

## NOTHING IS AGREED TILL EVERYTHING IS AGREED

'NOTHING is agreed till everything is agreed!' that's the name of the game, says Zambian Trade, Policy Expert Dipak Patel.

Patel was speaking at an EPA National Conference organised by PELUM, KEPA Zambia, JCTR, CSTNZ and CUTS at the Mulungushi International Conference Centre.

Patel the former Zambian Minister of Commerce, Trade and Industry said that African countries are still negotiating Singapore issues (government procurement, at the World Trade Organization (WTO), which is the overall body in the trade issues and wondered why a sudden shift to include the Singapore issues (Investment, government procurement, competition and trade facilitation) in the Economic Partnerships Agreements (EPAs).

African economics are still growing and signing an EPA that includes Singapore issues would mean being **"stupid"**. African countries must not rush into signing these agreements, which will bind them for 15 to 25 years

Zambia for example, has made grave mistakes economically during the privatization exercise which she is still recovering from even now. "There is no way Zambian companies can compete with Europeans companies in government procurement, it will be dull to think like that" Patel said.

Patel said that in the 15 years of him working as trade negotiator for the Zambian government, he has seen how other negotiators from other counties are bull dozed into committing their governments and never say anything in the these meetings of agreements.

He mentioned that the trade economic cooperation dimension of CPA under Article 36.1 requires that ACP countries and the EC negotiate World Trade Organization compatible trade regime which should involved the progressive liberalization of trade between the two blocks of countries.

Earlier, Director of Foreign Trade in the Ministry of Commerce, Trade and Industry Dorothy Tembo said that Zambia is faced with challenges of ineffective engagement with the stakeholders due to limited technical capacity constraints to further clarify Zambian's position. Tembo also noted that the other challenge was the conflicting demands of various regional and multilateral commitments, which are SADC, COMESA and WTO.

"The deadline for signing WTO compatible EPAs is December 31, 2007 and the option of an alternative to an EPA has not been explored. The review has highlighted delays in the negotiation process, capacity constraints, limited human and resource capacity on the ESA side as stumbling blocks in the negotiations.

Zambia as an LDC can fall back on the Everything But Arms (EBA), but EBA is unilateral and not contractual so it can be withdrawn at any time. EBA also has its own shortcomings and does identify alternatives to EPA. Zambia will need to take this into account and cooperate with other ESA countries not in a position to sign an EPA Said Mrs. Tembo.

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Participatory Ecological Land Use Management (PELUM) Regional desk, Campaigns, Advocacy and Lobbying Officer Anne Maina said that despite the theoretical benefits of EPAs as seen by the EC like increased intra-regional trade and funding to support regional integration, challenges facing ESA are grave.

Maina went to highlight the supply side constraints which include poor infrastructure, inaccessible roads, high costs of inputs and in access to credit facilities.

It is difficult to see how EPAs will facilitate Africa's intra-regional trade when EU products are likely to displace regional production and intra regional trade, especially in higher value-added sectors and also the types of Rules of Origin (ROO) that the EU adopts in relation to ACP imports will affect the ACP countries' ability to undertake trans-border regional production

Free Trade Agreements (FTAs) are not necessarily bad if trade liberalization is done over a long period of time and if it protects key products, which contribute to livelihood, food security and rural development. However, FTAs can be bad and dangerous when they are between unequal parties like the EU and ESA countries.

Subsidies given to EU farmers cause unfair competition as EU products are dumped into ESA countries which will force farmers to abandon production due to unfair competition and this can be a threat to food security.

Maina said if EPAs are signed it will lead to small scale farmers losing their livelihoods when faced with increased competition from Europe's highly subsidized products and EPAs will lead to a loss of government revenues from imports and we shall have to carry the burden of adjustment costs as welfare and social services are dropped because of dwindling government revenue.

European Commission delegation Francesca Di Mauro said, no ACP has formally asked for an alternative to EPA. Di Mauro stated that the extension of waiver will be costly and the best option would be to strive to conclude before December 31, 2007.

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