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[Final Version]

Brussels, 19th November 2009

DECISIONS AND RESOLUTIONS OF THE
90TH SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN BRUSSELS (BELGIUM)
FROM 16th TO 19th NOVEMBER 2009

RESOLUTION
OF THE 90TH SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN BRUSSELS, BELGIUM, FROM 16 TO 19 NOVEMBER 2009

ECONOMIC PARTNERSHIP AGREEMENTS (EPAS) AND OTHER TRADE MATTERS

The ACP Council of Ministers

- Meeting in Brussels, Belgium, from 16 – 19 November 2009
- A. RECALLING** the objectives contained in the Georgetown agreement and the Cotonou Partnership Agreement;
- B. RECALLING** its previous decisions, declarations and resolutions on the Economic Partnership Agreements;
- C. HAVING REGARD** to the report of the ACP regional EPA configurations on the state of play of the EPA process - **[Document ACP/61/073/09]**;
- D. HAVING REGARD** to the report of the ACP Ministers of Trade held in Brussels from 12 – 13 November 2009, including the report of the Technical Follow-up Group on EPA negotiations and implementation – **[Document ACP/61/00/059/09]**;
- E. WHEREAS** for regions that were still negotiating, areas of divergences had been narrowed, in some cases leading to signature of the Interim Agreements by some of the ACP States in three regions;
- F. CONCERNED** that for some ACP States, the contentious issues had continued to pose a problem thus curtailing progress in the process and deadlock reached in certain cases;
- G. STRESSING** that these issues, including MFN clause, substantially all trade, regional levies, standstill clause, export taxes, development cooperation, definition of parties and non-execution clause must be addressed and resolved;

- H. **CONCERNED** that the definition of “substantially all trade” and transition periods are still a major problem for most of the regions that deem it necessary to provide differentiation for least developed countries;
- I. **WHEREAS** some statistical and economic studies have produced results that justify market access offers of less than 80 percent;
- J. **CONCERNED** about the surging use of export subsidies by the European Union as following the global economic and financial crisis;
- K. **CONCERNED** that on development aspects of EPAs, most regions were concerned that EU commitment to provide EPA related development support was phrased in a non-binding language in the EPA texts;
- L. **WHEREAS** EPA related development programmes drawn up by the regions show that the needs far exceed the resources available from the EDF and Aid-for-Trade;
- M. **WHEREAS** the non-execution clause remains controversial in the EPA discussions;
- N. **STRESSING** that the negotiations should aim to clinch an equitable, well balanced and beneficial outcome and therefore should not be dictated by deadlines;
- O. **CONCERNED** by the trend of the European commission to conclude bilateral free trade agreements which have the effect of seriously eroding the preferences which ACP States have been offered in the context of EPAs;
- P. **REITERATING** that in the circumstances it would be necessary to seek a renegotiation of affected provisions and put in place remedial measures;
- Q. **AWARE** that the implementation of EPAs will pose a major challenge to ACP States signatory to the interim or full EPAs, calling for, *inter alia*, legislative changes to give effect to commitments to be honoured at the entry into force of the Agreement and soon thereafter; establishing adequate institutional and human resource capacity and training where necessary; drafting rules of procedures to facilitate the commencement of the work of the established joint institutions; sharing implementation responsibilities between institutions at national and regional levels; and compiling the data required by the WTO to facilitate a factual examination of the notified EPAs;

- R. CONSCIOUS** of the need to establish a clear institutional link between the EPAs and Cotonou agreement in order to avoid duplication and create synergy with existing arrangements;
- S. CONCERNED** that the financial crisis will negatively impact on ODA flows, the remittances, Foreign Direct Investment (FDI) and trade finance;
1. **Urges** the European Commission to inject genuine flexibility into the EPA process so that ACP regions which are still negotiating can make market access offers below the threshold of 80 per cent of trade and above 15 years of transition period - parameters that the EC is demanding.
 2. **Calls** for the convening of the Joint Ministerial Trade Committee meeting, at the earliest opportunity as soon as the new European Commission is installed, in order to address developments in the EPA process and other bilateral trade matters of interest and concern to the ACP.
 3. **Urges** on the European Commission to ensure that pending conclusion and signature of comprehensive EPAs, those ACP States which have initialed or signed the interim EPAs should continue to benefit from preferential market access so as to avoid trade disruption;
 4. **Invites** the European Union and the European Commission, with a view to preserving and promoting regional integration to take fully into account tariff dismantlement agenda in their regions;
 5. **Calls** for an improvement in the Rules of Origin, *inter alia*, through the adoption of identical rules of origin that may also enable full cumulation at the all ACP level and with neighboring developing countries.
 6. **Agrees** that the liberalization of commodities has to be approached cautiously in light of the EC continued use of subsidies.
 7. **Reiterates** the concern that available financial resources will not be adequate to meet the adjustment costs and at the same time address other EPA implementation needs, including creating and enhancing regional competitiveness.
 8. **Stresses** the need and call for binding provisions on development cooperation in the EPAs.
 9. **Acknowledges** the need to mobilize other sources of funding to cater for EPA support programmes in addition to the ACP-EU financial framework.

10. **Mandates** the Committee of Ambassadors to explore the possibility of proposing amendments to the provisions of Article 96 and 97 of the Cotonou Agreement in the context of the on going Second five-year revision process with a view to exempting ACP-EU trade cooperation from the application of these articles.
11. **Encourages** ACP EPA configurations to meet as necessary in order to share information and experiences in the implementation of interim and full EPAs. In this regard, the first such meeting could take place in the CARIFORUM region, which was the first to conclude its EPA negotiations and has embarked on implementation.
12. **Agrees** that the Ministerial Trade Committee should be mandated to monitor, evaluate and review all matters related to the ACP-EU trade, including EPAs;
13. **Requests** that the commissioning of the study on the feasibility of establishing an All-ACP free trade area be expedited;
14. **Expresses** the need for ACP States and regions to take necessary measures to limit the impact of the financial and economic crisis including where necessary adjusting the pace of liberalization.
15. **Requests** the President of Council to forward this resolution to the Council of the European Union and its Member States, the ACP-EU Joint Parliamentary Assembly and the European Commission.

Brussels 19 November 2009

**RESOLUTION
OF THE 90TH SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN BRUSSELS (BELGIUM) FROM 16 TO 18 NOVEMBER 2009**

COTTON

The ACP Council of Ministers,

- Meeting in Brussels, Belgium, from 16 to 18 November 2009,
- A. Having regard to** the declarations made by Trade Ministers from the countries author of the Cotton Initiative (C4) on 8 October 2009 in Ouagadougou, Burkina Faso;
- B. Having regard to** the final conclusion of the High-Level Meeting on Cotton held in Geneva in March 2007;
- C. Recalling** the ACP Declaration on Cotton to the 34th ACP-EC Council of Ministers held in Brussels on 28 May 2009;
- D. Willing to implement** the commitment made by all WTO Members to address the cotton dossier ambitiously, expeditiously and specifically;
- E. Welcoming** the sustained efforts of the representatives of cotton-producing and ACP countries in Geneva to propose implementation modalities agreeable to all and consistent with the set criteria of ambition, expeditiousness and specificity;
- F. Recalling** the proposals made by the C4, supported by the African Group, the LDC and ACP Groups and reproduced in the draft modalities text of December 2008 submitted by the Chairman of the Special Session of the Committee on Agriculture;
- G. Deploring** the lack of reaction to the proposals of the African cotton-producing countries or the lack of ambition in the reaction from the members requested to reduce, with a view to total abolition, the illegal support provided to cotton producers;
- H. Recalling** the major role played by cash crops, such as cotton, in the economic stability of the States, as well as in rural development and food security;
- I. Recalling** the ambition expressed by the European Union and the African cotton-producing countries of the ACP Group in concluding an EU–Africa Cotton Partnership in Paris, on 6 July 2004;
- J. Noting** that the mid-term review of the Partnership organised in March 2009 concluded that the Partnership constitutes a pertinent response to the cotton sector crisis in Africa and remains consistent with the principles of European aid;

- K. Recalling** that building the capacity of cotton sector stakeholders is one of the priority goals of the EU-Africa Cotton Partnership;
- L. Welcoming** the conclusion of the feasibility study on the Cotton Business School Project and the support possibility identification carried out by consultants commissioned by the European Commission, which confirmed the usefulness and relevance of the project.
- M. Deploring** the fact that since completion of the feasibility study on the financing of the Cotton Business School Project and its presentation to the European Commission, which commissioned the study, the latter has not taken any action.
1. **Calls on** the European Communities to provide support for the Cotton Business School Project, as recommended by the study, so as to enable all regions and countries to benefit from the project;
 2. **Calls on** the European Communities to demonstrate more ambition in their support for the positions of the Co-authors of the Cotton Initiative and the ACP Group at the WTO;
 3. **Reaffirms** that if the outcome of the WTO Doha Development Agenda negotiations are to be balanced, there must be ambitious, expeditious and specific treatment for cotton. To this effect, it renews its support for the defense of the cotton dossier at the WTO as one of the major indicators of the development component of the ongoing Round;
 4. **Requests** the President of the ACP Council of Ministers to forward this resolution to the Chief Negotiators of the Economic Partnership Agreements, the Council of the European Union, the European Parliament, the European Commission and the WTO.

Brussels, 19 November 2009

**RESOLUTION
OF THE 90TH SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN BRUSSELS (BELGIUM) FROM 16TH TO 18TH NOVEMBER 2009**

SUGAR

The ACP Council of Ministers,

- Meeting in Brussels, (Belgium), from 16th to 18th November 2009,

- A. HAVING REGARD** to the resolution on sugar adopted by the 89th session of the ACP Council of Ministers held in Brussels, from 25 to 27 May 2009;
- B. HAVING REGARD** to the Commission's Regulation No. 828/2009, which will henceforth regulate the import of sugar into the EU from the ACP and other LDCs suppliers of sugar;
- C. HAVING REGARD** to the Declaration of the ACP Trade Ministers on the Seventh Session of the WTO Ministerial Conference;
- D. ANXIOUS** to maintain the value of the market access for sugar on the EU market, including the maintenance of an adequate level of remunerative price underpinned by a managed market;
- E. UNDERSCORING** the fundamental principle that, under the new EPA sugar arrangements, no single ACP country should be worse off;
- F. MINDFUL** that the new trade regime would require the establishment of appropriate institutional structures at the various levels which would have to take into account the configurations of the various ACP stakeholders;
- G. AFFIRMING** the ACP states' full understanding of current trade policy trends while **UNDERSCORING** the development agenda included in the WTO Doha Round negotiation ;
- H. NOTING** that not all ACP Sugar Supplying States had initialled an Interim Agreement or full EPA;
- I. RECALLING** that the provisions in the various full or interim EPA agreements contain legally binding international obligations whereby ACP States can supply any type of sugar without any discrimination and as such the EPA prevail on the EC Regulations on sugar;

- J. ACKNOWLEDGING** the fact that the EC is negotiating with the Group of Central American Countries, with the aim of concluding a Free Trade Agreement (FTA), which is likely to include concessions on Market Access for Sugar that will further erode the Preferences ACP Sugar supplying countries have in their respective EPAs, thus adversely affecting their competitiveness;
- K. STRONGLY OPPOSED** to any re-opening of the July 2008 convergence package and to the concept of "reverse engineering" whereby the scheduling of tariffs conversions would come before agreement on modalities as this would be inappropriate and would adversely affect the interest of the ACP;
- L. RE-EMPHASISING** that the Accompanying Measures Support Programme for Sugar Protocol countries (AMSP) had been established primarily to assist ACP member states in the context of the 36% price cut to develop a sustainable and competitive sugar cane industry and to face the various challenges of the new situation in the EU market and to successfully adapt to the post-reform period;
- M. NOTING** that some countries were experiencing long delays in accessing the required financial support and insisting on the need to be able to adapt their MAAS to changing circumstances;
- N. DEEPLY CONCERNED** that because of the provisions of Article 96 of Cotonou Fiji's sugar funding for 2008 and 2009 under the AMSP was being withheld and that this constituted a serious setback in the implementation of its MAAS;
- O. MINDFUL** that the resources under the Accompanying Measures were less than the loss of export earnings resulting from the drastic 36% cut in the price of sugar;
- P. RECALLING** that negotiations of the second yearly revision of the Cotonou Agreement are being held without any information on the Financial envelope which will be made available for the period covered by the Revised agreement starting in 2013;
- Q. RE-EMPHASISING** that institutional and developmental aspects of the commodity protocols be maintained in the revised Cotonou Partnership Agreement with the objective of maintaining their development aspects and benefits ;
- R. NOTING** that major investments in all sugar industries are amortized over much longer periods than the six years remaining to the end of the current regime;

1. Calls on the European Union and the European Commission to:

- i.** ensure that any problem arising from the implementation of the EC Import Regulation (No. 828/2009) is urgently examined and that immediate corrective measures are adopted, particularly on the triggering of the safeguard clause, and the validity of the licenses for different types of sugar;
- ii.** further ensure that there is a managed market which ensures an adequate level of remunerative price which safeguards the interests of all ACP sugar suppliers;
- iii.** take into account that major investments in all sugar industries are amortized over long periods thus the need for a continuation of preferential sugar access after 2015;
- iv.** ensure that a new provision is enshrined in the Cotonou Agreement in order to guarantee the EC's commitment to support the ACP Commodity sector, including sugar, after 2013 ;
- v.** ensure that accompanying measures are provided beyond 2013, while ensuring the full and effective use of the resources already provided for the period 2007-2013;
- vi.** provide support in the form of additional accompanying measures to meet the challenges posed by preference erosion;
- vii.** ensure an acceleration of the disbursement of AMSP funds through measures such as fast-tracking and front-loading;
- viii.** address the concerns of the ACP countries whose AMSP funds are being withheld due to the provisions of Article 96 of Cotonou;
- ix.** ascertain that allocations should be fully utilized in the context of the EC Financial Perspectives and ways and means be explored in order to avoid that available resources are forfeited;
- x.** oppose, in the WTO negotiations, both the re-opening of the July 2008 convergence package and the concept of reverse engineering;
- xi.** ascertain for sugar and products with high sugar content (a) the implementation of tariff cuts in equal instalments spread over ten years following a two-year moratorium as detailed in the July 2008 convergence package; (b) should the EC declare sugar as sensitive, the lowest TRQ expansion introduced through ten equal instalments; (c) the binding of tariffs in specific (i.e. non-Ad Valorem Equivalent) rates; and (d) the maintenance of the Special Safeguard Clause

2. **Agrees** to the proposal to set up an ACP Ministerial Committee on Sugar to be supported by a committee at ambassadorial and technical levels. In this respect, mandates the Committee of Ambassadors to draw up and adopt the rules of procedure;
3. **Requests** the President of the Council of Ministers to forward this resolution to the European Commission, the Council of the European Union, the European Parliament and the Director General of the WTO.

Brussels, 19 November 2009

**RESOLUTION
OF THE 90TH SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN BRUSSELS (BELGIUM) FROM 16TH TO 18TH NOVEMBER 2009**

SUGAR

The ACP Council of Ministers,

- Meeting in Brussels, (Belgium), from 16th to 18th November 2009,

- S. HAVING REGARD** to the resolution on sugar adopted by the 89th session of the ACP Council of Ministers held in Brussels, from 25 to 27 May 2009;
- T. HAVING REGARD** to the Commission's Regulation No. 828/2009, which will henceforth regulate the import of sugar into the EU from the ACP and other LDCs suppliers of sugar;
- U. HAVING REGARD** to the Declaration of the ACP Trade Ministers on the Seventh Session of the WTO Ministerial Conference;
- V. ANXIOUS** to maintain the value of the market access for sugar on the EU market, including the maintenance of an adequate level of remunerative price underpinned by a managed market;
- W. UNDERSCORING** the fundamental principle that, under the new EPA sugar arrangements, no single ACP country should be worse off;
- X. MINDFUL** that the new trade regime would require the establishment of appropriate institutional structures at the various levels which would have to take into account the configurations of the various ACP stakeholders;
- Y. AFFIRMING** the ACP states' full understanding of current trade policy trends while **UNDERSCORING** the development agenda included in the WTO Doha Round negotiation ;
- Z. NOTING** that not all ACP Sugar Supplying States had initialled an Interim Agreement or full EPA;
- AA. RECALLING** that the provisions in the various full or interim EPA agreements contain legally binding international obligations whereby ACP States can supply any type of sugar without any discrimination and as such the EPA prevail on the EC Regulations on sugar;

- BB. ACKNOWLEDGING** the fact that the EC is negotiating with the Group of Central American Countries, with the aim of concluding a Free Trade Agreement (FTA), which is likely to include concessions on Market Access for Sugar that will further erode the Preferences ACP Sugar supplying countries have in their respective EPAs, thus adversely affecting their competitiveness;
- CC. STRONGLY OPPOSED** to any re-opening of the July 2008 convergence package and to the concept of "reverse engineering" whereby the scheduling of tariffs conversions would come before agreement on modalities as this would be inappropriate and would adversely affect the interest of the ACP;
- DD. RE-EMPHASISING** that the Accompanying Measures Support Programme for Sugar Protocol countries (AMSP) had been established primarily to assist ACP member states in the context of the 36% price cut to develop a sustainable and competitive sugar cane industry and to face the various challenges of the new situation in the EU market and to successfully adapt to the post-reform period;
- EE. NOTING** that some countries were experiencing long delays in accessing the required financial support and insisting on the need to be able to adapt their MAAS to changing circumstances;
- FF. DEEPLY CONCERNED** that because of the provisions of Article 96 of Cotonou Fiji's sugar funding for 2008 and 2009 under the AMSP was being withheld and that this constituted a serious setback in the implementation of its MAAS;
- GG. MINDFUL** that the resources under the Accompanying Measures were less than the loss of export earnings resulting from the drastic 36% cut in the price of sugar;
- HH. RECALLING** that negotiations of the second yearly revision of the Cotonou Agreement are being held without any information on the Financial envelope which will be made available for the period covered by the Revised agreement starting in 2013;
- II. RE-EMPHASISING** that institutional and developmental aspects of the commodity protocols be maintained in the revised Cotonou Partnership Agreement with the objective of maintaining their development aspects and benefits ;
- JJ. NOTING** that major investments in all sugar industries are amortized over much longer periods than the six years remaining to the end of the current regime;

4. calls on the European Union and the European Commission to:

- xii.** ensure that any problem arising from the implementation of the EC Import Regulation (No. 828/2009) is urgently examined and that immediate corrective measures are adopted, particularly on the triggering of the safeguard clause, and the validity of the licenses for different types of sugar;
- xiii.** further ensure that there is a managed market which ensures an adequate level of remunerative price which safeguards the interests of all ACP sugar suppliers;
- xiv.** take into account that major investments in all sugar industries are amortized over long periods thus the need for a continuation of preferential sugar access after 2015;
- xv.** ensure that a new provision is enshrined in the Cotonou Agreement in order to guarantee the EC's commitment to support the ACP Commodity sector, including sugar, after 2013 ;
- xvi.** ensure that accompanying measures are provided beyond 2013, while ensuring the full and effective use of the resources already provided for the period 2007-2013;
- xvii.** provide support in the form of additional accompanying measures to meet the challenges posed by preference erosion;
- xviii.** ensure an acceleration of the disbursement of AMSP funds through measures such as fast-tracking and front-loading;
- xix.** address the concerns of the ACP countries whose AMSP funds are being withheld due to the provisions of Article 96 of Cotonou;
- xx.** ascertain that allocations should be fully utilized in the context of the EC Financial Perspectives and ways and means be explored in order to avoid that available resources are forfeited;
- xxi.** oppose, in the WTO negotiations, both the re-opening of the July 2008 convergence package and the concept of reverse engineering;
- xxii.** ascertain for sugar and products with high sugar content (a) the implementation of tariff cuts in equal instalments spread over ten years following a two-year moratorium as detailed in the July 2008 convergence package; (b) should the EC declare sugar as sensitive, the lowest TRQ expansion introduced through ten equal instalments; (c) the binding of tariffs in specific (i.e. non-Ad Valorem Equivalent) rates; and (d) the maintenance of the Special Safeguard Clause

5. **agrees** to the proposal to set up an ACP Ministerial Committee on Sugar to be supported by a committee at ambassadorial and technical levels. In this respect, mandates the Committee of Ambassadors to draw up and adopt the rules of procedure;
6. **requests** the President of the Council of Ministers to forward this resolution to the European Commission, the Council of the European Union, the European Parliament and the Director General of the WTO.

Brussels, 19 November 2009

**RESOLUTION
OF THE 90th SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN BRUSSELS (BELGIUM) FROM 16th TO 18th NOVEMBER 2009**

BANANAS

The ACP Council of Ministers,

- meeting in Brussels, Belgium, from 16th to 18th November 2009,

- A. **HAVING REGARD TO** the Resolution on bananas adopted by the 89th session of the ACP Council of Ministers held in Brussels, from 25 to 27 May 2009;

- B. **HAVING REGARD TO** the Declaration of 13 November 2009 by the ACP Trade Ministers on the Seventh Session of the WTO Ministerial Conference;

- C. **ALSO HAVING REGARD TO** the "Key elements of an agreement on bananas between the EC and the MFN Banana producers" presented by the EC in March 2009 which is still so far the only Proposal communicated to the ACP Countries on the Market Access side of the Agreement;

- D. **CONSIDERING** the text on the Banana accompanying Measures (BAM), submitted by the EC in September 2009 and the subsequent clarifications;

- E. **RECALLING** the willingness shown by the ACP banana-supplying States during the discussions with the EC aimed at reaching an agreement on the Support Programme, the Banana accompanying Measures (BAM), as well as on the "Key elements of an agreement on bananas between the EC and the MFN Banana producers";

- F. **AFFIRMING** the ACP states' full understanding of current trade policy trends while **UNDERSCORING** the development agenda included in the WTO Doha Round negotiations ;

- G. **ACKNOWLEDGING** the fact that the EC is negotiating Free Trade Agreements (FTAs) with various third countries and groups of countries , including the Group of Central American Countries and the Andean Group, which are likely to include concessions on Market Access for Bananas that will further erode the Preferences of ACP Bananas supplying countries, thus adversely affecting their competitiveness;

- H. **RECALLING** the elements contained in the "Support Programme for the Adaptation of ACP Banana Sectors to the EC-MFN Agreement on Banana Import Tariff Reduction" developed by the ACP Banana-supplying States and submitted to the European Commission on 28 July 2009;

- I. **AWARE OF** the need for the EC to fulfill its obligations under article XXVIII of the GATT and for complying with the Findings and Conclusions in the Appellate Body Reports WT/DS27/AB/RW2/ECU (Ecuador) and WT/DS27/AB/RW/USA (United States) issued on 26 November 2008;
- J. **RECALLING** that the EC's import tariff for bananas of € 176/mt has enabled the MFN countries to substantially increase their banana exports to the EU market since its entry into force on 1st January 2006;
- K. **RECALLING ALSO** that the latest text on Modalities for Agriculture published on 6 December 2008 by the Chairman of the Special Session of the Committee on Agriculture, recalls inter alia, the undertaking by long-standing preference-granting Members to provide additional financial and capacity building assistance to help address supply-side constraints and to promote the diversification of existing production in the territories of preference-receiving Members;
- L. **STRESSING** the necessity for any Agreement to be balanced and to keep with WTO Members undertaking, to provide for a necessary transitional period, including a moratorium, to enable the ACP banana producing countries to adapt to the new market situation;
- M. **UNDERSCORING** the need for any agreement in the framework of the Doha Round negotiations to provide sufficient legal security in order to enable the Banana Stakeholders to devise sustainable medium and long term development policies, including investment planning;
- N. **ACKNOWLEDGING** that negotiations on the second revision of the Cotonou Agreement are being held without any information on the financial envelope which will be made available for the period covered by the Revised Agreement starting in 2013;
- O. **RE-EMPHASISING** that institutional and developmental aspects of the commodity protocols should be maintained in the Revised Cotonou Partnership Agreement with the objective of providing a legal basis for the possible support to be provided to the commodity sector in the framework of the Partnership;
- P. **ALSO RECALLING** the contractual commitments made by the European Communities in (a) the full Economic Partnership Agreement (EPA) signed with CARIFORUM, (b) the Interim EPA signed with Côte d'Ivoire and (c) the individual Interim agreements concluded with several other ACP countries, particularly Cameroon and Ghana as banana-exporting members of the ACP Group;

- Q. REAFFIRMING** the serious social, economic and political dislocation that could result from the destruction of the banana industry in ACP countries, such as massive unemployment, the production and transshipment of illicit drugs as an alternative source of income, as well as the possible growing pressure for inhabitants of ACP banana producing countries to emigrate to Europe or other developed countries, which all serve to generate social and political instability;
1. **Reiterates** that tariff reduction for bananas is not a stand-alone issue, but forms part of a package towards the establishment of modalities on agriculture in the DDA as follows:
 - (i) bananas will have a separate tariff treatment in the DDA modalities on agriculture;
 - (ii) bananas will not be subject to Tropical Product treatment;
 - (iii) MFN banana suppliers, the EU and the ACP, will jointly agree on the modalities for addressing preference erosion products/tropical products in the agriculture negotiations;
 - (iv) The three parties will jointly communicate their agreement to those modalities, in writing, to the Chair of the Agriculture Committee in Special Session and the Chair of the Trade Negotiations Committee;
 - (v) This package will have to be agreed as a whole before implementation of any of its parts.
 2. **Also reiterates** that the EC's March 2009 proposal submitted to the MFN countries, contains commitments which are more far-reaching than is required to fulfill the EC's obligations under Article XXVIII of the GATT and for complying with the WTO Appellate Body's ruling, especially in light of the substantial increase in banana imports from MFN countries under the current tariff;
 3. **Insists**, whatever the solution proposed by the EC, on the need to first and foremost take into account the flexibilities offered by the modalities on long-standing preferences, as stated in the latest text on Agriculture Modalities, including specifically for the Banana case viz:
 - (i) implementation of tariff cuts in instalments spread over at least 10 years;
 - (ii) a three-year moratorium subsequent to the first tariff reduction;
 - (iii) provision of financial assistance in the amount of €250 million, corresponding to the minimum amount necessary to address ACP Banana- supplying States' needs for the period 2010 to 2013;
 - (iv) a commitment by the EC to participate in a joint review mechanism to assess the situation of ACP banana suppliers after 2013 and provide additional resources as required;

4. **Urges** the European Union to comply with the EC's contractual commitments, particularly those contained in the full or interim Economic Partnership Agreements, which provide *inter alia* for tariff reductions to be made only if "unavoidable" and that in any case they "should be phased in over as long a period as possible".
5. **Calls on** the European Union to ensure the concomitance between the banana deal with the MFN countries and the agreement on accompanying measures for bananas in favour of ACP countries;
6. **Urges** the European Union to ensure that new provisions are enshrined in the Cotonou Agreement in order to guarantee the EC's commitment to support the ACP Commodity sector, including Bananas, after 2013;
7. **Requests** the President of the Council of Ministers to forward this resolution to the European Commission, the Council of the European Union, the EU Member States, the European Parliament and the WTO.

Brussels, 19 November 2009