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African, Caribbean and
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(ACP Group)

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TOWARDS THE ACP WE WANT

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CHAPTER I

Introduction

1. The ACP Policy Framework proposed in this paper is based on decisions made by the governing organs of the Group in particular, the 7th and 8th Summits of ACP Heads of State and Government. These two Summits and the Council Session of November 2016 took decisions and provided clarity in the process to re-invent and reposition the ACP Group to be ‘fit for purpose.’ These decisions have informed and guided the Group in the process of identifying relevant strategic policy changes and organisational transformation to allow it to be an ‘effective global player’ in the decades of the 21st century.
2. The 8th Summit of ACP Heads of State and Government in May 2016 accepted the report of the Eminent Persons Group (EPG) and instructed Council to determine how to leverage its numerical strength and undertake outreach to enable the Group to be a more effective global player.
3. In addition, ACP Heads at their 7th Summit in 2012 called for ‘*contacts and relations with other States and groups of States*’, and for creating the necessary conditions to “*make our Group an influential player in economic governance and global policy*”.
4. This policy position of the Heads embodies the essential elements for the ACP Group to become an “influential global player in the multilateral system” that they envision. But implementing this policy and giving it concrete effect requires transformation in the functioning of the Group.
5. This policy framework therefore aims at addressing immediate opportunities where coordination and coherence can help make the ACP Group become a more influential global player, and as a result, better able to provide favourable outcomes for its members. These opportunities present themselves in the preparations of negotiations for post-2020 relations with the European Union; securing better ACP trade and economic deals with others outside the EU frame including the UK when it leaves the EU; and future Conferences of the Parties (COP), to advance shared ACP goals for slowing climate change and securing support for mitigating its impact.
6. The policy framework will also take into account the implementation of the Sustainable Development Goals (SDGs) and Agenda 2030 as well as the Paris Agreement on Climate Change. It further reviews and recommends policy and strategic approaches that will strengthen the repositioned ACP Group to be an effective global player and to enter into negotiations for a successor Agreement to Cotonou.

Context

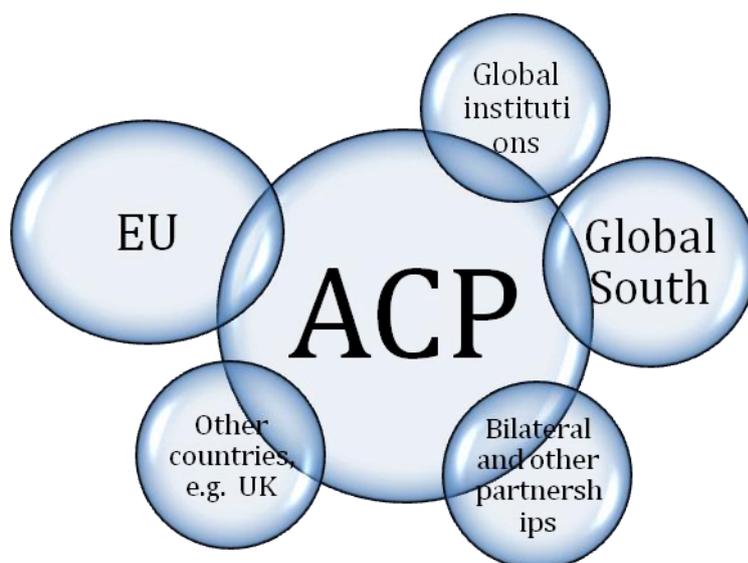
7. In today's increasingly unpredictable and turbulent environment, the global community is confronted with a number of key challenges including migration, climate change, the rule of law and respect for human rights. The ACP Group enriched by decades of political dialogue, at the intra-ACP level and with the EU, is ideally placed to advance cultural understanding and cooperation among peoples of varied religious, cultural and ideological orientations. This commitment was explicitly identified as one of the objectives of the Georgetown Agreement, the constitutive Act establishing the ACP Group.
8. The commitment to remain united in solidarity is a fundamental tenet that has characterised the ACP Group from the outset. By opting for a collective approach in 1975, the diverse countries spread across Sub-Saharan Africa, the Caribbean and the Pacific were able to secure from the European Economic Community (EEC), a hitherto unprecedented North-South deal providing non-reciprocal trade benefits and extensive development aid. The ACP convinced the EEC to accept this grouping as their chosen vehicle for negotiation and engagement.
9. The successes that ACP countries have secured through their collaboration and coordination in dealing with the EU have thus validated the principles of unity and solidarity as cornerstones of the Group's modus operandi. It could be argued that they also bolster the case for expanding the remit of the Group for engaging with the EU into new areas and for pursuing a variety of wider policy objectives with other countries. The emergence of reciprocal and WTO compatible trade regimes, resulting in a multiplicity of trading arrangements and configurations in the last decade have had the effect of fragmenting the ACP Group in trade negotiations and trade arrangements with the EU. At the same time, the ACP Group has been a great proponent of special and differential treatment of all developing countries at WTO.

Structure of the document

10. This paper is divided into five Chapters: The introductory section, the context and the structure are the subject of Chapter I. Chapter II presents the vision, goals and rationale of the Group in the 21st century. The presentation and amplification of the three (3) strategic approved pillars to guide the work and focus of the Group post-2020 is the main subject of Chapter III.
11. Chapter IV deals mainly with issues the Group intend to take on board in its negotiations for a successor Agreement with the EU. The final Chapter provides a summary of conclusions and recommendations for the consideration of Council. It also deals with a proposed roadmap and benchmarks, negotiating groups/clusters including a central negotiating group, and a timetable of activities leading to the 106th Session of the ACP Council of Ministers in December 2017.

CHAPTER II: VISION, GOALS AND RATIONALE FOR THE ACP GROUP IN THE 21ST CENTURY

12. The vision of the ACP Group is to become the leading transcontinental organisation working in solidarity to improve the living standards of our peoples through South-South and North-South Cooperation. The Group's mission is to accelerate the political, economic and social advancement of our peoples through good governance, poverty eradication, promotion of trade, sustainable development and equitable integration into the world economy. The practical challenges of 79 countries coming together despite their diversity are quite formidable but not insurmountable. Clearly ACP Membership has secured benefits for the countries in their international engagement in specific areas that are more favourable than the outcomes they could have expected from purely national action or via regional or other configurations of states. This is well demonstrated by the experience to date of the ACP Group in the WTO.
13. The historical circumstances that led to the creation of the ACP Group and the inevitable focus on the relationship with the EU have limited the perception of the Group as a vehicle for economic engagement and policy dialogue at the global level. This narrow perception has been consistently challenged over the years and was conclusively addressed by the Heads of State and Government in June 2016 in a statement encapsulating their vision: *"We commit ourselves to strengthening coordination and dialogue among our States, in all international fora, so that our numbers will work in favour of creating reforms to the multilateral architecture that will serve our interests and enhance the role of our Group, in all areas of global governance in order to contribute to the development of our States and meet the expectations of our peoples"*.
14. The relations and diversified partnerships of a transformed ACP with the remit envisaged by the Heads, can thus be portrayed as follows:



15. ACP Heads of State and Government at their 8th Summit identified three areas which would benefit from these relations and partnerships:
 - i. Equitable and Sustainable Development for ACP Countries and Peoples;
 - ii. Enhancing the Role of the ACP Group in Global Governance for Development; and
 - iii. Peace, Security and Stability as Essential Elements for Sustainable Development.
16. The ACP Heads recognised that, as it is currently structured and operates, the ACP is not the effective global player that they require. To be able to play that role, it would need to be greatly strengthened and undergo real transformation including in its identity, structure, operations, functioning and outreach.
17. This requires as preconditions the following:
 - Greater political commitment and engagement from states;
 - Structural, institutional and governance reform; and
 - Securing financial stability.

THE CASE FOR GREATER POLITICAL COMMITMENT AND ENGAGEMENT BY ACP STATES

a. The benefits of collective action and solidarity

18. Operating within the framework of the ACP Group, individual countries and regions have, in certain circumstances enabled the securing of outcomes that would not otherwise have been feasible. Two of the notable examples include the negotiation and conclusion in 1975 of the original non-reciprocal trading arrangement and the comprehensive framework for development cooperation that became known as the Lomé 1 Convention. Another was at the Fourth WTO Ministerial when working with others, the ACP led a successful campaign to secure a Waiver in the WTO for the Cotonou Agreement's trading arrangements,¹ and its members subsequently collaborated to help safeguard the development aims of the Doha Development Agenda.

b. Strategic collective action

19. **Leveraging numbers:** Working together enables the Group to leverage its combined political and numerical strength. The political influence of the 79 members spread across three major regions is considerable, constituting 40% of UN membership and also accounting for a major or majority share in many organisations, such as the WTO, Commonwealth, OIF and others.

¹ WTO Ministerial Conference, Fourth Session. Decision on Waiver for the European Communities – ACP-EC Partnership Agreement. Adopted 14 November 2001.

c. Negotiating effectively for better outcomes

20. Where its members have shared interests, and agree to collaborate, the ACP Group has been an influential vehicle for joint negotiation and for pursuing shared objectives with particular countries, institutions or in international fora. Recent examples of success have been at COP21 in Paris in December 2015, when the ACP-EU “ambition coalition” and ACP countries along with AOSIS² were influential in ensuring the adoption of the landmark climate change agreement.

d. More effective advocacy

21. Given its numeral strength and geographical spread, the ACP Group’s collective global advocacy potential can assist secure better outcomes for ACP countries. It could also bring its influence to bear in the development of international norms that are favourable to its Member States. These could for instance focus on principles governing International Development Assistance (IDA) graduation, preventing remittances being faced with excessive bank charges and transaction costs, and the protection of migrants’ rights. In the area of trade this could mean the rollout of the principle of more advantageous tariff treatment and where possible, to encompass, non-tariff measures. The Group could also work in collaboration with Non-State Actors and the diaspora to advance and promote its advocacy role.

e. International support and cooperation

22. Where consensus exists within the Group, it can provide international political support and solidarity for its member countries in international disputes and in dealing with threats and challenges. These potential benefits are realistic and achievable but there needs to be political commitment. To avoid overreach however, the ACP Group should function within the limitations of its structural capacity. Also, it would be essential that the Group does not attempt to predetermine or prescribe the subject areas for collaboration. Rather, these should be identified and selected according to the circumstances and the political determination of Governments.
23. Joint action by the ACP Group can be most effective where it remains flexible within agreed parameters and can rapidly adapt to changing circumstances in order to capitalise on opportunities.

² Alliance of Small Island States, most of which belong to the ACP Group.

f. An effective Global Player

24. On notable occasions the ACP Group's collective voice has been heard and it has been able to have real impact, for instance in the WTO and more recently in the UNFCCC³. This though has not been a consistent pattern. The reality is that as currently structured and operating, the ACP Group is not in a position to play an effective and wide-ranging international role. Strategic changes are required to enable the ACP Group to become an effective global player.
25. ACP actions and policies should continue to be guided by the principles of unity and solidarity which have served the Group well in the past. For international influence to be real and meaningful, it needs a firm and sustainable foundation. This can be channelled through the collective political authority of its 79 members and by carefully and skilfully selecting the most appropriate matters for joint action, and having done so, seeking internal agreement on the aims and strategy to be pursued.

g. Enhanced identity and visibility

26. The ACP Group needs to be recognised by its own Members and the global community as a distinct international organisation to which their Governments are committed; and through which, when they decide, they will act collectively in pursuit of their shared interests as well as in supporting or opposing the positions of others. However, in those instances where the most favourable outcomes are likely from working via the ACP Group, then it should be the chosen vehicle. In addition, ACP countries can often find that different groupings and alliances could well be complementary and help contribute to achieving their goals.

STRUCTURAL, INSTITUTIONAL AND GOVERNANCE REFORMS

a. Organisational innovations

27. As the ACP Group develops into its role of as an influential player, it would at the same time be outgrowing its institutional framework, which was designed for a more restricted role. For the Group to satisfactorily and meaningfully expand its remit to new areas of policy dialogue and collective action, it will need to enlist additional support from its member states. It is expected that Ministers of Foreign Affairs, given their overview position in Government and overall responsibilities in the area of international engagement, will have a continuing important role to play in the Group's policy decision-making and dialogue.
28. Where viable, consideration may be given to ACP coordination meetings being held systematically prior to international conferences with the possibility of delivering an ACP Group statement.

³ [United Nations Framework Convention on Climate Change](#)

29. Another innovation is to methodically enlist and mobilise diplomatic representatives of ACP countries in multilateral stations where the Group seeks to pursue common objectives. This has been effective and beneficial in Geneva where ACP Representatives to the WTO are well organised and receive on the ground support from the Secretariat.

b. Institutional reforms and capacity building

30. To enable the ACP Secretariat to effectively serve the ACP Group it will need to be strengthened with additional financial resources and specialist staff functioning in a modern and accountable management framework. It will also be necessary to confer executive authority on the Secretary General. The findings of the desk audit and the review of the staff regulations will assist in this process of institutional reforms and capacity building.

SECURING FINANCIAL STABILITY

a. Financing the transformation

31. Additional resources will have to be raised to finance the corresponding expenditure needs. Funding of the core budget of the Secretariat must be the responsibility of Member States. Given the difficult financial position of most ACP countries, raising the income via contributions might be difficult.
32. Accepting that additional financing will be needed, Member States have acknowledged the need to seek new and innovative sources of revenue for the above purpose. To this end, Council mandated the Committee of Ambassadors to explore the feasibility of establishing an Endowment & Trust Fund (ETF) with an appropriate governance structure for further consideration and a decision.
33. New sources that could be approached could be partners, both traditional and non-traditional, that do not currently provide financing to the ACP Group. Also, major private partners in both the developed and the developing world should be canvassed. It would be absolutely essential that a diversity of sources of funding is secured in order to avoid any undue dependence on any single source and to ensure policy independence, continuity and stability.

b. Financial cooperation and better mobilisation of resources

34. The Group can mobilise additional resources for member states and regions from new and existing partners. This can work in several ways. New and non-traditional partners that do not have significant direct engagement with ACP countries could be approached. These potential partners might not have relations with many of the ACP States, but provide support through multilateral institutions like the World Bank. These are strategic actions envisaged among income streams for financial self-reliance.

35. In the context of this policy framework, the ACP Group is focused on three urgent issues:
- i. Preparing for and concluding a new Partnership Agreement with the EU to replace Cotonou;
 - ii. Ensuring that its trade and development cooperation interests are not harmed by Brexit; and
 - iii. Safeguarding and advancing ACP countries interests in climate change at convocations of Conference of the Parties (COP) to the UN Framework Convention on Climate Change (UNFCCC).

CHAPTER III: THE STRATEGIC PILLARS

36. The 104th Session of the ACP Council of Ministers held in November 2016 approved the three strategic pillars of the ACP Group. In keeping with the Council's mandate to advance and accelerate the preparatory process for post-Cotonou negotiations with the EU, the strategic pillars as the substantive core of the negotiations are highlighted below.

PILLAR 1: TRADE, INVESTMENT, INDUSTRIALISATION AND SERVICES

37. Trade and Investment has been identified as a key pillar for the ACP Group's mandate post-2020. The Group also recognises the importance of a pointed focus on industrialization and services. Although by definition trade covers both the movement of goods and services, greater emphasis on services would deepen the integration of ACP States in the global economy. Similarly, a dedicated focus on industrialization would facilitate the attraction and retention of more domestic and international investments.
38. The ACP Group's future actions under this pillar should be guided by and aim at:
- a. Deepening intra-ACP trade integration and investment cooperation to take advantage of the ACP's huge and growing population and market potential in line with the objectives of the Georgetown Agreement through improved participation in the global, regional and national value and supply chains;
 - b. Developing actively South-South trade and investment cooperation, with a view to foster market diversification and balance ACP's trade relationship with its international partners;
 - c. Strengthening institutional arrangements necessary to build and scale up the capacity of the private sector and governments to take advantage of the new trade arrangements under Economic Partnership Agreements (EPAs) as well as other trade arrangements with third parties;

- d. Enhancing Member States' production capacities to increase domestic consumption and export volumes; broaden the diversification of their products and export markets, so as to build resilient economies, notably through faster economic growth;
 - e. Promoting policy measures that will encourage ACP financial institutions (including development banks) to develop instruments to expand access to finance and improve payment systems for trade and investment;
 - f. Assisting ACP States and regions to further tap into the trade potential of services, among themselves, but also with other trading partners; and
 - g. Ensuring that ACP countries' trading positions in the UK are safeguarded and any hiatus to trade is avoided which would be very damaging to their economies.
39. Trade, investments, technological advances and innovations hold the key for the sustainable and inclusive growth of the blue economy in ACP states and particularly the Small Island Developing States (SIDS). In the ACP, on average, the blue economy resources account for twice its landmass, with significant disparities across the three regions.
40. Trade and investments have also played a significant role in the development of the fisheries, tourism, and maritime transport sectors. In addition, technological advancements and geo-strategic considerations are opening new frontiers for marine resource development, notably in areas such as aquaculture, bio-prospecting, deep-sea mining and energy sources.
41. In the fisheries sector, the ACP fisheries value chains have experienced profound changes in the last decades, driven mainly by enhanced international market access opportunities and technology improvements. More than 60 ACP States are engaged in the export of fish and fishery products, representing an important growth potential particularly for SIDS. However, resource management and governance challenges, such as overfishing and market access barriers particularly sanitary and phytosanitary measures (SPS), hamper this growth trajectory.
42. Outlined below are some specific areas to meet the above objectives and enable structural transformation of ACP economies.

a. Trade in goods and services

43. Under this heading, ACP's post-2020 role would be to support its Members collectively and individually to inter-alia, create an enabling environment to improve the productivity and facilitate value creation and addition to ACP products and services, to foster trade competitiveness and encourage investment expansion aimed at:
- a. facilitating the movement of goods and services as well as persons and capital among ACP countries, between ACP regions and at the international stage, to pave the way for greater investment, trade expansion and regional integration and inter-regional cooperation;
 - b. Promoting measures and policies geared towards prioritizing trade facilitation and supporting infrastructure which are key to development of trade and industrialization;
 - c. Addressing issues that affect trade, investment and industrialization including climate change, tax governance, illicit financial flows and migration.
 - d. Increasing advocacy and awareness of the role that the services sector can play in development;
 - e. Improving regulatory and institutional frameworks for various modes of services supply;
 - f. Identifying key services sectors which have a fast-growing trade potential. Identifying strategic services sector which when liberalized could potentially generate large benefits and thereby unlock growth potential and industrial performance of ACP States;
 - g. Building capacity of ACP members and regions, in particular in bridging infrastructure gaps and fostering professional services;
 - h. Facilitating industrial development by removing domestic barriers to trade in services, in particular in cross-border trade, logistics and financial markets;
 - i. Enhancing market access for goods and services exports through multilateral trade negotiations;
 - j. Strengthening private sector engagement; and
 - k. Strengthening regional cooperation and integration.

b. Investment

44. The growing economic, social and environmental challenges ACP countries face today highlight the critical role of investment as a driver of equitable economic and social growth. Mobilizing investment and ensuring that it contributes to sustainable development objectives is a priority for ACP countries. The overarching objective of investment policymaking is to promote investment for inclusive growth and sustainable development. Post 2020, Policies are necessary – at national and international levels – that effectively attract investment and help harness it for sustainable development. The ACP will pursue the formulation of investment policies guided by the following principles:
- i. Investment policies should be grounded in a country's overall development strategy. All policies that impact on investment should be coherent and synergetic at both the national and international level;
 - ii. Investment policies should be developed involving all stakeholders, and embedded in an institutional framework based on the rule of law that adheres to high standards of public governance and ensures predictable, efficient and transparent procedures for investors;
 - iii. Investment policies should be regularly reviewed for effectiveness and relevance and adapted to changing development dynamics;
 - iv. Investment policies should be balanced in setting out rights and obligations of States and investors in the interest of development for all;
 - v. Each country has the sovereign right to establish entry and operational conditions for foreign investment, subject to international commitments, in the interest of the public good and to minimize potential negative effects;
 - vi. In line with each country's development strategy, investment policy should establish open, stable and predictable entry conditions for investment;
 - vii. Investment policies should provide adequate protection to established investors. The treatment of established investors should be non-discriminatory in nature;
 - viii. Policies for investment promotion and facilitation should be aligned with sustainable development goals and designed to minimize the risk of harmful competition for investment;
 - ix. Investment policies should promote and facilitate the adoption of and compliance with best international practices of corporate social responsibility and good corporate governance; and

- x. The international community should cooperate to address shared investment-for-development policy challenges, particularly in least developed countries. Collective efforts should also be made to avoid investment protectionism. Regional Economic Integration Organizations (REIOs) of ACP countries can play an important role in facilitating such cooperation.

c. Industrialisation

- 45. The ACP Group's *New Approach on Support to Agricultural Commodities* sector will facilitate the identification and development of sustainable value chains to enhance the production of value added products and foster diversification.
- 46. The Approach therefore aims at addressing these challenges and to facilitate integration into the regional and ultimately global value chains. This is viewed as a key priority to boost competitiveness of ACP products thereby enabling the maximization of benefits derived from investments as well as from current trade agreements. Access to information is critical in this process.
- 47. In the post-2020 framework, the ACP Group will increase its focus on scaling up industrial opportunities, notably through the creation of linkages and value added activities in the extractive sector, and through support to manufacturing activities. The ACP Group's post-2020 role would be to support its Members collectively and individually to:
 - a. address the bottlenecks that hamper industrial development, by supporting productivity enhancement in particular through improved business and investment climates;
 - b. create the necessary conditions to attract investment (domestic and foreign) in high value-added sectors;
 - c. improve competitiveness by addressing trade-related measures that increase the cost of doing business; by seeking technical and financial support/instruments to improve industrial capacity of firms, with a particular focus on SMEs;
 - d. create linkages through greater value addition for mineral rich countries, notably through scaling up the capacity of domestic suppliers to take up procurement opportunities with mining industries; and through support to downstream activities, where feasible and competitive;
 - e. set up frameworks, instruments and institutions to facilitate innovation as well as technology transfer and absorption through FDI; and
 - f. facilitate market access to regional and international markets, including by making better use of existing free trade agreements and other trade arrangements.

48. The *New Approach on Support to Agricultural Commodities Sector* will facilitate the identification and development of sustainable value chains to enhance the production of value added products to foster diversification, seriously lacking in most primary commodity producing ACP states.
49. The Approach therefore aims at addressing these challenges and facilitating integration into the regional and ultimately global value chains. This is viewed as a key priority to boost competitiveness of ACP products thereby enabling the maximization of benefits derived from investments as well as from current trade agreements. Access to information is critical in this process; therefore, the ACP Secretariat will play a central role in that regard.

PILLAR 2: DEVELOPMENT COOPERATION, TECHNOLOGY, SCIENCE AND INNOVATION/RESEARCH

50. The adoption of the Addis Ababa Action Agenda, the Agenda 2030 for Sustainable Development, including SDGs and the Paris Agreement on Climate Change have signalled a changing paradigm on development cooperation. The emphasis is now being placed on the interrelatedness of the SDGs and the need to target them in a systematic, integrated manner. The need to provide the necessary means to free countries from poverty and achieve sustainable development is also a priority.
51. For a reinvented and repositioned ACP Group to be an effective global player, considerations will be given to:
 - a. More integrated development cooperation frameworks encompassing (i) capacity building, (ii) adequate policy formulation and (iii) financial support; and
 - b. Diversification of partnerships and contributors to joint undertakings at national, regional and global level.
52. Nonetheless an important component of development has to be the flow of financial resources to the most needy and vulnerable countries

Development Cooperation

53. International development cooperation plays an important role in providing finance to complement domestic financial efforts especially in the poorest and most vulnerable countries with limited domestic public resources, including the ACP countries. The ACP Group should adopt an inclusive approach to development issues and ensure that the interests, concerns and vulnerabilities of all its Member States are adequately addressed.

54. In general, developing countries and particularly ACP Member States have been drawing attention to the 'graduation trap' in which they might find themselves. While graduation signals an important achievement for a country, it nevertheless entails a serious risk for graduated countries of derailing and sliding backwards to a lower category if this progress is not accompanied by sustainable sources of financing. This is even critical for Small Island Developing States (SIDS) with high level of vulnerability to different exogenous shocks such as natural disasters, impact of climate change, national or global economic and financial crises. Implementation of the differentiation principle should be also taken into account to avoid unexpected negative impact on graduated countries.
55. In view of the above the Group's focus would be directed towards the following:
- a. More effective international support including for concessional and non-concessional financing for the implementation of Agenda 2030;
 - b. Diversification of partnerships and improved dialogue with international partners to assure aid effectiveness, tangible results and positive impacts on the lives of citizens in ACP countries;
 - c. Insist and encourage developed countries, including the European Union, to fulfil their commitments to the target of 0.7 per cent of ODA/GNI and 0.15 to 0.20 per cent of ODA/GNI to LDCs;
 - d. Foster compliance of development partners with already agreed development cooperation effectiveness principles, regarding ownership, alignment, predictability, transparency and mutual accountability; and
 - e. Ensure policy coherence with the Group's priorities derived from its three strategic pillars. Innovative mechanisms to build resilience to exogenous shocks, including natural disasters are being pursued in current and future partnerships.

The European Development Fund (EDF)

56. The European Development Fund is the main Community instrument for funding development in ACP countries. Its special feature is it operates outside the EU budget and financed by voluntary contributions from EU Member States. To this end, the Group shall seek to:
- a. Secure predictable and ring-fenced financing, be it EDF or another form of financing. Predictability of aid is an important factor in the programming of projects and programmes and their medium- and long-term sustainability. Many informed observers concur that, with an annual budget, which is the major risk of EDF budgetisation, funds not used by the end of each financial year will be cancelled;

- b. Assess the implications of EDF budgetisation and its impact on the key elements of development finance cooperation. In this regard, the issue must be considered alongside the objectives and principles of development finance cooperation, as set out in the Cotonou Agreement, namely co-management, predictability of resources, joint programming, and the role of public officials, including the National and Regional Authorising Officers; and
 - c. Enhance the principles and modalities of co-management of aid to safeguard against unilateral decision-making.
57. Besides issues on budgetisation, an important factor concerns the implications of Brexit on the volume of resources to be provided through the EDF. This is especially important when the UK officially leave the EU, given that the UK's current contribution to the EDF is about 15% of the total.

Domestic Resources Mobilization

58. Domestic Resource Mobilisation is an important area of action identified by the Addis Ababa Action Agenda (AAAA) and considered central to the pursuit of sustainable development, including achieving the SDGs. It is acknowledged that several developing countries, in particular low-income ones, are unable to mobilise sufficient fiscal resources to finance their development and thus face significant financial needs. As such, the focus will be directed towards:
- a. Strengthening the mobilisation and effective use of domestic resources in keeping with the AAAA and the 2030 Agenda for Sustainable Development;
 - b. Improving the tax policies and administrations, to guard against, tax evasion, illicit financial flows, and to support tax reform and increase domestic resources; and ensuring that the mobilisation of domestic resources does not relieve developed countries from their commitment of the 0.7% GNI target; and
 - c. enhancing domestic revenue mobilisation (DRM) and private sector development in ACP countries by ultimately contribute to inclusive growth, poverty eradication and sustainable development of ACP countries.
59. Remittances are recognized as a potentially important source for inclusive growth and sustainable development in countries of origin, transit and destination. However, as stated in the Addis-Ababa Action Agenda, remittances cannot be equated to other international financial flows, such as foreign direct investment, ODA or other public sources of financing for development.

60. The ACP Group can continue discussions and devise ways and means by which remittances can contribute to development bearing in mind (i) its private nature and (ii) the role financial institutions can play to facilitate the financial transfers at reasonable and affordable costs.
61. Mindful of these constraining factors and as a result of the current debate in the ACP Group, Member States might consider deciding on (i) concluding the establishment of the vulnerability index, (ii) defining criteria for a phased financing for development, (iii) securing predictability of resources, particularly in view of budgetisation of EDF and (iv) achieving an international agreement and mechanism on tax jurisdiction, preferable at the UN level.

Financial sustainability of the ACP Group

62. Notwithstanding the benefits of more than 40 years of the ACP-EU partnership, the result has been heavy financial dependence of the ACP Group on the EU. To this end a Feasibility Study of an ACP Endowment and Trust Fund was conducted and a report has been presented that is being studied for appropriate action.
63. The ACP Group needs to continue the search for predictable and sustainable resources to assure its existence and its effective role as a global player. This can be achieved through (i) the current efforts to establish an **Endowment and Trust Fund** and (ii) regular contributions of ACP Member States. (iii) Private sector, as an important agent for development, could be invited to contribute to the financial sustainability of the Group.

Diversification of partnerships

64. The development cooperation landscape has positively been impacted by the emergence of other actors asserting themselves as providers of ODA with different approaches and principles. Different groups have emerged and represent an important opportunity for developing countries, to engage in a complementary and fruitful cooperation.
65. The ACP Group might consider relationships with individual partner countries with specific value added in a concrete area of cooperation benefiting some or many ACP countries.

South-South and Triangular Cooperation

66. Transformations in development cooperation experiences, including in the ACP Group, have brought about the growing relevance of South-South and Triangular Cooperation in generating new tools and partnerships for tackling issues of poverty eradication. The ACP Group also recognises that countries in the South offer a myriad of development solutions that have proven cost-effective and have huge potential to be up-scaled for the benefit of others.

67. Consideration might also be given with greater emphasis to the following:
- a. The ACP Group committing itself to implementing South-South and Triangular Cooperation (SSTC) as a complementary component to North-South Cooperation and not a substitute;
 - b. ACP becoming a facilitator and hub of SSTC as another key mechanism for delivering on the 2030 Agenda;
 - c. Developing an Intra-ACP strategy which fosters and translates into practice a real and genuine cooperation amongst ACP Members;
 - d. Ensuring that SSTC is a cross cutting component in intra-ACP programs and projects; and
 - e. Giving priority to (i) capacity-building; (ii) policy formulation and analysis; (iii) institutional reviews; (iv) advocacy and partnerships;

Science, technology and innovation

68. Science, technology and innovation are fundamental tools for implementation of the new 2030 Agenda. Science and technology are crosscutting means to achieve several sectoral Goals and Targets in the SDGs framework and are particularly addressed under Goal 17. Research and Innovation (R&I)'s role, is to improve efficiency in both economic and environmental areas, developing new and more sustainable ways to respond to fundamental needs, and empowering people to drive their own future.
69. Research and Innovation (R&I) are addressed under SDG Goal 9, which is related to resilient infrastructure and inclusive, sustainable industrialisation. Target 9.5 in particular aims at fostering innovation, widening the role of research and innovation policy as one of the means of implementation and, beyond R&I, increasing access to information and communications technology (ICT) and the internet in least developed countries.
70. A more enabling environment for science, technology and innovation requires multiple policy efforts, such as those on competition, education, investment, tax and trade policies. Measuring the commitments to scale up investment in science, technology, engineering and mathematics (STEM), equal access for women and girls and the dynamics that shape women's decisions to pursue STEM careers, all require established policy frameworks and new indicators.
71. The commitment by developed countries to support the efforts of developing countries such as ACP countries, to strengthen their scientific, technological and innovative capacity will require monitoring of ODA flows to relevant subsectors such as R&D in health, education and agriculture, forestry and fishery research, among others.

72. In ACP countries the key challenges, needs and opportunities for effective research and innovation and related skills development, can be analysed in terms of:
- R&I specific policies and strategies;
 - Innovation systems;
 - Marketing of innovation;
 - Business environment and participation of the private sector in R&I;
 - Declining research infrastructure;
 - Integration of research in other components of the innovation systems;
 - Human resources in R&I;
 - The role of TVET and skills development;
 - Integrate traditional knowledge in formal R&I and TVET programmes; and
 - Resources and funding for R&I.
73. Creating a conducive environment for facilitating the participation of the private sector in R&I, requires improved regulatory and policy measures such as those pertaining to the protection of intellectual property, both financial and fiscal.
74. Local and indigenous knowledge has emerged as a new and increasingly influential contribution to the global science–policy interface. The emergence of local and indigenous knowledge brings with it challenges such as maintaining the vitality and dynamism of local and indigenous knowledge and practices in the local communities from which they originate.

PILLAR 3: POLITICAL DIALOGUE AND ADVOCACY

75. In the Sipopo Declaration, ACP Heads of State and Government underscored the security-development nexus, that Sustainable Development can only be achieved in an environment of peace, stability, security, good governance and respect for human rights, democratic principles and the rule of law.

Political dialogue and SDGs

76. Political dialogue necessitates ongoing multifaceted, multileveled processes that call for collaboration, partnerships and *complementarity*. The SDGs have provided the mechanism for such partnerships and can serve as a bench mark for Post 2020 ACP-EU Relations.
77. SDG 16 is specifically aligned with political dialogue efforts. It calls for the promotion of peaceful and inclusive societies for sustainable development, the provision of access to justice for all, and building effective, accountable institutions at all levels.

78. These targets that address political dialogue elements such as broadening and strengthening of the participation of developing countries in institutions of global governance. This necessitates a coherent and collaborative ACP approach that will supplement the work of other organisations addressing global justice.

Political dialogue and advocacy

79. In this regard, it is important to strengthen intra-ACP political dialogue through the review of the Guidelines adopted by the ACP Council of Ministers *inter-alia*:
- i. acknowledging the central role of Ministers of Foreign Affairs;
 - ii. Developing common values, principles and standards;
 - iii. Strengthening institutions for intra-ACP political dialogue, for example, the ACP Parliamentary Assembly; and
 - iv. Involvement of non-state actors;
 - v. Active engagement of regional organisations.

A new approach to political dialogue

80. The CPA has a number of provisions on political dialogue that form the basis of defining the objectives, nature, scope, and format of ACP-EU political dialogue. Various assessments have highlighted shortcomings of political dialogue under the Cotonou Agreement. While Articles 8 and 96 provide the platforms for engagement with the EU on issues including most sensitive cases, the observation has been that the outcomes remain unilateral with assessment processes that use different measuring yardsticks.
81. The challenges of political dialogue for ACP countries is largely linked to capacity and institutional constraints, inadequate inclusion of ACP countries in the dialogue process, lack of strong political will, lack of active engagement and participation by ACP Countries and collective leadership required for successful dialogues. The ACP Group is reviewing the relevant provisions of the Cotonou Agreement with a view to (a) bringing balance and equality between the parties, and (b) review the composition and operations of the JPA.
82. The outcome of these reviews will inform the ACP Group's position in negotiating the provisions of ACP-EU political dialogue post 2020.

Peace and security

83. The Waigani Communique adopted by the 8th Summit of ACP Heads of State and Government reaffirmed unequivocal commitment to the principles and objectives of peace and security for all nations as well as solidarity among the global south. The ACP Group believes that global peace, security and stability are preconditions for socio-economic development, growth and progress.

84. However, the Group does not have the immediate capacity to address all these issues. Taking into account its limitations, the principles of subsidiarity, complementarity and proportionality should be applied in line with the available resources.
85. Nonetheless, strategic global security issues such as cyber-crime, human trafficking, organized crime and drug related crimes and money laundering could be addressed under political dialogue. The ACP Group should be proactive in the global arena where it can utilise its numerical strength to influence policy in the above areas. Peace and Security should be enshrined in the new post 2020 agreement with an effort to collaborate with regional organisations that have instruments for such.
86. The ACP Group could seek to:
- play a role of coordinating authority under the new agreement through establishing a facility that links peace, security and development under the new ACP-EU Agreement. This will afford the ACP the active role and collaboration it requires with regional organisations; and
 - deepen dialogue on counter terrorism efforts, radicalisation and extremism, early warning systems, peace building efforts, post conflict reconstruction and development, assistance in line with the values of the ACP Group; The engagement could be through collaboration with UN bodies and regional organisations.
87. In addition to the above, development of policy frameworks will be paramount for political dialogue to enable the ACP Group to have political presence and visibility in the global fora on issues such as Migration, human trafficking and smuggling.
88. Integral to the ACP Group’s response to the global challenges is the role of regional economic communities. The new agreement should seek to prioritise strengthening of the collaboration and cooperation among ACP regional organisations.

CHAPTER IV: FUTURE RELATIONS WITH THE EU

a. Enhancing the special historical relationship with Europe

89. The need to forge a beneficial relationship with Europe led to the creation of the ACP Group four decades ago, and has remained the Group’s principal focus and will undoubtedly remain so well into the future. The special historical relationship remains today unequalled in its nature and scope, despite the numerous challenges and successes that the partnership has faced over 40 years.

90. The ACP Group unequivocally intends to continue cooperation with the EU, albeit of a different, more mature nature. ACP Heads of State and Government at their 8th Summit in Port Moresby committed to, *inter-alia*, to deepening and enhancing the ACP-EU relationship as a unique North-South development cooperation model.
91. The ACP Heads also expressed “their determination to renew and enhance the ACP-EU partnership with a legally-binding agreement building on the ‘acquis’ of the Cotonou Agreement”.
92. Whilst the EU has also confirmed that it wishes to continue the relationship, its vision as its priorities and strategic interests presented in a joint communication of the European Commission and European External Action Service (EEAS)⁴ remains to be fully articulated in relation to those of the ACP Group.
93. Moreover, of considerable significance is that both EU institutions advocate an All-ACP umbrella agreement in which specific regional pillars are located but fail to elucidate the substantive content and scope of the regional dimension.

b. The changing context

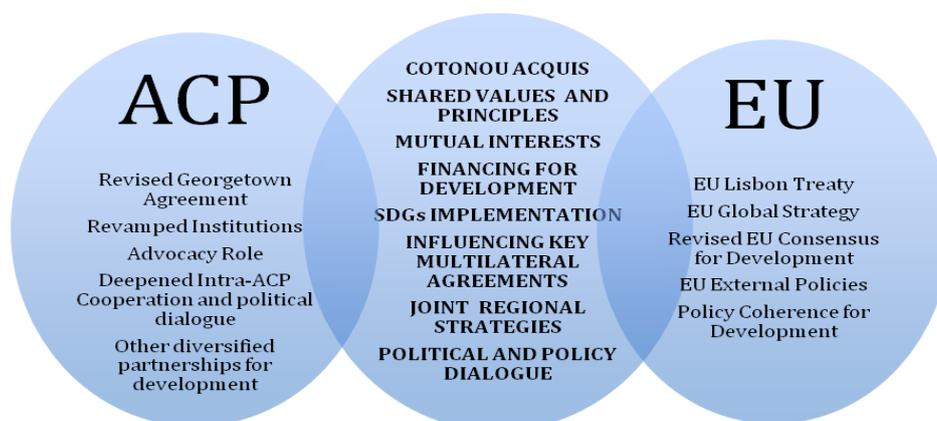
94. The partnership has to be reassessed in the context of today’s economic, geopolitical and other changing realities. For instance, in many countries the dominance of development cooperation is now being challenged by new partners, like China and potential interests and opportunities for engagement with others are emerging.
95. At the same time the ACP Group has expanded its membership from 46 to 79 and soon to be 80 with the accession of South Sudan.
96. Some ACP countries have emerged as economic powerhouses, while poverty, underdevelopment and increasing vulnerability continue in many others. However, there is a common pressing requirement among ACP countries to pursue and achieve economic development.
97. In addition, ACP countries’ engagement with each other and with the rest of the world has undergone considerable transformation. They now engage more in South-South cooperation and regional integration, which has in Africa, for instance, led to intensified trade, political and security collaboration. ACP Member States of the Caribbean have been deepening their own, already strong, integration and building links with neighbouring countries in the wider Caribbean and Latin America. The Pacific has followed a similar path of deepening integration and stepped up collaboration with neighbours.

⁴ Joint Communication from the European Commission and External Action Service to the European Parliament, the Council, the Economic & Social Committee and the Regions. A renewed partnership with the countries of Africa, the Caribbean and the Pacific. Strasbourg 22.11.2016. JOIN(2016) 52 final.

98. The European Union is facing a most profound period of political, economic and possibly institutional upheaval. Already, its enlargement eastwards is incorporating countries with weaker economies that have few or no historical ties with ACP countries and they are influencing the direction of EU development policy orientations towards the Group. This “evolutionary change”, combines with the still lingering economic consequences of the financial, then the Eurozone crisis, disenchantment with globalisation and the rise of populism as well as concerns over terrorism and migration that all combine to diminish the positive attitudes of the EU.
99. Compounding this is the expected withdrawal of the UK from the EU by March 2019. This loss will be substantial for future EDFs and there can be no certainty that the shortfall will be made up by the remaining Member States. Another consequence of Brexit will be loss of the UK’s influence in policy making given its intimate historical relationship with more than half of ACP countries and shared membership of the Commonwealth. This has provided a unique contribution to the wider EU’s understanding in the setting of development policy.

c. Post Cotonou

100. The ACP Group’s ambition for a legally-binding agreement after 2020 that builds on the ‘acquis’ of the Cotonou Agreement whilst deepening and enhancing the unique North-South development cooperation model will demand adequate negotiating skills and capacity. This requires the ACP to:
- Have a clear, unified and well-articulated message that will be advanced by all member states and ACP supporters; and
 - Increase its bargaining power and hence attractiveness to the EU as an international partner, by strengthening its coordination and dialogue and leveraging its numbers to enhance its political authority, stature and influence.
101. Below is an illustration of the underlying positions on the eve of the negotiations.



102. The ACP will need to ensure that in the post-Cotonou era, lessons of its political dialogue and development cooperation experience are learned and applied in order to inform a complete makeover towards a more modern and mature partnership. This would include updated modalities and delivery mechanisms of development finance, as well as devising policies of differentiation that are more suited and relevant to the circumstances of ACP countries.
103. Basically, the new agreement should be framed by, be consistent with and significantly contribute to the achievements of the SDGs. In trade-related and investment policies considerable scope can be explored to address common concerns in areas such as Ocean governance and the blue economy, E-commerce and illicit financial flows from ACP countries.

c. Guiding Principles

104. The basic principles underlying ACP-EU Relations post-Cotonou will be the following: single undertaking, subsidiarity and complementarity with respect to regional and continental groupings, maintenance of the Cotonou acquis, and commitment to a legally binding agreement will guide the Group in its negotiations with the EU.
105. Any future partnership must be flexible and be able to accommodate mechanisms that analyse, monitor, and adapt to changing conditions.
106. Major overarching EU policies of interest to the ACP Group include its global strategy for foreign and security policy, the Neighbourhood policy, migration policy coming out of the Valetta Summit, a proposed European Consensus on Development and the review of its Agenda for Change, as well issues such as its unilateral tax governance policy. These provide a basis to create a framework of joint action between the ACP Group and the EU. The challenge for the ACP Group would be to ensure that there is not simply an imposition by the EU of its vision.
107. The principles that can prevent this unsatisfactory outcome are:
 - i. **Equality:** The relationship between the ACP Group and EU has often been viewed as asymmetrical with dependency between the donor and the recipient. For the future partnership to be sustainable, this characterisation cannot continue; Negotiations for a new agreement must be based on mutual respect and equality as well the acceptance of the ACP countries' sovereign right to determine the basis on and the configuration with which they will engage with the EU and indeed any other parties;
 - ii. **Clarity of vision:** The ACP Group, on the other hand the ACP Group, will need to determine and define vision of development frameworks and direction;

- iii. **Revisiting the meaning of Development:** Development cooperation is intended to help countries bridge the income and capacity gap that they face. Their own resources and internal generation of income are inadequate on their own to permit them to secure economic transformation and sustainable development. These are challenges for all ACP countries including middle income countries. As several ACP economies expand, so do incomes and so gradually more and more countries will graduate from to middle income status. Consideration should be given to continued supporting for these countries as they continue to face specific challenges and vulnerabilities;
- iv. **The Cotonou Acquis:** The new ACP-EU relationship must build on the *acquis* of the previous relationship, while bringing in innovative aspects that bolster the partnership. In the framework of the SDGs, ACP-EU cooperation should make significant contributions while recognising policy space and ownership of their member states. On migration and development, the ACP has a comprehensive approach that gets at the root causes of poverty, particularly among youth. The preferential trading regimes and development cooperation with the EU should continue as an essential feature of the post-Cotonou ACP-EU Partnership aimed at structural transformation of ACP economies;
- v. **Political and policy dialogue:** Political dialogue is one of the pillars of the Cotonou Agreement and would be expected to retain that central position in the future. Meaningful political dialogue among the ACP and EU member states can be vital in enhancing the partnership. In addition, should such a large and diverse group can leverage its political legitimacy and authority to contribute in a significant way to shaping the global policy agenda.

A prerequisite for a mature dialogue must be mutuality of respect and recognition of the legitimacy of each other's interests. This policy justifies the treatment of political dialogue and advocacy as a strategic pillar of the reinvented ACP Group as discussed in a later section of this paper.

The support of shared values of respect for human rights, the rule of law and democracy are important and valuable benefits of the ACP-EU partnership, however the extent of its focus on conflicts, and the suspension of financial assistance to ACP States can overshadow and distract from its full potential. On the other hand, Article 12⁵ consultations that have been invoked by the ACP where EU policy may be deemed to be injurious to ACP's interests, have rarely yielded satisfactory results for the requesting ACP partner. The detailed modalities of Brexit negotiations between the EU and the UK will have consequences for the ACP and will need to be monitored by the ACP to protect ACP rights and benefits under EPAs as well as in Cotonou; and

⁵ ACP-EU Partnership Agreement. Title 1, Article 12 "Coherence of Community policies and their impact on the implementation of this Agreement".

- vi. **A proactive ACP:** As the ACP Group becomes more cohesive, it will deepen and extend the scope of its own internal process of political dialogue among its Members. This would enhance an agenda and firm basis for its contribution to and shaping of political dialogue with the EU.

CHAPTER V: CONCLUSION AND RECOMMENDATIONS

Roadmap and benchmarks

- 108. The following are being proposed regarding the roadmap and benchmarks to guide the ACP Group in its negotiations:
 - a. A central negotiating group will provide oversight and guidance. In addition, three technical negotiating groups will be established under the overall oversight of the central negotiating group. The membership and composition of these groups will be determined by the Committee of Ambassadors; and
 - b. An important guiding feature of the preparatory process for negotiations of a post-Cotonou agreement is a roadmap including technical studies to be undertaken where necessary.
- 109. The negotiations would be guided by core and guiding principles such as; negotiating as one, securing a legally binding agreement, the single undertaking principle, maintaining the acquis of the Cotonou Agreement, complementarity and subsidiarity, and maintaining the EDF in its current form – i.e no budgetisation of the EDF. There will be inputs into the process from other stakeholders such as Non-State Actors and Regional organisations, but the negotiation process itself will be intergovernmental, and there should be no parallel processes.

Indicative Benchmarks & Outreach

Activity	Timeline	Review Organ
Adoption of policy framework document on The ACP We Want	May 2017	CoA & Council
Adoption of Revised Georgetown Agreement:	Draft text May; Debate at Council Nov / Dec 2017	CoA; Capitals etc. Council Debate Nov 2017
Outline and preparation of Negotiating Briefs	May / Nov. 2017	Consultants / Secretariat
Approval of negotiating mandate	May / June 2018	Council
Approval of negotiating team(s)	May / June 2018	Council
Engaging ACP Stakeholders		
Member States: Guinea (Conakry) – The President is Chairman of the African Union and a date has been requested; Nigeria : meeting with ECOWAS and any other Member State as Council may decide.	April / Nov. 2017	Secretariat and Ambassadors to assist in facilitating the timing.
Civil Society (a Seminar on Non-State Actors is being planned and the S/C on Political Affairs will discuss the agenda, selection criteria and number of participants)	July 2017	CoA / Secretariat
Parliamentarians: The Malta JPA will be an occasion. Missions to member states will include interviews with Parliamentarians	June 2017	Parliamentary Assembly / Secretariat
Engaging African Union & RECs/RIOs: An appointment is requested with President AUC ; ECOWAS to be linked with visit to Nigeria; EAC will be receptive to a visit late May; CARICOM or OECS early July; PIFs Leaders in Sept.; Ministerials or Summits of other RECs/RIOs are being considered.	May - July 2017	Secretariat / CoA
Engaging with Europe		
Member States: Germany – correspondence to Minister for Development Cooperation and possibility on May 19 in Brussels; Netherlands – no government since elections but previous State Secretary in Parliament –contact to be made; Italy -60 th Anniv Dev. Cooperation Conference 27 April; Estonia at time of E-Gov Conference 29-31 May; Hungary World Expo Development Forum 25-26 October	May Oct 2017 /	CoA / Secretariat / High Level Emissaries?
EEAS / EC	Continuous	Secretariat
Engaging with other relevant parties	May 2017 / June 2018	CoA / Secretariat

Revising the Georgetown Agreement

110. To realise what is set out in this document for the ACP we want, and subject to the approval of the Council of Ministers, a review of the Georgetown Agreement will be necessary.

Conclusions

111. An ironic outcome of the retreat from multilateralism, and the re-emergence of 'nation-state first' and other sovereign state paramountcy ideologies, is that the need for and the importance of cohesion and closer collaboration among the weaker members of the global community has actually increased.
112. As a consequence, the current global environment provides a unique opportunity, and indeed, provides a clear-cut imperative for the ACP Group to make the transition from its role of being mainly an interest aggregating body - primarily in regard to relations with the European Union - to one of active global leadership and engagement on the many issues that face the developing countries of Africa, the Caribbean, and the Pacific at the regional and global levels.
113. The Group, by its size and diversity, is well-positioned to assume this role. No other Group in the developing world, or acting on behalf of developing countries, possesses the spread in membership and geography to which the ACP lays claim. The Group's institutional structure and its decades of negotiating experience and expertise are unique attributes that can be deployed and leveraged on the global stage in the interest of the Group's membership.
114. The key to success in this endeavour will be (i) political commitment, (ii) adequate resourcing, (iii) realistic goal setting, and (iv) manageable ambition.
115. To deal with each in turn:
116. **Political commitment** is the motivating force that must underpin the ACP's transition to being a leading global actor on behalf of developing countries. This will entail the full engagement of Heads of Government and other political leaders in setting and driving the Group's agenda. Both the substantive issues to be pursued and the level and intensity of political engagement will define the global perception of the Group and, importantly, will determine to a great extent the Group's effectiveness in pursuing an expanded role in the wider international arena.
117. **Adequate and meaningful resourcing** will need to be reflected in both human and material terms. This will entail high calibre leadership of the Secretariat and provision of the technical capabilities and expertise that are commensurate with an expanded global role for the Group. Modern management approaches encompassing transparency, accountability, cost recovery where possible, measurement and results, must become embedded in the Secretariat's performance and culture. This should be a corollary of the necessary increased provision of resources by member states - member states that are acknowledged as resource constrained and cash strapped. In this context, the proposal for the establishment of an Endowment & Trust Fund should receive sympathetic consideration, and early and generous implementation.

118. **Realistic goals are a pre-condition for success.** While these cannot sensibly be specified in detail a priori in a dynamic and rapidly changing global environment, this should mean at a minimum that the Group will pursue goals that are collectively defined and agreed by its members - goals that have universal or broad-based support, not just for the goals as such, but as well for the ACP Group's role as the particular vehicle for pursuing them. Realism in this context should mean as well the full alignment of political commitment and resource availability in respect of any specific matter - whether the role being undertaken by the ACP Group entails giving political voice and lobbying, consensus building and negotiating, or project development and implementation, and whether this role is being carried out at the regional, inter-regional, continental or global levels.
119. **Finally, manageable ambition** suggests the importance of applying scrupulously the principle of subsidiarity even as the ACP Group rightly seeks to deepen and expand its role in service to developing countries. It is very important that the Group be seen as a value-adding complement to the regional and national governance institutions and mechanisms that are in many instances features - and vibrant and dynamic ones - of the existing governance landscape in Africa, the Caribbean, and the Pacific. This complementarity should be made manifest and given effect through the ACP Group's unique role as a responsive inter-regional body that is member-driven: one well-placed to be the effective interface among member States, regions and the global community as a whole, on agreed political, social, economic and other development issues of common interest.

Recommendations

120. The ACP Council of Ministers at its 104th Session took a number of decisions regarding the Group's future post-2020, as instructed by the 8th Summit of ACP Heads of State and Government.
121. To this end, the 104th Session was seen as a landmark and defining juncture give the importance of Council implementing the directive from the 8th Summit for it to take decisions which would guide the Group's work programme and focus post-2020 as well as providing guidelines for negotiations with the EU on successor Agreement to Cotonou.
122. Thus Council considered and approved the three strategic pillars recommended by the Committee of Ambassadors to guide the Group's work post-202. These are:
- i. Trade, investment, industrialisation and services;
 - ii. Development cooperation, technology, science and innovation/research; and
 - iii. Political dialogue and advocacy.

123. Council also mandated the Committee of Ambassadors to commence work on the structure, governing organs and institutional arrangements to allow the Group to successfully accomplish its vision, mission and strategic pillars. Further, Council directed the Committee of Ambassadors to develop proposals for ensuring greater inter-ACP cooperation, trade and commercial ventures.
124. A review of the Georgetown Agreement in order to modernise it and ensure the Group's new vision is enshrined therein was also directed by Council. On ACP-EU relations, Council mandated the Committee of Ambassadors to undertake a thorough assessment of the Cotonou Agreement and to utilise Article 8 for political dialogue with the EU.
125. Finally, Council also instructed the Committee to immediately commence work on preparing a roadmap in readiness for negotiations with the EU of a new Agreement, and in doing so, engage in the preparation of negotiating briefs, core principles to guide negotiations, and the establishments of appropriate negotiating groups/clusters including a central negotiating group.
126. In response to the above directives, the Committee of Ambassadors has considered the issues referred to it and its response above especially Chapters II to IV.
127. The first of these mandates related to the unpacking of the three strategic pillars. In essence, Council has sought from the Committee of Ambassadors clarity and focus on the priority areas to be considered and pursued during negotiations with the EU under each of the pillars. However, in doing so, the Committee was also mindful of the need to maintain flexibility in the 'fleshing out' process to ensure that the ACP Group can respond to urgent and changing needs and challenges as they arose in a timely and speedy manner.
128. Chapter III therefore proposed the key strategic areas to be pursued under the three pillars. These once approved would form the foundation for the drafting of negotiating mandates for each of the proposed negotiating groups as well as the central negotiating group.
129. The second part of Council's mandate to the Committee of Ambassadors related to negotiations with the EU for a successor Agreement. In particular, the Committee was directed to determine and propose the process, modalities and contents for these negotiations. Chapter IV thus speaks to some of these issues including core and negotiating principles as well as a roadmap, benchmarks and timelines to guide the Group in this critical task.

130. Council is invited to consider, give further guidance and take a decision on:
- i. The proposed priority areas under each of the three strategic pillars to guide future programmes, work and activities of the Group post-2020; and
 - ii. The proposed processes, modalities and substance for negotiations with the EU for a legally binding successor Agreement to Cotonou.
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Preliminary Drafting Instructions for the Review of the Georgetown Agreement

The objective of these drafting instructions is to put forward some key recommendations for consideration by the legislative drafter, while drafting and reviewing the Georgetown Agreement.

The **8th Summit of ACP Heads of State and Government, which took place** in Papua New Guinea in May 2016, endorsed the recommendation of the **Eminent Persons Group (EPG)** for the ACP to leverage the strength of its numbers and undertake outreach activities, in order to be more effective in global governance institutions, and in the setting, implementing and monitoring of the development agenda. This policy had already been under development for some time. When the Heads met previously, at their **7th ACP Summit** in Sipopo, in **2012**, they called for *“contacts and relations with other States and groups of States”*, and committed the ACP to creating the necessary conditions to *“make our Group an influential player in economic governance and global policy”*.

The legislative drafter should **review the preamble** of the Georgetown Agreement to take into account the conclusions of the 7th and 8th Summits of ACP Heads of State and Government.

In Article 1, clarity might also be needed regarding **the legal personality of the Group** to contract and to hold property. It should perhaps be made clear that the Group also has **an international legal personality** and that it is to be treated as an international actor. This might also be an appropriate place for referring to the diplomatic status of Group officials.

Revisiting the term "Group", is not simply an issue of semantics. The designation communicates what the institution is, how it sees itself and the role and authority that it aspires to. The legislative drafter will need to **review and redraft Article 1(5)** of the Georgetown Agreement to **give the status of international organization to the New ACP**.

The restatement of the ACP Vision, Mission, and Core Values was agreed and subsequently adopted by the 97th Council of Ministers in Brussels in June 2013. As such, the legislative drafter, in reviewing the core objectives under Article 2 of the Georgetown Agreement, may want to **include the Vision, Mission, and Core Values of the New ACP We Want**. Furthermore, Article 2 is too narrowly focused on Lomé, and does not **capture the aspiration of the Group to be a major player on a global scale**. The following three pillars should therefore be considered, strengthened, and retained: (1) Trade and Investment (2) Development Cooperation, including technology (to build capacity in trade and investment, and science and technology); (3) Political Dialogue and Advocacy.

The ACP Secretariat will have to extend **its responsibilities and duties** beyond EU relations to, for instance, the WTO, specified UN organizations, other global institutions, and key countries such as the UK. To be able to effectively serve the ACP Group, it will have to be strengthened with **additional specialist staff, functioning in a modern and accountable management framework**. This was the position of both the EPG and the Ambassadors at their retreat. Recognizing the necessity to empower leadership and ensure that the Secretariat is effective, well-run and well-managed, both the EPG and the Ambassadors agreed that **Chief Executive powers** should be conferred on the Secretary-General, who should be endowed with adequate resources. Accordingly, the legislative drafter is hereby instructed to **review and redraft Article 4** of the Georgetown Agreement, to accord the Secretary-General the status and role of Chief Executive Officer and spokesperson of the ACP Group. Similarly, **an enhanced role should be given to the Secretariat**. In addition to performing administrative functions, it should also represent the organisation in matters of international public law as well as private law.

The legislative drafter should **redraft Article 5** to take the EPG's recommendations into consideration, in the following ways:

1. The ACP Parliamentary Assembly and the Committee of Ambassadors (COA) should play a greater role in promoting the New ACP's political dialogue;
2. The role of the ACP Parliamentary Assembly should be enhanced in light of the New ACP's mandate, with regard to political dialogue and advocacy. An effective accountability framework should be put in place to ensure closer linkages to national agendas;
3. Ministers of Foreign Affairs should play a greater role in the New ACP's policy dialogue in international fora, so as to ensure political support by the ACP leaders;
4. The role of Ministers of Trade, the Ministerial Trade Committee, Ministers of Finance, and the Ministerial Development Finance Committee should be enhanced, in keeping with the expanded development cooperation framework. The New ACP should play a greater political role in critical global issues to promote the interests of its Member States, in order to achieve inclusive growth and sustainable development;
5. The New ACP should play a greater role in the development of LDCs, Small Island Developing States (SIDS), and landlocked economies. In view of this, the legislative drafter should review and redraft Article 5 to create a role for the Ministerial Trade Committee, and also the LDC, SIDS, and landlocked countries.

The legislative drafter may want **to review and redraft Article 6** of the Georgetown Agreement, to take into consideration the EPG report, which stipulates that the **Summit of the ACP Heads of State and Government** should remain the highest policy organ. It will set the agenda for the New ACP and the principles governing the implementation of that agenda. The summit meeting should be restructured to allow for effective dialogue on current issues and matters of strategic importance to the New ACP's unity and visibility.

A retreat with exclusive participation of leaders should be incorporated into the programme of the Summit. In addition, greater use should be made of the **office of the Presidency-in-Office** to represent and speak for the New ACP. It was proposed that the **Summit should appoint the Secretary-General** and this will therefore require the redrafting of Article 25(2) of the Georgetown Agreement, to take into account the appointment of the SG.

The next tier of policy organs is the Conference of Ministers of Foreign Affairs (COFA), which will replace the Council of Ministers. The legislative drafter may therefore take into consideration, in **reviewing Article 3** of the Georgetown Agreement, the EPG's proposal for a four-tier structure for the Group's governing organs, as follows: (a) the Summit of ACP Heads of States and Government (b) the Conference of Ministers of Foreign Affairs (c) the Committee of Ambassadors (d) the Governing Board. The proposal stipulates that the COFA shall have the responsibility to:

- oversee the implementation of Summit decisions;
- provide policy direction to the Governing Board and the Secretary-General;
- collate, process and make recommendations to the Summit on the nominee to be appointed as the Secretary-General. This should be examined in conjunction with Article 25(2);
- consider recommendations on specific issues emanating from sectorial meetings of ACP Ministers; and
- establish permanent or ad hoc advisory groups drawn from Non-State Actors (private sector, civil society, Diaspora and academia) to advise on pertinent issues requiring decisions or policy direction.

The legislative drafter may take into consideration the paper from the Ramphal Institute cited as Secretariat Discussion Paper ACP/1/1/11/(Vol.1)17 of 23 March 2017. The paper calls for financial cooperation and better mobilisation of resources: The New ACP can facilitate the mobilisation of additional resources for Member States from new and existing donors. This can work in two ways. Firstly, it can "introduce" new and non-traditional donors that do not have significant direct engagement with ACP countries. These could include the Nordic Countries and some EU members with substantial bilateral aid programmes, the Gulf Cooperation Council, and the Islamic Development Bank. These donors might not have relations with many of the ACP States, but provide instead much of their support through multilateral institutions like the World Bank. Secondly, the ACP could also seek to facilitate the provision of more direct assistance by helping with information contacts and, ultimately, even with the framework for ACP-wide or region-specific technical and financial cooperation. The ACP Group and its Secretariat already have considerable experience in facilitating the provision of support under the EDF. This track record can be an asset in concluding such arrangements with new donors.

It has been discussed extensively in the report of the EPG and also in the final report of the Ambassadorial Working Group on the Future Perspectives of the ACP Group of States that regional integration and cooperation can also help to overcome some of the numerous challenges facing ACP States, such as the small size of their domestic markets and geographic isolation. Cooperation at regional levels can help Members to reap the benefits of economies of scale, foster competition, and create space for additional domestic and foreign investment. Cross-border infrastructural developments and communication networks facilitate movement of persons and create new commercial opportunities. These enable the establishment and extension of national and regional value chains that support improved productivity and diversification of production and exports. The legislative drafter may therefore want to **create a provision solely for regional pillars** within the Georgetown Agreement. This means that the legislative drafter will have to review all of the Articles of the Georgetown Agreement, to see where it will possibly fit best.
