



Economic Partnership Agreements: A Threat to Food Sovereignty

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The European Union (EU) is currently negotiating **Economic Partnership Agreements (EPAs)** with 77 States in Africa, the Caribbean and Pacific (ACP).

For the past three decades, ACP countries have had preferential access to European markets through the Lomé and Cotonou agreements. EPAs will dramatically change this relationship. EPAs will essentially be Free Trade Agreements (FTAs), creating free trade between the EU and ACP countries, with no duties or quotas on substantially all trade between the regions.

Thus, **in order to continue enjoying duty-free access to Europe's markets, Africa has been told to open its own markets in return.** According to the negotiation schedule, EPAs are supposed to take effect on 1 January 2008. EPAs will be reciprocal and legally binding agreements with no end date; they represent a point of no return.¹

1. See COTONOU Agreement. WTO GATT Art. XXIV 8(b) defines a Free Trade area as duties and restrictions on commerce eliminated on "substantially all trade." This phrase has been interpreted as requiring "free trade" for no less than 80% of commerce.
2. See FAO, The State of Food and Agriculture 2006

Food Sovereignty: Hope for African Agriculture

Agriculture is the backbone of Africa's economy and its populations' livelihoods. It is the primary activity of 60% of the population in Sub-Saharan Africa and accounts for over half of the GDP in some countries.² Small scale farmers produce most of Africa's agricultural production, particularly staple foods critical for food security.

Since the Universal Declaration of Human Rights in 1948, the human right to food has developed as a binding obligation on States. And in the discourse of development, there has long been talk of the need for food security in Africa. It's only in the past decade that farmer movements and civil society have begun to call for Food Sovereignty.

Food Sovereignty proposes a set of precise policy measures focusing on food for people, valuing food providers, localising food systems, putting control of resources locally, building knowledge and skills, and working with nature. Food security and the right to food are realised through the food sovereignty framework.



Food Security:
When all people, at all times, have physical and economic access to safe and nutritious food which meets their dietary needs and food preferences.

Food Sovereignty:
The right of peoples, communities and countries to define their own agricultural, labour, fishing, food and land policies, which are appropriate to their unique circumstances (ecologically, socially, economically and culturally).





The Impact of EPAs on Food Sovereignty

African governments have only a few policy tools to support their agriculture and generate an income for public spending: tariffs on imports are the main tool.

EPAs will require African countries to eliminate tariffs on substantially all European imports into Africa, depriving them of a basic tool to protect their farmers and economies and to fund public policies.

The blow of EPAs to Africa's agriculture would be felt throughout all communities.

Unfair Competition for African Producers

Many of Africa's farmers have already suffered **dumping** - the flooding of cheap, subsidized European agricultural products into markets.

Poultry farmers in Cameroon could not compete with under priced chicken parts. Ghanaian tomato canning factories were forced to close because of unfair competition from Europe.

In Kenya, dairy farmers poured out their milk into ditches when cheap milk powder from Europe flooded the markets. Kenyan dairy farmers only regained their local markets when their government raised the milk import tariffs - a flexibility which would be largely lost under EPAs.

By introducing more binding trade liberalization, EPAs only promise more dumping. The EU makes no commitment to reduce its domestic subsidies and yet it



will have increased access to Africa's markets. African farmers will risk losing both local and regional markets to an influx of European imports.

African smallholder farmers could lose their livelihoods to EPAs, and very few African countries are structured to allow for easy movement into factory work or services.

Consumers at Risk

The EU claims that African consumers will benefit from EPAs because of cheap European food imports. But who will really end up with the benefits?

- ➔ Reduction of import tariffs on European products will mean a serious loss of revenue for African governments. They will need alternate ways to regain revenue, and often this happens by raising consumer taxes, including on food. Ultimately, "cheap" food imports will not stay cheap.
- ➔ The majority of Africa's consumers are themselves farmers. If their source of income is at stake, they will not have the means to purchase goods, no matter how cheap.
- ➔ Very few African countries currently have the capacity to adequately control imports, leaving consumers at risk of exposure to inappropriate foodstuffs.

Although there is room to protect some “sensitive” products within an EPA, there is no guarantee that key food security crops will be protected. Negotiators will have to choose between the competing interests of manufacturing, government revenue, jobs and agriculture.

Food security is not currently a major criterion for selecting sensitive products. Key food security products may be replaced by initially cheap European imports; but when the price rises due to taxes, Europe's policy changes, or corporate control of importers, Africa will face an even greater food security challenge.

Food and agriculture are strategic national interests that cannot be left in the hands of foreign companies and governments.

A Weakened Economy

EPAs will mostly maintain the market access to Europe that African exporters already enjoy; almost all African agricultural products already have tariff-free access into Europe.

EPAs will not result in increased exports as they do not include binding commitments to address supply side constraints such as infrastructure, productive capacity or marketing clout.

What's more, non-tariff barriers such as restrictive rules of origin and Sanitary and Phytosanitary regulations are unlikely to be satisfactorily resolved through EPAs.

In countries where EU import tariff revenues represent a major source of government revenues, the EPAs would mean major losses of government revenues, unless alternative non-trade based forms of

revenue collection are established and effectively implemented.

The United Nation's Economic Commission for Africa (UNECA) estimates that Sub-Saharan African governments will lose €1.516 billion a year in tariff revenues through the full implementation of the kind of EPAs envisaged by the EU.

A Strain on the Environment

Instead of effectively managing natural resources and adding value, Africa risks being locked into the current trend of being viewed primarily as a source of raw materials. Through trade policies, the EU has effectively blocked value-added products.

In Kenya, for example, the quest for income has led smallholder farmers to abandon the production of food crops and produce horticulture for export through out-grower schemes. This shift in production has had multiple adverse effects, such as placing high demands on water and the use of fertilizers and pesticides thus polluting Lake Naivasha.

Loss of the Right to Decide

The key to food sovereignty is putting producers and consumers at the centre of decision-making on food issues.

Yet, in a free trade agreement with the EU, African countries will be signing away their most effective tools for regulating the agricultural market and achieving food sovereignty.

Because EPAs are legally binding, African governments will no longer be able to react to import surges by setting quotas or raising tariffs if and when needed.



Recommendations:

A free trade agreement with the EU will impact not only regional trade relations but also constrain domestic policy space to support agriculture and food sovereignty. The benefits of an EPA will go to Europe's large farmers and corporations, but the costs will be born by Africa's smallholder farmers and infant industries.

As policy makers and government representatives, you can:

- Ask the Ministry of Trade about the measures planned to ensure that the government will not lose revenue.
- Demand that the government takes the impact on the right to food and food security into account in the negotiations of any trade deal.

- Ensure that the ratification process by national Parliaments is not bypassed.
- Support domestic policies that enable small-scale farmers to access local and regional markets.
- Verify that impact assessment studies have been carried out, and if so, that they take into account the impact on smallholder farmers and your country's ability to realize food sovereignty.
- Request that the EU put forward viable pro-development alternatives to EPAs.



For more information on EPAs:
<http://www.stopthinkresist.org>
<http://www.stopepa.org>
<http://www.epa2007.org>
on Food Sovereignty:
<http://www.nyleni2007.org>
<http://viacampesina.org>
<http://www.roppa.info>

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