trustee and banking services in or from the Cook Islands. The enactment of this comprehensive framework shows clearly that the government is fully committed to meeting FATF requirements for the country's removal from the blacklist: the issue is now the degree to which the new laws are implemented.

Beyond tourism: marine resources as potential for further economic growth

For many years, tourism was the only productive sector in the Cook Islands. In recent years, the black pearl industry and the launching of the fish industry have increased the economic opportunities for citizens; furthermore, renewed interest in mining in the ocean may represent a major source of potential economic growth in the long term.

During 1982-1994, the real per capita gross domestic product (GDP) of the Cook Islands grew at an average annual rate of 3.5 per cent. Tourism, but also a public sector which relied on foreign aid and foreign borrowings, were the engines for growth. During the following years (1995-1998) contractions in tourism and cuts in the public sector led to a severe financial crisis: real GDP fell from 4.4 per cent in 1995 to 0.2 per cent in 1998. Government debt reached unsustainable levels. As the situation worsened, an Economic Restructuring Programme was implemented to reduce substantially the size of the public service, improve fiscal governance, and facilitate private sector development.

Between 1996 and 1998 the number of public servants was reduced by 57 per cent. The social consequence of this retrenchment was that about 18 per cent of the population migrated to New Zealand. From 1999 the economy started to recover, mainly as a result not only of tourism but also of black pearl production. To these activities, we can now add the launching of the fishing industry and, in the longer term, the possible exploitation of mineral resources.

Tourism

Until the early 1970s the Cook Islands was an isolated destination in the Pacific; its economy was based mainly on agriculture and fishing. The opening of the international airport in Rarotonga in 1974 completely changed this picture, making tourism the leading sector in the economy. Visitor arrivals increased by a very

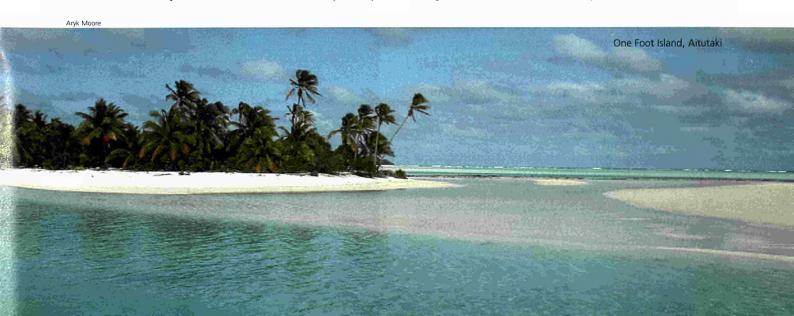
high percentage and so did the availability of accommodation.

With this growth, some concerns have emerged. The first concern is with connectivity: tourism depends mostly on only one international carrier: Air New Zealand. Local people also complain about the high price of airplane tickets. Recently, two other carriers (Aloha and Royal Tongan) have started operating some weekly flights: this has led to more opportunities for tourism arrivals and to a drop in prices (including those of Air New Zealand).

The second concern is about further development in this sector: the existing accommodation in Rarotonga is often overbooked. The strategy now is to expand the tourist offer to the other islands. "If until five years ago, tourism was not an issue for the outer islands, now people are coming to us asking for more tourist opportunities", says Chris Wong, Chief Executive Officer of the Cook Islands Tourism Corporation (CITC).

In this sense, Air Rarotonga, the domestic airline, represents the most important partner: "Aitutaki is now getting more tourists. I think we can do more for islands like Atiu and Mangaia. But we don't only need more flights; we also need some serious investment, in terms of better infrastructures and better services offered to the tourists", explains Ewan Smith, managing Director and also chairman of the local Chamber of Commerce.

Along the same lines, Mr Wong argues that "tourism is not only about accommodation. We also need to have more support services. For instance, tourists sometimes complain that there are not many activities, distractions,



possibilities to buy souvenirs. We need to place more emphasis on this. We need to do some solid research about what people want when they come here. But we should also keep in mind that we are different from other countries. Handicrafts in other places can be produced very cheaply because labour is cheap. In the Cook Islands, labour is not that cheap. An option that is now being pursued is more sophisticated arts".

Another major concern is about the effect of tourist growth on the environment and the pressure on natural resources. For instance, the issue of waste management: if in Rarotonga they are already overloaded, Aitutaki has no formal waste management facilities. In addition, better provision of power and water is necessary. "We should be very cautious about further expansion. I think we should look at improving the quality of the services we offer. Also, to make this industry sustainable we must make sure that local people participate fully in this growth: if the host is not happy, the visitor will not be happy", concludes Mr Wong.

Black pearl industry

The development of the black pearl industry is fairly recent, but has rapidly become the leading sector in export earnings and the second in importance (after tourism) for the nation's economy. The vast majority (about 90 per cent) of world black pearl production comes from French Polynesia, while Cook Islands produces less than 10 per cent.

Most of Cook Islands' exports go partly to Japan (50 per cent) and partly to Europe, New Zealand, Australia and the US. Almost all farming activity occurs in Manihiki, where the growth of the pearl industry has contributed to the development of the telecommunications, transport and health sectors. Because of this success, the government has been encouraging other islands to follow suit. "Further development in Manihiki is not possible. Penrhyn has a lot of room for expansion: at the moment, they are using only 10 per cent of their lagoons. Something can also be done in Palmerston", says Ian Bertram, director of Aquaculture and Inshore Fisheries at the Ministry of Marine Resources.

However, such optimism should be tempered with concern regarding potential environmental degradation. If lagoons are overcrowded, they are likely to produce unhealthy pearl oysters, as was the case for Manihiki in 2000, where the poor quality of the water spread bacteria to almost all farms, ultimately causing a severe disease outbreak.

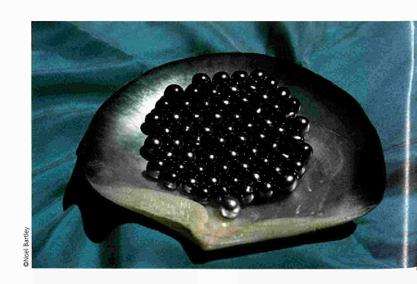
Better management practises and sound husbandry are thus needed to minimise the likelihood of an epidemic. A management plan which could define stocking rates, locations, and husbandry rates has always been called for, but the lack of cohesiveness in the sector has for a long time prevented the Ministry for Marine Resources from intervening: "We have just finished a management plan and we are ready to submit it to the local communities. This is not an easy process because some farmers will be asked to cut their production. Rather than volume, I think more emphasis should be put on quality", says Mr Bertram.

A similar opinion is expressed by Temu Okotai, owner of Direct Pearl Farm: "The emphasis is still too much on production. This was a very lucrative sector until three years ago, when world prices were still high: we did not need to bother about marketing. There is also a need for an agency to help small farmers to negotiate with the buyers: small farmers are often at the mercy of big buyers. We need more discipline: we can't just go ahead the way we are doing now. The government seems to be very receptive. We need their help in the area of marketing, quality control, management of lagoons and farming practices."

The organisational structure of this sector is rather weak. The Pearl Federation represents the farmers, while the Pearl Guild represents the retailers. A Pearl Authority, which was meant to be the regulatory body of the industry, was established in 1994 but, as it did not get strong farmer support, it was shut down in 1996. "Farmers said they did not need an authority. They did not want to work together. They just wanted to produce pearls, and at that time they sold them at a very good price. Now the situation has changed: prices have dropped, farms are overcrowded. Farmers are continuously asking government to do something. As for the Guild, farmers do not like them very much not only because they are an exclusive group, but also because they have been accused of importing pearls from Tahiti to be sold to tourists. We make a lot of efforts to make people come here, so why should they come here and buy Tahitian pearls?", wonders Mr Okatai.

"We do not import pearls that are already farmed in the Cook Islands. The real problem is low quality pearls, sold in the local market: this damages the image of the entire sector. Consumers are protected by the standards we set. All members of the Guild advise customers and issue certificates that guarantee quality", says Raymond Newnham, Chairman of the Pearl Guild.

A final constraint for the sector is the dependence on foreign technicians, who come mainly from Japan, and lately also from China. Technicians are very expensive: they are usually paid by owning a part of the oysters they seed (about 40 per cent); in rare cases, they are paid a flat



fee per oyster seeded. Training of local technicians and farmers is thus required to improve farm returns and farmer ability to monitor and control sales.

Fishing industry

The Cook Islands Exclusive Economic Zone (EEZ) covers an area of 1.8 million km² and shares common borders with five other Pacific Island nations or territories. The Western and Central Pacific tuna fishery is the largest tuna fishery in the world.

However, for the past decades the Cook Islands has relied only on revenue coming from selling fishing licenses to foreign fleets (i.e. Japanese, Korean and Taiwanese vessels), and by signing bilateral treaties with foreign countries: for example, one of these treaties allowed US vessels to access the Cook Islands EEZ as part of an arrangement between the US and several Pacific Island countries. Nevertheless, US vessels did not take full advantage of this special arrangement.

Some local or locally based vessels were licensed between 1994 and 1997, but in the past two years the situation has drastically changed. "We decided to close the zone to foreign fishing and, as a result, the number of local people investing in this sector has increased: now we have a sizeable amount of locally based vessels. At the moment there are no particular schemes set up to help fishing vessels, but the government has sent a clear message to the lending institutions that it fully supports and wants to develop this industry. This degree of confidence is the basis for banks to lend money to fishers at good rates", says Joshua Mitchell, director of offshore fisheries at the Ministry for Marine Resources.

There are two different fishing approaches practised in the Cook Islands: in the Southern group, the targets are high value tuna for overseas markets, primarily Japan and the US; by-catch from these vessels is sold on the local market. In the Northern group, the fish caught is used for canneries in American Samoa. "For a long time people were convinced that the fishing sector was not economically viable. In December 2001, embarrassing to admit, we were importing tuna from Fiji. In March 2002, we started exporting for the first time in our history. This highlights how fast the sector has changed. The industry is growing so quickly that the government is even experiencing some problems in keeping up with the pace. What we need now is a better system to control and manage this industry, in terms of export certification, quality control, customs and tax issues, specialised workers coming from abroad. Another challenge concerns illegal fishing: the government patrol is joined by New Zealand and French forces, but the area is very big and resources to control the zone are limited", explains Navy Epati, secretary at the Minister for Marine Resources.

Mining

Since the early 1990s, mining has been an area of increasing interest, but no substantial progress has yet been made. Some pre-feasibility studies have been



Recent data show that exports of fish amounted to €1.2 million in 2002 compared with negligible figures in prior years and are expected to grow even more.



A clear sign of the development of the fishing industry is the project to enlarge the country's largest harbour at Avatiu, Rarotonga, which was prompted by the rapid increase in the number of fishing boats based at the port.

conducted and although mining is unlikely to produce significant results in the short term, the impact in the long term may be substantial. The most abundant element is manganese nodules, found on the seabed, which are formed by metallic elements that slowly precipitate out of the ocean water.

Cobalt is the most valuable metal in these nodules. It is used in several industrial applications, mostly by the aircraft industry, but lately also for rechargeable batteries for portable computers and other applications. World consumption of cobalt is about 30,000 tonnes per year; at this level, according to an Asian Development Bank study, Cook Islands cobalt could meet total world demand for more than 300 years.

Even though the potential value of mining is large (more than NZ \$2 trillion [€1 trillion] only for cobalt), the cost of sea-bed mining is very high, as nodules occur in very deep waters (5,000 metres). Several attempts have been made to explore mining methods applicable to these depths by different nations with little success. Furthermore, it would also be necessary to consider the negative environmental consequences of mining, as nodule collection could have a severe impact on the seafloor ecosystem.

Political and economic reforms through popular consultation:

the view from government

Dr Robert Woonton is Prime Minister of the Cook Islands. Since taking power in February 2002 he has introduced a series of well-received economic and political reforms, thanks also to the involvement of citizens and civil society. His ultimate aim is to reduce the disparities between the main and the outer islands, which would also help to encourage the return of people who have migrated in the past decade.

In 2001 the Cook Islands celebrated 100 years of the relationship with New Zealand. How has this relationship evolved over the years?

The centennial celebration has been an occasion to clarify our position. When we became independent in 1965 we did not have the capacity to look after foreign and defence policy issues; therefore we left those areas to New Zealand. As the years went by, we evolved, our national identity developed, and we became more and more independent. Now we are a sovereign nation in all aspects. It is obvious that we value our friendship with New Zealand: we share the same citizenship, the same

currency, but this does not mean that New Zealand has any political or legal control over the Cook Islands. We consult each other very often, but at the end we decide ourselves.

The Cook Islands has been accused of a lack of transparency in its banking operations. Are you making any progress towards being de-listed from the OECD blacklist on money laundering?

Yes, we have made significant changes in the management of our finances. We are now more transparent. We recently passed a set of legislative measures to protect the financial dealings of the country. We have set the framework on how to supervise financial transactions, set up a supervisory commission that requires that any transaction must make available where it originated, the amount, and where it is going. An IMF delegation came early this year. An agency has been set up to provide for more transparent financial management. It is true that we are still on the Financial Action Task Force (FATP) blacklist as having laws that are not friendly to an open and transparent banking system, but the government is fully committed to complying with the requirements imposed by the international community. We fully support the United Nations resolution against countries that encourage money laundering for terrorism activities.



Tourism, black pearls and fishing are the three major income-generating sources in the Cook Islands. What is the order of priorities for your government to create more employment opportunities?

There is no doubt that tourism is the main growth engine. The impact of terrorism and the outbreak of SARS were not as bad as we had foreseen. But like any other tourist-based economy, we have to consider whether our infrastructures are able to carry a large volume of tourists. For this reason, rather than concentrating only on one island, we are trying to expand the tourist offer to the outer islands, which do not have the same economic opportunities

that the main island enjoys. However, we still need more investment to modernise airport infrastructures and other tourist-related facilities.

The pearl market is experiencing some negative trends, especially in prices, which we cannot control. Still, we can do more in marketing our pearls in global markets.

As for fishing, we have just revived the tuna industry. For quite a number of years, we did not focus on developing our own resources; we just relied on issuing fishing licenses. In the past two years we have decided to invest heavily in this sector. The private sector has responded well. We have now become exporters, but the next step is to move from only exporting to also processing.

Government instability has dominated political life in the past five years, creating disaffection towards politics among citizens. What are the reasons for this instability?

The reasons must be looked for in the political system in general. First of all there is an imbalance of representation of people in Parliament. As a consequence of the crisis in the late 1980s many people left the country. This has created some contradictions in the system: an island with 700 people appoints one member in Parliament, another island with 600 people appoints two members, and another island with 700 people appoints three members. We need structural reforms. A few years ago a commission

of experts made some recommendations, such as reducing the term of Parliament, and the number of seats. The Parliament has also recently voted to drop the country's "overseas seat". All these reforms are adopted by actively consulting the stakeholders in development: we strongly encouraged active interaction between government and civil society. We consult civil society and NGOs on almost all issues.

Isn't dropping the "overseas seat" a sign of a negative attitude towards people who have migrated?

What system allows citizens who have left their country to continue voting? There must be a time after which people no longer enjoy their right to vote. Our attitude towards people who migrated is not negative. We are trying to attract them and the best way to reach this goal is by creating economic opportunities in the outer islands, because it is from there that most people migrated. But we also want to improve the infrastructural system, such as airports, streets, schools, and hospitals, so that if and when they come back they will be able to enjoy the same quality of life they enjoyed abroad.

How are international donors responding to your attempts to improve living conditions in the Cook Islands?

As I said before, our relationship with New Zealand is very close and they have provided a lot of

assistance. now we are also proud to be part of Cotonou Agreement. The EU assistance is certainly a good thing for outer island development, but we also look for benefits in terms of better market access. trade and investment opportunities. We are looking for some assistance in developing what we have. Besides fish and pearls, you would be surprised to know that there is a wealth of minerals in our ocean



Cook Islands and the Caribbean country of Jamaica signed an agreement in May establishing diplomatic relations between the two countries. Even though the two countries are far apart, they often face similar challenges. The signing took place during a dual ceremony in Brussels in May, when Cook Islands also signed the Georgetown Agreement, formally becoming a member of the ACP Group.

that still need to be exploited. Finally, we have and we will continue to benefit from the regional cooperation programmes that the EU is developing in the Pacific Islands region.

The best government is the least government: the view from the opposition

After being in power for more than a decade, Sir Geoffrey Henry is now the leader of the opposition. In this interview, he discusses some of the major achievements of his previous governments, while at the same time he analyses the major differences between his political programme and that of the current government.

Your party was ousted from government in one of the many changes of coalitions during the current legislature. Do you agree that the system needs to go through some structural changes?

Instability has nothing to do with our constitution or the electoral law. The problem is not the structure of our system, but the people elected as politicians. When I set up a commission to review our political structure, I wanted it to present some practical recommendations about a more appropriate structure for our size, spending power and culture. I wanted it to be an exercise done by Cook



Islanders themselves rather than by foreign experts, as was the case for the Constitution. What they propose is fine, but I wanted something which looked at different issues, such as how the Parliament fits in our society, separation of powers schemes, the question of voting as opposed to consensus which is typical of a Polynesian society.

Your reading of the political system is quite different from that of the current aovernment...

We are reform-oriented, while the current government is not. We are not philosophical people in the

_country report: Cook Islands

sense that we follow any kind of "ism". Ideology does not play a role in our approach, and more generally in Cook Islands politics. Our policies are determined by the practical needs of this country. For instance, we started a whole reform programme which completely changed the management of finances in this country. We reformed the public service, so that people became civil servants based on merit rather than patronage. We also made several changes to the Constitution to reinforce tough policing of the State's financial management. Many people in the current government believe in the old idea of big government, where the government does everything, interfering in the private sector, and deciding who gets a job.

What is your approach to economic issues?

We are strong supporters of the private sector, which is the engine of growth. The current government is lukewarm on this. As we understood that government was too big, in 1996 we started a comprehensive privatisation programme. Government owned and ran a lot of businesses, and even three hotels. We privatised all the hotels, and set up the tourism industry. Up to then the government had "owned" the tourism sector, losing a lot of money every year; since they were privatised these hotels have done a fabulous job. We should give the private sector the space to move and the freedom to think and to work things out. The government must be the facilitator in terms of tax measures, import levies, labour issues. In a few words, for me, the best government is the least government.

In 1999, we were the first to look at the pearl industry as a viable alternative for the economy. I brought two technicians from Japan to look into cultured pearls. At that time the only place in the world where this type of oyster grew naturally was Tahiti. These technicians said that there were two or three lagoons that were ideal for farming. The industry has now made much progress.

As for the fishing industry, it was my government that put money in reserves for the development of this sector; this money has now been used by the current government to launch the new fishing industry. But, obviously, they don't give me credit for this.

In economic policy there are many differences between the opposition and the ruling coalition. What about social issues?

We both believe in some sort of social equity: we are very similar on this issue. But in terms of creating a balance in the economy, the main island Rarotonga visà-vis our sister islands, we were the first to start the so-called "devolution programme", where we devolved to local councils the authority to run their own affairs, to make decisions on their own destiny. We have been colonising our sister islands for a long time. We have been imposing Rarotongan culture, which is European culture inherited from New Zealand and European countries, on the sister islands. But each island has a distinctive culture, customs, dialects, and different traditional structures to manage political and social issues. People must have a say and rather than sitting back and waiting for government to supply them everything, they should decide on their own.

Another way to foster popular participation is through non-state actors. It seems that in the past your government did not have a positive attitude towards these organisations. Is that true?

No, I don't think so. Let me give you an example: the process of putting the budget together. I created a national development council comprising representatives from the NGOs, church groups, private sector organisations, where for the first time I was trying to get a consensus across society about the budget.

Back in the mid-1990s, NGOs were regarded as foreign organisations: they did not belong here, they were accused of being an outpost of some foreign institution existing somewhere else. The real NGOs were not seen as NGOs while in reality they were. For instance, I established several NGOs: the Religious Advisory Council, the National Women's Council. Although NGOs say we did not hand them money, they did get it indirectly through international development assistance provided to the Cook Islands. When we negotiated with donors, we told them that if they did not feel satisfied with government performance in managing aid resources, they could certainly provide these resources directly to NGOs. It is true that NGOs haven't received as much money as they would have liked. But I feel that NGOs sometimes rely too much on government. Also, if government gives money, there is no way it won't ask them to be accountable for every penny spent. That surely changes the relationship, but not in the sense that government wants to manipulate them. NGOs have to make a choice: if they get money from government they must be accountable to tax payers.



"Civil society is finally acknowledged as a partner in the development process"

Despite the small population, according to estimates there are more than 150 civil society organisations currently operating in the Cook Islands. Yet, governments for a long time denied them a role in the development process. In the past few years the situation seems to have changed.

If we consider the average Cook Islander, he or she would probably belong to one religious charity, one sports group, one youth organisation, one cultural association, and at least one welfare non-governmental organisation (NGO); furthermore, an average woman would also be part of one, or even more, of the many women's associations.

However, despite this great deal of people's activism, governments have shown a tepid attitude towards civil society. "Governments for a long time have not acknowledged that civil society is an equal partner in the development process. They did not want to see what we were doing on the ground, probably because they considered us a threat. For this reason, most of the NGOs have never received any support: assistance was limited only to three NGOs, operating in women's, youth and sports issues. Still, the civil society sector grew, mostly thanks to the support of international donors and regional NGOs", explains Vereara Maeva, president of the Cook Islands Association of NGOs (CIANGO).

Increasing role for civil society

Officially established in 1995 (even though it started being operative already in 1986), CIANGO is the national umbrella for all NGOs in the Cook Islands. CIANGO has become increasingly visible not only in local politics but also by representing Cook Islands' civil society in several meetings and conferences around the world. Nevertheless, not all groups are affiliated to CIANGO: "This is probably because sometimes NGOs prefer to deal with governments either directly or through their sectoral coordinating bodies", believes Ms Maeva.

Among sectoral NGOs, the Rarotonga Environmental Awareness Programme (REAP) and the Taporoporoanga Ipukarea Society (TIS) are among the most active NGOs in environmental issues. Through a major public campaign, REAP and TIS were able to stop a new bill, accused of over-regulating and over-controlling the environmental field in a "standardised Rarotongan fashion", without leaving any freedom to the individual islands to make decisions on their own affairs.

As for women's issues, a great role in advancing gender equality throughout the years has been played by the National Council of Women (NCW), established in 1984. As a result of the close and good relationship between the NCW and the Government Division for Women's Affairs, not only has the condition of women improved a lot, but women are also now much more involved in key decision-making processes.

These two sectoral examples, together with the activism of CIANGO, show that the attitude of governments towards NGOs has changed in the past few years. "In 2001, as government started realising that we were doing a good job, they provided us with some assistance for the first time ever. Even though CIANGO has not received any financial assistance in the past two years, I believe that the current government is doing a good job in involving small groups through projects. I am happy with that", says Ms Maeva.

Consulted under Cotonou

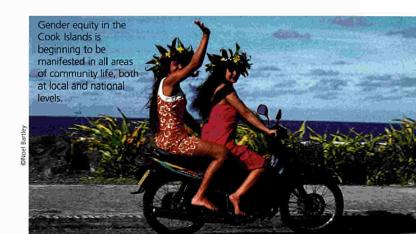
This change of attitude is confirmed by the fact that the Minister of Internal Affairs is now in charge of coordinating all efforts in the NGO sector, but also by the fact that NGOs are widely consulted on national development priorities. "One clear example of this new attitude is the process which led to the adoption of the Country Strategy Paper in the framework of the Cotonou Agreement. CIAN-GO is in charge of representing local NGOs with the Cotonou Agreement. We have been very involved. We were not happy with



Vereara Maeva, president of the Cook Islands Association of NGOs (CIANGO).

the original version of the development strategy. Then we submitted our inputs and when they sent us back the final paper, I was very happy to see that most of our concerns were taken into account," comments Ms Maeva.

By growing in importance, NGOs face new challenges: "Donors have become more stringent and they want us to be more accountable. Sometimes they ask too much: if I have to write reports, talk to people coming from overseas, my work at CIANGO suffers. Many NGOs need to be strengthened in their capacities, otherwise we cannot do our job properly", concludes Ms Maeva.



Improving opportunities for people in the outer islands: the EU contribution

Despite the fact that the Cook Islands has made substantial progress towards the achievement of the Millennium Development Goals, there is still great disparity between the main and the outer islands. The resources provided under the framework of the Cotonou Agreement are intended to fill this gap, addressing in particular two sectors: health and education.

Generally we do not associate poverty with the Cook Islands. The last Pacific Human Development Report, in fact, indicated that the Cook Islands scores very high in the Human Development Index and its Poverty Index is among the lowest in the Pacific. These two indexes reflect the high life expectancy, a relatively low percentage of child mortality (as well as decreasing maternal mortality rates), a nearly universal literacy rate, a zero percentage of people without access to health services, and a relatively low percentage of children under five years of age who are underweight.

However, these achievements do not mean that all inhabitants enjoy the same standards of living. The financial and logistical problems of serving scattered islands with low populations have resulted in significant disparities between the main island, where about 60 per cent of the population resides, and the outer islands.

Outer island development

Apart from Aitutaki, with a growing tourism sector, and Manihiki, with an expanding black pearl industry, in all other islands business opportunities are very limited. If prior to the public sector downsizing in the mid 1990s, three quarters of the workforce was employed by the government, as a result of those cuts most families have no stable income. The immediate consequence was both internal migration from the outer islands to Rarotonga and external migration from the Cook Islands to overseas destinations, mainly New Zealand. This migration severely affected the maintenance of efficient social services, such as hospitals and schools, in most of the outer islands.

Several initiatives have been promoted over the years to reduce such disparities, but no substantial results have yet been achieved. "In the 1970s and 1980s there was a lot of development in the outer islands, mostly in terms of improving infrastructure and transportation facilities, but over the years we lost the original impetus. It is true, there has always been an outer island policy in the programme of each government, but we always lacked the ability and the resources to implement those policies. Recently, the situation seems to have changed and more emphasis has been placed on implementing policies", explains Wilkie Rasmussen, a Member of Parliament from Penrhyn, one of the smallest islands.

The current government has been praised for developing a more comprehensive policy, but still most of the



In the Cook Islands there are few signs of absolute poverty: this may be due to the informal support network that exists within extended families in Polynesian societies.

communities living in the outer islands complain about inadequate budget allocations. Income-generating opportunities are now promoted through a new business scheme and a development fund. Infrastructure development such as harbour development, upgrading of airport runways, water and roads, health clinics and education facilities are to be supported through donor funded projects. Indeed, more than 20 per cent of the current bilateral New Zealand aid programme and the entire cooperation programme of the European Community are devoted to development in the outer islands.

Donor activities

Aid flows in recent years have stabilised at around US\$5.5 million per year. New Zealand, even though its annual assistance has dropped in the past few years, remains the dominant donor, providing almost half of total international assistance. "This assistance is due to the historical links we have with the Cook Islands", says Kurt Meyer, High Commissioner for New Zealand. "In the past years, we have decided to stop supporting the recurrent costs of the Cook Islands' budget: we no longer provide budgetary aid, but only project aid."

Australia is the next largest bilateral donor. Most of its assistance programme focuses on education and training. The aim is to boost the workforce's skills and

produce the policy makers and business people the Cook Islands need for greater self-reliance.

As for multilateral assistance, the Asian Development Bank (ADB) is the major multilateral donor. ADB's strategy focuses on building capacitities in sound economic and public sector management, promotion of economic growth, and supporting private sector development. Several UN agencies are represented in the Cook Islands, but they provide small amounts of aid. UNDP for example has now started two new programmes, dealing with biodiversity and information and technology.

EU cooperation

The Cook Islands had been trying to join the EU-ACP partnership since the late 1980s. However, as several concerns were raised about the real independence of the country from New Zealand, especially in terms of its foreign policy, the Cook Islands was allowed to join the ACP-EU Partnership Agreement only in 2000. The area of cooperation chosen for the 9th EDF programme is "Outer Island Development", with particular emphasis on the improvement of social services.

"Even though our relationship with the EU is really in its infancy, I can make two provisional observations", comments Edwin Pittman, secretary at the Minister of Foreign Affairs and National Authorising Officer (NAO). "First, the process of drawing up the Country Strategy Papers and the National Indicative Programme was somewhat bureaucratic and sometimes we experienced difficulty in getting a clear understanding of what rules and regulations might be applicable. Second, I must also say that the entire process was a real partnership. Sometimes the European Commission felt that resources could be put in certain areas, we said our priorities were elsewhere: it was a very cooperative process."

As for education, EU assistance will be mainly directed to those islands that face problems in recruiting qualified teachers, to upgrade the skills of teachers, and to buy new accessories. Education standards in the outer islands have indeed gone down. As an example, the results of the 2000 Standard Tests of Achievement for English competency for primary schools were 6.21 for

A portion of EU development assistance will be used to improve school infrastractures, including renovation of buildings and supply of learning equipment.





Among the outer islands, the most southerly one, Mangaia, has a rich past, witnessed by the numerous caves at the inner edge of the island's central formation. Before the arrival of missionaries, some tribes were engaged in intertribal warfare which was followed by the cultural ritual of cannibalism. Eating the victims of warfare was supposed to increase the prestige of successful warriors.

Rarotonga, 4.67 for the southern islands, and 3.38 for the northern islands. "If on the one hand the Cook Islands education system is considered to be one of the best in the Pacific region in terms of access, we still need to work to improve the quality of the teaching, especially in the outer islands. The majority of the teachers at primary level don't have a university degree but only a certificate; very few teachers at secondary level have it. The small population in most of the outer islands implies two things: first, not all grades have their own teachers; second, if we don't need to build more schools, we certainly lack modern accessories, such as computers and other technological tools", explains Ken Matheson, secretary of the Ministry of Education.

As for the health sector, part of the EU resources will be devoted to constructing and upgrading clinical infrastructures and part to address the shortage of medical equipment and qualified personnel. "In the past, most of the resources allocated for health were used in Rarotonga. The money provided by the EU will be used to allow the outer islands get more resources. We want to make sure that people are looked after properly in each of the outer islands. In the past some islands had only a nurse; now

every island has at least one doctor, and periodically some specialists visit patients on the islands. But buying and maintaining new medical equipment is essential to treat patients better: that is where our greatest need is at the moment", says Vaine Teokotai, secretary general at the Ministry of Health.

In this sense, "EU assistance is most welcome as it is complementary to that of New Zealand. The EU concentrates on health and education budget support, while New Zealand, which provides project aid, focuses on the same issues, but only on maintenance of building as they don't buy equipment. The EU money, thus, can be used for this purpose", concludes Marama Anguna, acting manager at the Aid Management Division.

gramme for the Cook Islands will be financed through: a) an allocation of €2.0 million, which will cover development operations within the framework of the support strategy; b) an allocation of €0.6 million, which will be mobilised to provide additional support arising from unforeseen needs, such as emergency assistance. Support to Outer Islands Development will absorb most of the allocation (85%), while the rest (15%) will be earmarked for activities implemented by non-state actors. The Cook Islands will also benefit from the Pacific Islands Regional Indicative Programme and from specific trade operations.

The EU development pro-

Cook Islands



General Information

Area: 240 sq km.

Population: 13,400 (2001 census).
Capital: Avarua (on Rarotonga).

Major islands: Rarotonga, Aitutaki, Atiu, Rarotonga, Aitutaki, Mangia, Pukapuka, Atiu, Manihiki,

Penrhyn.

Religions: Christian.

Languages: English (official), Cook Islands Maori.

Political structure

Constitutional status: Self-governing in free association with New Zealand.

Constitution: 4 August 1965.

Executive branch: The Queen of the United Kingdom, Elisabeth II, represented by a Governor

General, is the head of State. Following the elections, the leader of the majority party or the leader of the majority coalition usually becomes prime minister.

Legislative branch: The Cook Islands has a 24-member Parliament elected for five years by universal

adult suffrage. A seat representing Cook Islanders overseas has just been dropped. The House of Ariki, composed of 21 hereditary chiefs, has advisory

functions on traditional and customary matters.

Political parties: Cook Islands Party (CIP), Democratic Alliance Party (DAP), New Alliance Party (NAP),

Cook Islands National Party (CIN).

Legal system: Based on New Zealand law and English common law.

Economy

Currency: New Zealand dollar (1 €=2 NZ\$).

GDP per capita: \$5,000, purchasing power parity (2001 est.).

GDP growth rate: 1.5% (2003 est.). Inflation rate: 3.9% (2002).

GDP composition by sector: agriculture: 17%; industry: 7.8%; services: 75.2% (2000).

Social Indicators

Population growth rate: 1% (1990-2001).

Life expectancy at birth: 71.5.

Infant mortality rate: 20.7 (per 1,000 live births).

Population urbanised: 59%. Adult literacy: 99%.

Population with access

to safe water: 100%.

Population using adequate

sanitation facilities: 100%.

Sources: Asian Development Bank (ADB), CIA World Fact Book, UNICEF, European Commission.



Austria Belgium Denmark Finland France Germany Greece

Ireland Italy Luxembourg Netherlands Portugal Spain

Sweden United Kingdom

France Territorial collectivities Mayotte

St Pierre and Miquelon Overseas territories New Caledonia and dependencies French Polynesia

French Southern and Antarctic territories

Wallis and Futuna islands Netherlands Overseas countries Netherlands Antilles:

Bonaire, Curação, St Martin, Saba, St Eustache Aruba

Denmark

Country having special relations with Denmark

Greenland

United Kingdom

Overseas countries and territories

Anguilla

British Antarctic Territory British Indian Ocean Territory

British Virgin Islands Cayman Islands Falkland Islands

Southern Sandwich Islands and dependencies Montserrat

Pitcairn Island

St Helena and dependencies Turks and Caicos Islands





Angola Antigua and Barbuda Bahamas Barbados Belize Benin Botswana Burkina Faso Burundi Cameroon Cape Verde Central African Republic Chad Comoros Congo Cook Islands Côte d'Ivoire Cuba* Democratic Republic of Congo Djibouti

Dominica Dominican Republic East Timor Equatorial Guinea Eritrea Ethiopia Fiji Gabon Gambia Ghana Grenada Guinea Guinea Bissau Guyana Haiti Jamaica Kenya Kiribati Lesotho Liberia

Mozambique Namibia Nauru Niger Nigeria Niue Palau Papua New Guinea Rwanda St Kitts and Nevis St Lucia

Swaziland Tanzania Togo Tonga Trinidad & Tobago Tuvalu Uganda Vanuatu Zambia Zimbabwe St Vincent and the Grenadines Samoa

Sudan

Suriname

^{*} Cuba was admitted as a new member of the ACP group in December 2000, but is not a signatory of the Cotonou Agreement. East Timor was admitted in May 2003.







