

Editorial

The Caribbean and EPA Trade Negotiations

The second phase of trade negotiations between the European Union and African, Caribbean and Pacific (ACP) states, under the terms of the Cotonou Agreement have commenced with two African regions (West and Central Africa) facing the EU at the negotiations table. Unlike previous EU-ACP trade negotiations, the Cotonou Agreement makes provisions for regional, rather than global Economic Partnership Agreement (EPA). This allows the ACP states the choice to negotiate either as a regional bloc, or as individual countries negotiating with the EU under very specific conditions.

For the small-island, largely Caribbean region, the road to EPAs poses several challenges. Firstly, Caribbean states have varying levels of economic development and trade links with Europe. This presents the challenge of reconciling the different levels of development and the diversity of the region within the context of a common bargaining position that takes the diverse interests of individual states and countries into consideration.

A second challenge is the capacity of these states to handle a range of international trade negotiations simultaneously. The EPAs, which are scheduled to be concluded by 2005, share the same timetable as negotiations to establish the Free Trade Area of the Americas (FTAA), and the full implementation of the region's own Caribbean Single Market and Economy (CSME). Then there are the on-going WTO negotiations, particularly relating to the Agreement on Agriculture; and crucial for banana-exporting states, the change in the EU banana regime to a single tariff

system, come 2006. To crown it all the preferential arrangements for critical Caribbean agricultural exports expire in 2006.

Thirdly, and perhaps the biggest challenge, is the compatibility of any EPA agreement with other similar agreements, the FTAA in particular, and ensuring that all such agreements are compatible with WTO regulations. Both the EU (EPA) and the United States (in respect of the FTAA) are likely to insist that any reciprocal arrangements worked out with the other be observed or bettered in their own negotiations. This is a delicate balancing act that will test to the limit, the skill and capacity of the Caribbean regional negotiators.

The Caribbean is unquestionably the only region in the world facing such formidable challenges simultaneously. In fact it is precisely because of these difficulties that it has proceeded with caution, trying to avoid being pressured with undue haste into signing agreements which could have detrimental effects in the future.

However, these challenges, daunting as they may seem, are not insurmountable. Reinforcing and supporting the regional integration process is an urgent priority for the CARICOM region. In its favour, the Caribbean can draw on an historical experience of attempts to forge regional integration, such as the attempt at establishing a West Indian Federation in 1958; the establishment of a limited Caribbean Free Trade Area (CARIFTA) in 1968; the Caribbean Community (CARICOM) in 1973; the agreement since 1991 to set up the CSME; the expansion of CARICOM to include non-English speaking states; the CARIFORUM bloc (CARICOM, the Dominican republic and Cuba) in relation to ACP-EU trade matters; and the attempt to form a greater Caribbean regional grouping in respect of the 25-member Association of Caribbean States (ACS). These experiences provide valuable lessons for Caribbean states in dealing with the diversity of interests and positions to be considered in furthering the integration process, as well as the numerous negotiations they are engaged in.

Additionally, achieving consistency and coherence between these different negotiations is of great importance. CARICOM has already taken a step in the right direction by setting up a joint Regional Negotiating Machinery (RNM). The RNM has been spear heading the negotiations and reports directly to CARICOM Heads of Government. What is of critical importance is that there be greater coordination between the RNM, CARICOM, and the individual member governments. It is also of utmost necessity that space be provided for input from all sectors of the Caribbean society, including non-state actors. Thus far there has been some interaction between civil society and the RNM/CARICOM/regional governments. However the process needs to be broadened and deepened if we are to ensure full participation by the Caribbean people in framing the terms of these agreements that are bound to have far reaching and lasting consequences for the region.

It is in pursuance of this goal that Caribbean civil society organizations have been co-ordinating efforts and collaborating to guarantee that the voice of civil society is heard and the views of Caribbean people incorporated in the shaping of the future of the region. Caribbean civil society organizations united under the umbrella of the Caribbean Policy Development Centre (CPDC) and including such critical components as the Windward Island Farmers Association (WINFA), representing small farmers, the Caribbean Association for Feminist Research and Action (CAFRA), voicing the interests of women, established the Caribbean Reference Group (CRG) in 1997, thus becoming the first Caribbean grouping (government or non-government) to respond to the European commission's Green Paper on future ACP-EU relations. Since then the CRG has broadened its outlook and activity to all the major trade agreements mentioned above and has pursued a broad public education and advocacy campaign on these issues. Seminars and workshops have been held in most Caribbean countries out of which common positions were not only developed but advanced to trade negotiations, governments and the relevant international bodies. It is part of a most interesting and innovative practice of deepening democracy and ensuring popular participation in governance which bodes well for the development of Caribbean society as a whole.