

Brussels, 24th May 2007

[Final Version]

**DECISIONS AND RESOLUTIONS**  
**OF THE 85TH SESSION OF THE ACP COUNCIL OF MINISTERS**  
**HELD IN BRUSSELS (BELGIUM) FROM 21<sup>st</sup> TO 24<sup>th</sup> MAY 2007**

## SUMMARY

### DECISIONS

CONSULTATIONS BETWEEN THE REPUBLIC OF FIJI AND THE EUROPEAN UNION  
IN THE FRAMEWORK OF ARTICLE 96 OF THE COTONOU AGREEMENT

ECONOMIC PARTNERSHIP AGREEMENTS (EPAs)

### RESOLUTIONS

No.1 BANANAS

No.2 SUGAR

No.3 LDC SUGAR

No.4 WTO DOHA NEGOTIATIONS

No.5 ACP/EU NATURAL DISASTER FACILITY UNDER THE 10<sup>TH</sup> EDF

**DECISION  
OF THE 85<sup>TH</sup> SESSION OF THE ACP COUNCIL OF MINISTERS  
HELD IN BRUSSELS FROM 21<sup>ST</sup> TO 24<sup>TH</sup> MAY 2007**

**CONSULTATIONS BETWEEN THE REPUBLIC OF FIJI AND THE  
EUROPEAN UNION IN THE FRAMEWORK OF ARTICLE 96  
OF THE COTONOU AGREEMENT**

**The ACP Council of Ministers,**

- meeting in Brussels (Belgium) from 21<sup>st</sup> to 24<sup>th</sup> May 2007,

**HAVING REGARD** to the revised Cotonou Agreement, particularly Articles 8 and 96 and Annex VII, relating to political dialogue and the essential elements underpinning the ACP-EU Partnership;

**RECALLING** the ACP Group's commitment to respect for human rights, democratic principles, the Rule of Law and good governance in public affairs, which has been reaffirmed on several occasions, especially in the framework of the Libreville, Santo Domingo, Nadi, Maputo and Khartoum Declarations of the Summit of ACP Heads of State and Government;

**TAKING NOTE** of the consultations held on 18 April 2007 between the European Union, on one hand, and the Republic of Fiji and the ACP Group, on the other, in the framework of Article 96 of the revised Cotonou Agreement, as well as the outcome of the consultations as presented in the Secretariat's report [ACP/29/026/07];

**CONGRATULATING** the Interim Government of Fiji for the spirit of cooperation demonstrated throughout the consultation process and its will to successfully implement the 13 undertakings agreed at the end of consultations, with a view to ensuring respect for human rights and fundamental freedoms, and restoring constitutional rule according to the agreed timetable;

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**HEREBY DECIDES TO:**

1. **instruct** the Committee of Ambassadors to take the necessary action to closely monitor the implementation of the above-mentioned undertakings, and to provide the authorities of the Republic of Fiji with all possible assistance to carry out the series of measures envisaged in this regard;
2. **call on** the Committee of Ambassadors to submit a progress report on the implementation of the undertakings to the next Council Session;
3. **mandate** the Committee of Ambassadors to also formulate practical guidelines to improve and strengthen the ACP Group's participation in consultations held in the framework of Articles 96 and 97 and Annex VII of the revised Cotonou Agreement.

Done in Brussels, 24<sup>th</sup> May 2007

**Honourable Mohlabi Kenneth TSEKOA**  
**Minister of Foreign Affairs and International Relations**  
**of the Kingdom of Lesotho**  
**President of the ACP Council of Ministers**

**DECISION  
OF THE 85<sup>TH</sup> SESSION OF THE ACP COUNCIL OF MINISTERS  
HELD IN BRUSSELS FROM 21<sup>ST</sup> TO 24<sup>TH</sup> MAY 2007**

<b>ECONOMIC PARTNERSHIP AGREEMENTS (EPAs)</b>
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**The ACP Council of Ministers,**

- meeting in Brussels, (Belgium), from 21<sup>st</sup> to 24<sup>th</sup> May 2007,
- A. **RECALLING** the objectives contained in the Georgetown Agreement and the Cotonou Partnership Agreement;
- B. **RECALLING** the Declaration of the 4th Summit of ACP Heads of State and Government held on 23 and 24 June 2004 in Maputo, Mozambique, with regard to economic development dimension; and Decision No. 5 of that Summit on the Economic Partnership Agreements (EPAs);
- C. **RECALLING** Decision No.6 of the 84<sup>th</sup> Session of the ACP Council of Ministers on EPAs;
- D. **HAVING REGARD** to the Africa Union Heads of State and Government Declaration on Economic Partnership Agreements Negotiations issued in Addis Ababa, Ethiopia on 29 January 2007 which was informed by the outcome of the African Union Ministers of Trade who met on 17 January 2007;
- E. **DULY NOTING** the outcome of the meetings of the ACP Ministers responsible for EPAs and of the ACP and Joint ACP-EC Ministerial Trade Committee meetings held in Brussels from 26 February to 1 March 2007;
- F. **HAVING REGARD** to the final communiqué of the 8th EU – Africa Ministerial Troika meeting held in Brussels on 15 May 2007 which, inter alia, welcomes the political impetus given to the EPA negotiations by the regional Ministerial meetings with the purpose of arriving at a mutually satisfactory conclusion within the agreed timeframe;

.../...

- G. **CONSIDERING** the review reports on EPA negotiations at the regional and all ACP level, in which ACP States express their political commitment to conclude the negotiations as stipulated in the Cotonou Agreement provided that all the outstanding issues are satisfactorily addressed;
- H. **COGNISANT** of the conclusions adopted by the EU General Affairs and External Relations Council of 24 May 2005, 10 April 2006, 16 October 2006 and 15 May 2007 in which EU Member States, *inter alia*, reiterated their political commitment to ensure EPAs will serve as development instruments for ACP States and that the concrete design of the EPAs will be the outcome of the negotiations;
- I. **HAVING REGARD** to the outcome of the informal dialogue between the ACP and EU Ministers on the pro-development agenda of the Economic Partnership Agreements (EPAs) held in Bonn, Germany on 13 March 2007;
- J. **WHEREAS** the principal objectives of ACP regions in undertaking the EPA negotiations is sustainable development, the structural transformation of their economies; increase in the production and supply capacity of their countries; promotion of sustained growth; and to eventual eradication of poverty;
- K. **WHEREAS** there is a great need to prioritize national and regional policy formulation and to build implementation capacities in ACP countries in advance of any trade liberalization and other commitments being proposed by the European Commission in the context of negotiations;

**DECIDES TO:**

1. **urge** the ACP negotiating regions and the European Commission to make every effort to deal with the outstanding negotiating issues in order to ensure that all concerns and interests of ACP States are fully taken on board. In particular, development issues including the provision of adequate resources, additional to EDF and on a predictable basis, to finance EPA related adjustment costs should be addressed;

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2. **to call on** the European Union and the European Commission to ensure that irrespective of the outcome of the negotiations, no ACP State is left worse off. Furthermore, the EC should adopt the necessary transitional measures so as to avoid any disruption in the ACP exports to the EU beyond 2007.
3. **mandate** the ACP Ministers responsible for Trade negotiations and EPAs as well as the Chief Negotiators to meet during the second half of 2007 to assess progress of the negotiations and address all outstanding issues that may hinder the timely conclusion of the negotiations. In this regard, the ACP Ministers of Trade will decide on the road-map and calendar of activities to be followed in the finalization and signature of the economic partnership agreements. The Technical Follow-up Group on EPA negotiations and, if necessary the Ministerial Trade Committee shall meet prior to and assist in the preparations for the meeting of ACP Ministers responsible for Trade negotiations and EPAs.

Done in Brussels, 24<sup>th</sup> May 2007

**Honourable Mohlabi Kenneth TSEKOA**  
**Minister of Foreign Affairs and International Relations**  
**of the Kingdom of Lesotho**  
**President of the ACP Council of Ministers**

# RESOLUTIONS

**RESOLUTION  
OF THE 85<sup>th</sup> SESSION OF THE ACP COUNCIL OF MINISTERS  
HELD IN BRUSSELS (BELGIUM) FROM 21<sup>st</sup> TO 24<sup>th</sup> MAY 2007**

<b>BANANAS</b>
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The ACP Council of Ministers,

- Meeting in Brussels, (Belgium), from 21<sup>st</sup> to 24<sup>th</sup> May 2007,
- A. **HAVING REGARD TO** the resolution on bananas adopted by the 83<sup>rd</sup> session of the ACP Council of Ministers held in Port Moresby, Papua New Guinea, from 28 to 31 May 2006;
- B. ***HAVING REGARD TO** the resolution on bananas adopted by the 82<sup>nd</sup> session of the ACP Council of Ministers held in Brussels, Belgium, from 6 to 9 December 2005;*
- C. **HAVING REGARD TO** the resolution on agricultural and mining commodities adopted by the 10<sup>th</sup> session of the ACP-EC Joint Parliamentary Assembly held in Edinburgh from 18 to 24 November 2005;
- D. **RECALLING** the open debate held on bananas at the 6<sup>th</sup> Ministerial Conference of the World Trade Organisation (WTO) in Hong Kong in December 2005, and the arguments advanced by the ACP side to justify the need to maintain the preferences from which banana exports from ACP countries benefit at a significant level to ensure the viability of the ACP banana industry;
- E. **CONSIDERING** the decision of the Chairman of the 6<sup>th</sup> WTO Ministerial Conference to set up a Monitoring process chaired by Norway's Foreign Affairs Minister in order to enable the various banana-exporting countries to thoroughly assess the effects of the Implementation of the European Union's new banana import regime that came into effect on 1 January 2006;
- F. **DEPLORING** the refusal by the MFN banana-exporting countries to include the ACP countries in the discussions facilitated by the Norwegian Minister, despite their sound arguments and repeated requests;

.../...

- G. **NOTING** the efforts of the European Commission to keep the ACP countries informed of the ongoing discussions in the context of the facilitation exercise as well as in the context of consultations and negotiations with Latin American banana exporters;
- H. **RECALLING** that the Community is committed by Article 36.3 of the Cotonou Agreement to the provision of non-reciprocal trade preferences;
- I. **EMPHASIZING** the fact that the data on banana imports for the whole of 2006 and part of 2007 has shown that the tariff level of 176 euros per tonne has enabled the Latin American countries to increase their exports to the European market; as a result therefore, their argument that this new tariff level would reduce their access to the EU market has effectively been refuted;
- J. **INSISTING** on the need to counter any attempt by opponents of ACP banana trading interests to pursue, via purely legalistic procedures within the WTO, even further reductions in the EU-applied tariff, despite the evidence of the market data;
- K. **AWARE** that Ecuador's request for the establishing of a fourth Banana Panel within the WTO aims at reducing the current tariff level and can undermine ACP preferences, that are essential to the continued export of ACP bananas to the EU;
- L. **INSISTING** on the need for guaranteed access for ACP bananas within the EU market at a viable price;
- M. **RECALLING** its invitation to the EU to collaborate with the ACP in designating bananas as a sensitive product in the ongoing WTO Doha negotiations so as to protect the interests of ACP exporters;
1. **Calls on** the ACP countries to pursue compilation of information on the developments in the EU banana market and to formulate a solid argument to prove their case that the new regime that came into force on 1 January 2006 at least maintains total MFN access to the EU market;
  2. **Insists** that the EU introduce measures to ensure that ACP producers whose countries would have not yet signed the EPAs are guaranteed entry to the EU market after 31 December 2007 on similar preferential terms as at present;

.../...

3. **Urges** the European Union to ensure that the EC's bound tariff level for bananas within the WTO does not undermine the current tariff level and does not reduce the benefits to be derived by all banana-exporting ACP countries;
4. **Urges** the European Union to ensure that any solution arrived at with MFN countries, whether following negotiation or litigation, takes into account the interest of ACP countries and provides a guarantee that they would not be in a worse position than at present;
5. **Urges** the European Union to consider the special needs of vulnerable ACP States with regard to banana exports and maintain its commitment to development made to the entire group of ACP countries;
6. **Urges** the European Union to ensure that all available information is communicated to the ACP countries so as to facilitate their participation in discussions in various fora;
7. **Calls on** the ACP countries and the European Union to continue to hold consultations with the aim of ensuring meaningful and effective participation in the legal proceedings that have been initiated by the MFN countries at the WTO;
8. **Invites** the ACP countries and the European Union to:
  - work towards setting up a new regime to guarantee the viability of banana-exporting companies in ACP countries, ensure access of bananas from these countries to the European Community market, and safeguard the financial and socio-economic advantages that the ACP countries derive from these exports;
  - assess the consequences of including bananas in the Economic Partnership Agreements currently under negotiation;
  - seek the best possible approach to ensure that the preferences from which the ACP banana-producing countries benefit are safeguarded upon conclusion of the ongoing Doha Round;

.../...

9. **Calls on** the European Union, in order to take account of the considerable delay experienced, to act quickly in view of the postponement of the deadline for the commitment of the resources available under the Special Framework of Assistance to enable the total and effective use of the funds;
10. **Instructs** 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 and the European Parliament.

**Brussels, 24 May 2007**

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**RESOLUTION**  
**OF THE 85<sup>TH</sup> SESSION OF THE ACP COUNCIL OF MINISTERS**  
**HELD IN BRUSSELS, (BELGIUM) FROM 21<sup>ST</sup> TO 24<sup>TH</sup> MAY 2007**

<b>SUGAR</b>
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The ACP Council of Ministers,

- Meeting in Brussels (Belgium) from 21<sup>st</sup> to 24<sup>th</sup> May 2007;
- A. **HAVING REGARD** to the resolution on sugar adopted by the 84<sup>th</sup> session of the ACP Council of Ministers held in Khartoum, Sudan, from 4 to 6 December 2006;
- B. **RECALLING** that the reform of the Community's sugar regime, which imposes a 36% price cut over a short four-year period beginning 2006-2007, with already a proposed 5,1% decrease in the first year has had consequential devastating effects on the small, island, landlocked and vulnerable economies of the ACP States;
- C. **BEING AWARE** that some regional groupings negotiating EPAs, including ESA, had called for duty quota free access for ACP goods and maintaining EBA style access for LDCs while taking into account the import regime of a few sensitive products and not transitional periods for their phasing out.
- D. **NOTING** the market access offer made by the European Commission on 4 April 2007 in the context of the Economic Partnership Agreement (EPA) negotiations;
- E. **WELCOMING** the offer insofar as it offers additional market access opportunities for ACP products as called for by the Cotonou Agreement
- F. **DEEPLY CONCERNED** however that, with regard to Sugar, the offer aims at abolishing the Sugar Protocol as from October 2009 and as such is tantamount to a unilateral renunciation of this longstanding trade and development instrument and as such is totally unacceptable.

.../...

- G. **RECALLING** that under Article 36 (4) of the Cotonou Agreement, the ACP and the EU have reaffirmed the importance of Commodity Protocols and the need to review them in the EPA negotiations with a view to safeguarding the benefits derived therefrom bearing in mind the special legal status of the Sugar Protocol.
- H. **MINDFUL** that Article 30 of the new Sugar Regime (EU Common market Organization on Sugar Regulation No, 318/2006) applicable to the end of the marketing year 2014/2015 provides for guaranteed prices to be fixed for ACP sugar.
- I. **NOTING** that recent proposals made by the European Commission as regards the definition of Parties to the EPA would mean that EPAs would be signed bilaterally and that this would have an incidence both as regards GATT Article XXIV obligations and the treatment of the Sugar Protocol itself.
- J. **RECOGNISING** that it was essential that internal EU market should be in balance to avoid any negative impact on market access or on the market prices.
- K. **NOTING** that the EC price offer to the ACP sugar supplying States for 2005/2006 guaranteed prices represents a 5,1% decrease and does not take into account the relevant ACP economic factors as required by article 5(4) of the Sugar Protocol.
- L. **CONCERNED** that the ACP sugar export earnings under the Sugar Protocol will be further eroded and considerably reduced following the continued rise in transport, freight and insurance costs which the ACP States have to bear;
- M. **STRESSING** that in the framework of the formal and comprehensive review of the EPA negotiations under Article 37.4 of the Cotonou Agreement, special attention be given, in accordance with Article 36.4 of Cotonou, to safeguarding the tangible and intangible benefits derived from the Sugar Protocol taking into account its special legal status which include:
- (i). Guaranteed access for individually agreed quantities,
  - (ii). Guaranteed annually negotiated prices
- .../...

- (iii). Exemption from special safeguards
  - (iv). Guarantee of a buyer of last resort
  - (v). Indefinite duration
  - (vi). Multi-functional benefits (social, environmental and rural development)
- N. **NOTING THAT**, as regards accompanying measures, the European Commission had adopted indicative allocations for the period 2007/2010.
- O. **RECALLING** that the European Parliament in its resolution on the reform of the community sugar regime adopted in January 2006, had proposed that 200 million euros be allocated annually to the ACP Sugar Protocol countries and that an independent study conducted by at least one Member State and by other independent consultants gave conservative estimates of the ACP countries' adjustment needs at 500 million euros and 250 million euros per year, respectively;
- P. **CONCERNED**, however, that the European Commission proposals are inferior to the funds agreed both by the EU Parliament and the Council for the period 2007/2013 and are back loaded rather than front loaded as requested by the ACP States in order to enable them to effectively and successfully implement their multi-annual adaptation strategies in order to operate in a post reform situation;
- Q. **WELCOMING** the fact that the intra ACP research and development projects were progressing satisfactorily towards implementation;
- R. **NOTING** the gradual resumption of negotiations of the WTO Doha Development Agenda following their suspension in July 2006;
1. **Calls on the European Union and the European Commission to:**
- i. **Fully** honour its obligations under Article 36 (4) of Cotonou and to urgently engage in a joint review of the Sugar Protocol with a view to safeguarding its benefits, bearing in mind its special legal status;
  - ii. **Specify**, in the framework of the formal and comprehensive review of the EPAs, the measures they intend to take to safeguard the benefits that the ACP countries derive from the Sugar Protocol as provided for under Article 36.4 of the Cotonou Agreement and how they propose to ensure that the benefits and guarantees are maintained and entrenched;

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- iii. **Ensure** that the EU market is managed in such a way as it does not impact negatively on ACP preferences, either as regards access, prices and the other benefits;
- iv. **Comply with** Article 30 of the new Sugar Regime valid until 30 September 2015 and which provides for a guaranteed price to be fixed for ACP countries;
- v. **Honour the** provisions of Article 5(4) of the ACP-EU Sugar Protocol which call for the taking into account of all relevant economic factors in the determination of the ACP sugar guaranteed price and hence improve the offer for 2006/2007 in such a way as to provide the ACP with an adequate level of income comparable to the treatment afforded to EU beet growers;
- vi. **take** account of the new environment created by the reform of the sugar regime and the principles applied in fixing the prices paid to the different EU sugar producers, to include economic factors such as transportation and insurance costs, which are relevant economic factors for the ACP, in determining the guaranteed price negotiated for the ACP countries ;
- vii. **ensure** that the European Commission is given the necessary mandate to hold meaningful negotiations and provide satisfactory responses to the demands from the ACP countries for a price that takes into account all the relevant economic factors;
- viii. **Explore** every possibility to increase the annual amounts for accompanying measures to at least 250 million euros including from uncommitted 9<sup>th</sup> EDF;

.../...

- ix. **Support** the efforts of the ACP countries by stressing, in the framework of the resumption of the negotiations of Doha Development Agenda, the preservation of the long-standing preferences.
2. **Instructs** the President of the Council of Ministers to forward this resolution to the European Commission, the Council of the European Union and the European Parliament.

Brussels, 24<sup>th</sup> May 2007

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**RESOLUTION  
OF THE 85<sup>TH</sup> SESSION OF THE ACP COUNCIL OF MINISTERS  
HELD IN BRUSSELS (BELGIUM) FROM 21<sup>ST</sup> TO 24<sup>H</sup> MAY 2007**

<b>LDC SUGAR</b>
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**The ACP Council of Ministers,**

- Meeting in Brussels (Belgium) from 21<sup>st</sup> to 24<sup>th</sup> May 2007;
- A** **HAVING REGARD** to the resolution on LDC Sugar adopted by the 84<sup>th</sup> session of the ACP Council of Ministers held in Khartoum (Sudan) on 4<sup>th</sup> and 5<sup>th</sup> December 2007 ;
- B.** **HAVING REGARD** to the Second Framework Agreement on sugar adopted in Port Moresby on 29<sup>th</sup> May 2006 which reconfirms an orderly management system for the EBA Sugar Interim Quota for the period between 1 July 2006 and 30 June 2009;
- C.** **RECALLING** the adoption by the Commission of European Communities a new regulation (EC N° 1100/2006) on 17 July 2006, laying down for the marketing years 2006/07, 2007/08 and 2008/09, detailed rules for the opening and administration of tariff quotas for raw cane-sugar for refining, originating in least developed countries, as well as detailed rules applying to the importation of products of tariff heading 1701 originating in least developed countries;
- D.** **STRESSING** that although the least developed countries that export sugar to the European Union in the framework of the Everything But Arms Initiative do not benefit from the same contractual framework as that which links the Sugar Protocol countries to the European Communities, they also suffer the negative effects of the reform of the European Sugar Regime;
- E.** **RECALLING** that owing to these consequences and, in the absence of any support measures, the LDCs run the risk of losing the advantages that they have begun to derive from the opportunities offered by the export of sugar to the European market ;

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- F. **WELCOMING** the offer of market access in the framework of the EPAs as proposed by the European Commission on 4 April 2007, since it came during this period of uncertainty, to confirm the will of the EU to honour its commitments to the LDCs as regards complete market access as from 1 October 2009;
- G. **STRESSING** that there are a number of issues that require clarification, including details on the improvement in LDC market access, the application of automatic volume safeguards and current and future implications for market access for LDCs;
- H. **WELCOMING** the fact that the terms of reference for the research project financed by the EDF have been drafted in such a way as to involve all the ACP sugar-producing countries in its implementation and to also enable all to benefit from the results of the activities that will be undertaken;
- I. **CONCERNED** that the decision published in the European Union Official Journal implies that only ACP countries under the Sugar Protocol will benefit from the additional 100 million euros expected to be made available for the EIB in the framework of the Investment Facility to encourage investment in the sugar sector ;

1) **Calls on the European Union and the European Commission to**

- **Provide** the necessary information for the LDC sugar-supplying States so as to give them the relevant elements to assess the advantages of the EC's offer of market access in the framework of the EPAs;
- **Set** guaranteed minimum prices for a longer period for sugar imported from ACP countries, and ensure that the minimum price selected takes into account not only considerations internal to the Community, but the proposals of all ACP sugar-exporting countries, LDC as well as non-LDC;
- **Make provisions** for the inclusion of all ACP sugar-producing countries to benefit from the funds that will be made available in the framework of the Investment Facility and the EIB's own resources;

.../...

- **seek** appropriate **financing** in the framework of the EDF including from uncommitted 9<sup>th</sup> EDF, with due regard for the particular situation of the LDCs, so as not to jeopardize the benefits that the LDCs derive from the development of their sugar industries and the positive impact of that development on poverty reduction;
  - **Amend** the Community Declaration on Interest Subsidies made during the 31<sup>st</sup> Session of the ACP-EC Council in order to take account of the consensus reached by the ACP States and to allow all ACP sugar-producing countries to benefit from the funds available;
- 2) **Calls on the European Commission and ACP States** to monitor the implementation of the Intra-ACP sugar sector research programme financed from EDF resources so as to ensure that all the ACP sugar-producing countries are involved in the activities to be undertaken and the consequent results;
- 3) **Instructs** 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 and the European Parliament.

Brussels, 24 May 2007

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**RESOLUTION**  
**OF THE 85<sup>TH</sup> SESSION OF THE ACP COUNCIL OF MINISTERS**  
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<b>WTO DOHA NEGOTIATIONS</b>
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The ACP Council of Ministers,

- Meeting in Brussels (Belgium) from 21 to 24 May 2007;
- A. **HAVING** received a report from the ACP Group Coordinator in Geneva on the status of the WTO Doha negotiations;
- B. **HAVING** received additional information following an exchange of views with the Director-General of the WTO, Chairman of the Trade Negotiations Committee on the said negotiations;
- C. **REAFFIRMING** its commitment to a fair, equitable and transparent rules-based multilateral trading system, as an instrument that can integrate ACP States' participation in global trade and enhance their economic development;
- D. **HAVING REGARD** to the Doha Ministerial Declaration adopted during the Fourth WTO Ministerial Conference held in Doha (Qatar) which placed development at the heart of the negotiating mandate;
- E. **RECALLING** that the Doha Ministerial Declaration clearly recognized the importance of ensuring that developing countries' interests and concerns are addressed and that Special and Differential Treatment (S&DT) provisions shall be integral in all aspects of the negotiations.
- F. **WELCOMING** the efforts to revitalize the negotiations through the multilateral process in Geneva;
- G. **REAFFIRMING** that these processes should be transparent, inclusive and with a bottom-up approach;

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- H. **REITERATING** that the outcome of the negotiations shall be development-oriented, including in areas of interest to the ACP Group, namely special and differential treatment, implementation issues and concerns, duty and quota free market access for LDCs, special concerns for Small Vulnerable Economies, long-standing preferences, cotton, flexibilities in agriculture including “special products” and a “special safeguard mechanism”, Non Agricultural Market Access (NAMA), services, trade facilitation and rules including fisheries subsidies;
- I. **NOTING** that the first instalment of the *Challenges Paper* issued by the Chairman of the Agriculture Negotiating Group does not meet the ACP Group expectations as it is unbalanced in the treatment of developed and developing countries; it does not address ACP concerns and proposals and treats disproportionately the domestic support and market access pillars;
- J. **CONCERNED** in particular with the *Challenges Paper's* treatment of special products, a major developmental issue for the ACP WTO Members;
- K. **REITERATING** that the outcome of the negotiations in Agriculture should result in real and effective substantial reduction of trade distorting domestic support coupled with meaningful disciplines, elimination of all forms of export subsidies, and substantial improvements in access to the markets of developed countries for products of export interest to developing countries;
- L. **CONSIDERING** that addressing the problems related to commodities will greatly contribute to the realization of the Millennium Development Goals of most of the ACP States;
- M. **RECALLING** the mandate to address the issue of cotton ambitiously, expeditiously and specifically within the three pillars of the agriculture negotiations in relation to all trade-distorting policies affecting that sector;
- N. **UNDERLINING** that ACP members should be accorded adequate time to examine in detail the proposals submitted by other WTO Members and Chairs of the negotiating bodies with a view to consulting their respective authorities and taking informed decision on these proposals;

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**RESOLVES TO:**

1. **Reiterate** that the development dimension must be included in all aspects of the results of the Doha Round;
2. **Underline** that the negotiations must fully respect the Doha mandate, the July 2004 Framework and the Hong Kong Ministerial Declaration and that any attempt to renegotiate the mandate will not be acceptable;
3. **Reiterate** that adequate and effective Special and differential treatment provisions should be meaningful, operational and responsive to the developmental needs of ACP States;
4. **Urge** the chairs of all the Negotiating bodies to ensure balance and impartiality in addressing the proposals and concerns of ACP countries with a view to securing the development promises of the Doha round of negotiations;
5. **Assert** that substantial improvement in market access should be achieved through tariff simplification and the elimination of tariff escalation which impede or deny market access opportunities to products of export interest to ACP States;
6. **Emphasize** the need to ensure that the treatment of “special products” should guarantee adequate flexibility, including exemptions from tariff reductions, for realizing the intended objective of the proposal submitted by the G33 countries, namely achieving food security, livelihood security and rural development needs of ACP countries. Such treatment must take into account the special circumstances of ACP countries, including Small Vulnerable Economies;
7. **Urge** the Chairman of the Committee in agriculture in special session to fully cover all issues of interest to the ACP Group in the second instalment of his *Challenges Paper*. These issues include trade solutions to preference erosion, Special Safeguard Mechanism, food security, rural development concerns and flexibilities for Small Vulnerable Economies;
7. **Reiterate** that the proposal submitted by the Cotton 4 countries (Benin, Burkina Faso, Chad and Mali) remains the basis for a satisfactory solution to the treatment of the trade and development aspects of cotton;

9. **Urge** WTO members to address the crisis of instability and secular decline in commodity prices so as to attain stable, equitable and remunerative prices for these products in accordance with the relevant proposals tabled in the Committee on Trade and Development;
10. **Reiterate** that the ACP Group can only be party to a consensus decision on Agriculture and NAMA, if the modalities to be agreed are established in full and fully take into account ACP States development concerns and interests;
11. **Further reiterate** the vital role of long standing preferences in the development of ACP States and urge in this regard the WTO NAMA Negotiating Group to fully address the issue of erosion of preferences through appropriate and meaningful trade solutions, taking into account the constructive proposal of the ACP Group in NAMA. In this context, it is to be noted that all sectoral initiatives under NAMA including textiles and fisheries trade, although voluntary, would have tremendous implications for preference erosion for ACP members;
12. **Insist** on the need for effective implementation of GATS provisions on improving market access in sectors and modes of export interest to ACP countries;
13. **Call upon** WTO members to adopt rules and provisions in Regional Trade Agreements that allows adequate flexibilities to enable ACP member states to advance their interests when concluding pro-development trading arrangements compatible with WTO rules and provisions;
14. **Underscore** the need to fully operationalize the Recommendations of the Task Force on Aid for Trade including the provision of technical and financial assistance to all ACP countries to help them implement their trade related development needs;
15. **Further underscores** the necessity for Aid for Trade resources to be additional, predictable and sustainable;
16. **Underline** that in concluding the negotiations, emphasis should be placed on arriving at an agreement which fully satisfies the development dimension rather than timeframes;

.../...

17. **Reaffirm that ACP States** are committed to a successful conclusion of the Doha process that provides a meaningful development outcome and having been fully involved in the decision process;
18. **Decide** to call for the convening of the G90 Ministerial meeting at the appropriate time to take stock of the negotiations and chart the way forward for the members of the Group;
19. **Instructs** the ACP Coordinator in Geneva to circulate this Resolution to the WTO membership, and to the WTO Director-General, Chairman of the Trade Negotiations Committee.

**Brussels, 24 May 2007**

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**RESOLUTION  
OF THE 85<sup>TH</sup> SESSION OF THE ACP COUNCIL OF MINISTERS  
HELD IN BRUSSELS, (BELGIUM) FROM 21<sup>ST</sup> TO 24<sup>TH</sup> MAY 2007**

<b>ACP-EU NATURAL DISASTER FACILITY UNDER THE 10<sup>TH</sup> EDF</b>
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The ACP Council of Ministers,

- Meeting in Brussels (Belgium) from 21 to 24 May 2007;
  
- A. WELCOMING** the principles and objectives of Article 73 of the Cotonou Agreement, which makes provisions for post emergency action aimed at the socio-economic reintegration of ACP populations affected by natural disasters;
  
- B. RECALLING** Decision N°3/LXXIX/04 of the 79<sup>th</sup> Session of the ACP Council of Ministers, held in Gaborone, Botswana on the 4<sup>th</sup> and 5<sup>th</sup> May 2004, which reaffirmed the need to mainstream desertification policies and dryland issues to address critical sustainable management matters, such as drought, deforestation and water resources;
  
- C. HAVING** regard to the Decision N°3/IV/SUMMIT/04 of the 4<sup>th</sup> Summit of ACP Heads of State and Government, held in Maputo, Mozambique on the 23 to 24 June 2004, which underlined the extreme vulnerability of many ACP States, Regions and populations to natural disasters and its associated environmental problems, and encouraged a commitment to support pro-active initiatives to combat these problems;
  
- D. ACKNOWLEDGING** the Declaration of the 5<sup>th</sup> Summit of ACP Heads of State and Government, held in Khartoum, Sudan on the 7<sup>th</sup> to 8<sup>th</sup> December 2006, which reaffirmed the ACP Group's solidarity with the Governments and peoples of countries affected by tragic, economic and social consequences of natural disasters, and further urged the continued support of the international community to address disaster mitigation and long-term reconstruction;

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- E. **ACKNOWLEDGING** the European Commission's financial allocation of €12 million from the Intra-ACP Cooperation envelope of the 9<sup>th</sup> EDF to the ACP-EU Natural Disaster Facility;
1. **Urges** the European Commission to deepen its collaboration under the framework of the 10<sup>th</sup> EDF to support the continuation of the ACP-EU Natural Disaster Facility and to further extend its scope, including a case by case assessment, by providing adequate funding to assist ACP States and Regions in a comprehensive implementation of an all-ACP disaster preparedness programme, including Natural Disaster Risk Management and long term post-disaster reconstruction and rehabilitation;
  2. **Agrees** to keep the matter under consideration in the relevant ACP organs;
  3. **Instructs** 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 and the European Parliament.

**Brussels, 24<sup>th</sup> May 2007**

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