

ACP-EU relations beyond 2020:

ENGAGING THE FUTURE OR PERPETUATING THE PAST?

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SUMMARY

In September 2018, negotiations are due to start between the European Union and the African, Caribbean and Pacific (ACP) States as to what should organise their relations after the expiration of the Cotonou Partnership Agreement (CPA). The EU's draft negotiation position is currently under preparation and builds on the 22 November 2016 Joint Communication in which DEVCO and EEAS unveiled a preferred option for the future. From the outset, the EU insisted that a simple rollover of the Cotonou Agreement -which has governed ACP-EU relations since 2000- would be inadequate to deliver on the multiple challenges of today's world. The review of this specific partnership could therefore be seen as a **litmus test** of the EU institutions and Member States overall ability to fundamentally adapt its external action and development cooperation approaches.

This policy brief assesses the **prospects and conditions for such a change**. It starts with a short context analysis explaining how the ACP-EU partnership gradually lost its prominence within EU external action and what this means for negotiating a new deal beyond 2020. It then looks at the main building blocks of the preferred 'umbrella' option that is now on the table. This is followed by an assessment of how this proposal lives up to the EU's stated ambition to build a rejuvenated political partnership that addresses global and regional challenges, responds to EU interests and provides more effective development support.

Building on this reality check, it appears that the **EU is not prepared to cross the Rubicon** in its longstanding relation with Africa, the Caribbean and the Pacific. Much-needed innovations are proposed including deepening regionalisation, shifting decision-making and implementation to the most relevant levels and actors, reaching out beyond the ACP and embracing new means of implementation.

Yet, all these positive **changes remain attached to and dependent on the preservation of an overarching ACP framework**, institutions and related set of rules, whose relevance, legitimacy, effectiveness and sustainability have been seriously challenged by **practice** in the past decade. Hence, the preferred option, as presently tabled, is more about putting old wine in new bottles rather than engaging on the bumpy road of openly exploring how best to **modernise the partnership –particularly regarding Africa- in line with 21st century geopolitical realities, new global agendas and evolving EU external action practices**.

The brief concludes by hinting at **possible alternatives** based on unambiguously shifting the centre of gravity to the regions, fundamentally rethinking the role and set-up of the overarching ACP-EU framework, making the link with the debate on future EU financing instruments, reviewing the governance systems for greater inclusivity and unlocking the debate including by using the next Africa-EU Summit to openly discuss this future of this partnership.

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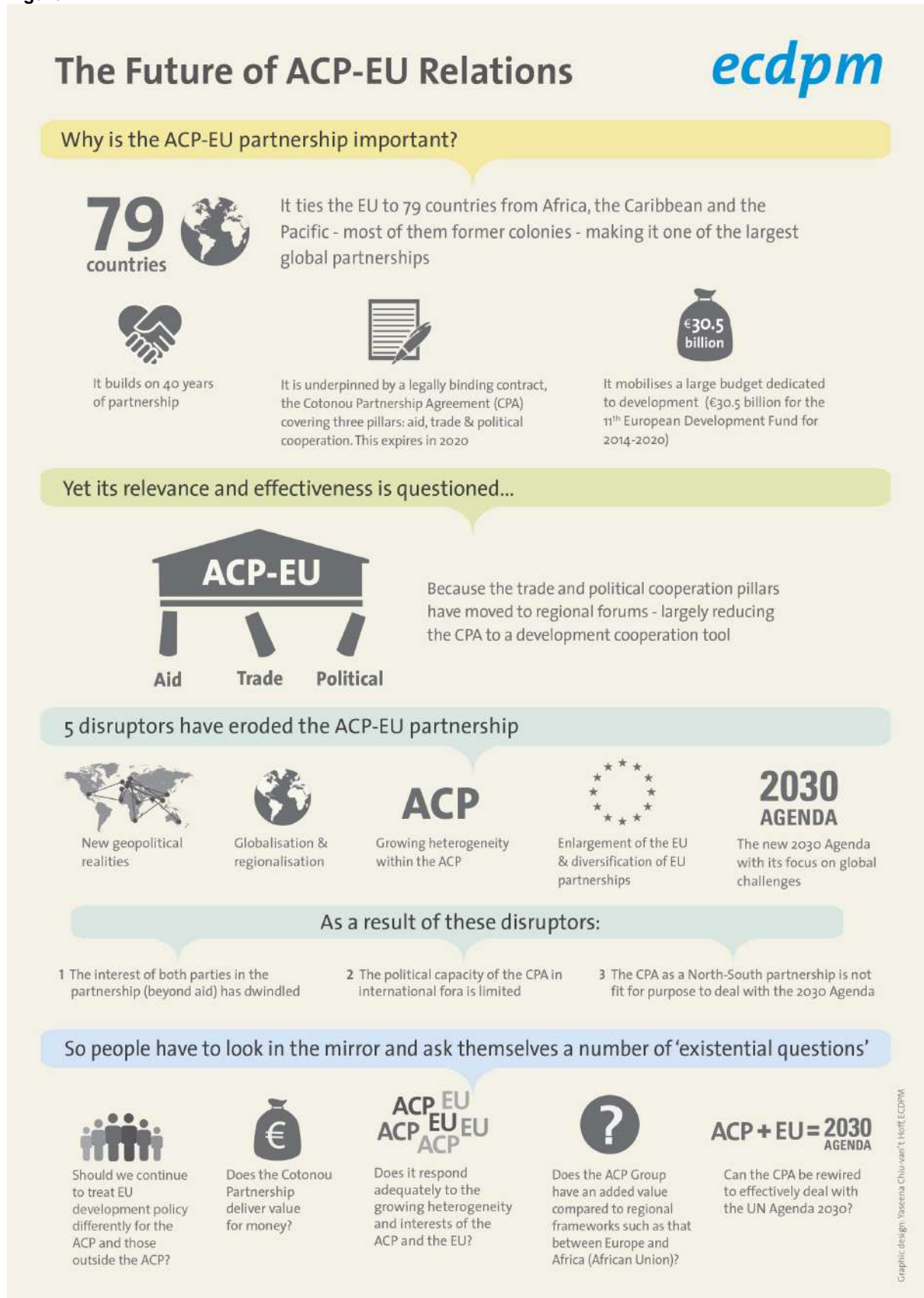
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Figure 1



Section 1: Putting ACP-EU relations in perspective

To make informed and realistic policy choices for the future, it is indispensable to take into account the evolution of the partnership over time, to assess its current strategic weight and to integrate key lessons learnt.

The relationship with the ACP in its current form dates back to 1975 with the signature of the first Lomé Convention, which in turn was prompted by the UK's accession to the EEC. This arrangement between Europe and its former colonies was hailed as a “**unique model for North-South cooperation**” for its legally binding nature, comprehensive scope (covering aid, trade and political cooperation), joint institutions and co-management architecture as well as a dedicated European Development Fund (EDF) guaranteeing predictable resources. These features are seen to represent the ‘*acquis*’ of the ACP-EU model. By the mid-1990s, the partnership had lost momentum and mutual disappointment ensued. Thus, in 2000, a new ‘Cotonou Partnership Agreement’ (CPA) was agreed (for the period 2000-2020). It sought to reinvigorate ACP-EU relations by strengthening political cooperation, reviewing trade arrangements and opening-up cooperation to other actors.

Seventeen years later, there is abundant empirical evidence as well as acknowledgement (across the board) that **the expected revitalization did not take place**. If anything, the political and institutional foundations of ACP-EU relations have become even more fragile. Here is why (box 1):

Box 1: Evidence of the dilution of ACP-EU relations

- **Erosion of the three-pillar structure of the partnership.** Trade and political matters are now primarily addressed outside the ACP-EU framework. Other core priorities (such as peace and security or migration) are not dealt with at ACP-EU level. As a result, the CPA has *de facto* been largely reduced to a development cooperation tool.
- **Implementation gap.** There is a major gap between the laudable provisions of the CPA (regarding respect for human rights and democracy, political dialogue, participation of non-state actors, migration, co-management, policy coherence for development, etc.) and the actual practice. A recent independent evaluation of the EDF¹ has clearly demonstrated that key elements of the so-called ‘*acquis*’ of Cotonou such as ownership and predictability of funding are no longer ensured because EU political priorities tend to dominate the allocation and programming of funding.²
- **Limited political clout in the global arena.** In theory, 28 EU Member States and 79 ACP countries represent a substantial force in multilateral processes. In practice, effective coalitions have seldom materialised because it has proved difficult to find common ground among such a large and heterogeneous group of states on either side.
- **The marginal strategic position of the ACP-EU construct.** In the past two decades, the partnership has lost its flagship status within EU external action. The EU currently pursues its core interests primarily through a diversified mix of continental, regional and bilateral partnerships. Many recent high-profile decisions in EU development policy - including those with significant financial implications such as the creation of the Emergency Trust Fund for Africa and the External Investment Plan - draw heavily on the reserves of the European Development Fund while ignoring both the spirit and content of the CPA as

¹ European Commission. *External Evaluation of the 11th EDF (2014-mid 2017)*. Final Report. June 2017.

² See also Herrero, A., Knöll, A., Gregersen, C., Kokolo, W. 2015. *Implementing the Agenda for Change: An independent analysis of the 11th EDF programming*. (Discussion Paper 180). Maastricht: ECDPM.

regards to consultation with ACP and EU-ACP structures. While ACP regions and countries formally abide to the principles of “unity and solidarity”, they also increasingly “go regional” to defend their core political, trade and other interests. The marginalisation of the partnership is also reflected in the scant knowledge of and interest in ‘Cotonou’ beyond the institutional players directly involved.

It is interesting to note that the **EC largely supports this rather sobering diagnosis of the state of health of ACP-EU relations** (see Box 2 below). Furthermore, there seems to be a broad agreement on the wider factors that explain this evolution of the CPA.³ The gradual erosion of ACP-EU partnership is generally attributed to major contextual changes since 2000, including:

- new geopolitical realities (e.g. the emergence of a volatile, multi-polar world in which the EU has less leverage);
- globalisation and regionalisation dynamics challenging the relevance of a post-colonial geographical entity like the ACP;
- changes within the ACP (e.g. growing heterogeneity, deepening regionalisation, limited ownership and collective action capacity of ACP States,⁴ etc.);
- changes within the EU (e.g. enlargement to 28 Member States,⁵ the growing impact of internal EU policies on external action);
- the emergence of the universal 2030 Sustainable Development Agenda which transcends the traditional North-South divide and calls for different means of implementation, as reflected in SDG 17); and
- the decreased importance of ODA flows (for a visual representation see Figure 1).

Box 2: EC lessons learnt with implementing ACP-EU cooperation

In the absence of a comprehensive and independent evaluation of the performance of the CPA, the EC conducted a self-assessment of the partnership with the ACP6 which helped to draw lessons included in the November 2016 Joint Communication on “*A renewed partnership with the countries of Africa, the Caribbean and the Pacific*”. This document refers to progress achieved in several core areas (e.g. poverty reduction, peace and security, etc.). Yet it also identifies worrying trends (e.g. the rise of authoritarian governments) and major implementation challenges in relation to: political dialogue; human rights, democracy, good governance and the rule of law; migration; and the involvement of actors other than central governments.

The EU also admits that cooperation between the EU and its ACP partners in multilateral fora has “hardly been used” and that the present system of joint institutions “has proven useful to share experiences but is now outdated since it is too heavy and cumbersome”.⁷

³ For a more detailed analysis, see Bossuyt, J, Niels Keijzer, Alfonso Medinilla and Marc De Tollenaere. 2016. *The Future of ACP-EU relations: A political economy analysis*. ECDPM, Policy Management Report 21, p. 2-5.

⁴ This capacity for collective action is also limited by the reluctance of many ACP Member States to pay their contribution to the organisation.

⁵ The extension of the EU has logically led to a less unified approach to dealing with the ACP. In addition to MS that have defended from the outset the need for a single global EU development policy (e.g. the Netherlands) there are a wide range of ‘new’ MS that have no affinity with Europe’s postcolonial legacy and therefore do not necessarily see a reason to continue a partnership arrangement with an exclusive group of countries whose composition is motivated by history.

⁶ European Commission. *Joint Staff Working Document: Evaluation of the Cotonou Partnership Agreement* (SWD (2016) 250 final).

⁷ European Commission, *High Representative of the Union for Foreign Affairs and Security Policy*. 2016. Joint Communication on “*A renewed partnership with the countries of Africa, the Caribbean and the Pacific*”. Strasbourg, 22.11.2016. JOIN (2016) 52 final, p. 26.

What are the **practical implications** of this brief context analysis and related assessment of the current strategic weight of ACP-EU relations? **Three key insights** emerge that might be relevant for policy-makers and other stakeholders involved in the renewal of the partnership:

Beware of the poor baseline conditions for constructing a new political partnership. The structural weaknesses that have affected ACP-EU relations in the past will become more prominent in the years to come as interest-driven forms of cooperation occupy centre stage. Hence, the current lack of traction of the ACP-EU partnership cannot be simply overcome by defining grand new political ambitions for the future (e.g. in terms of joining forces in multilateral fora, addressing global challenges, etc.). Furthermore, it takes two to tango, but at this moment it is not known to what tune ACP states want to dance.

Build on real interests, processes and actors. While it is useful to seek to preserve elements of the '*acquis*' that worked well, one could easily get stuck in legal and procedural negotiations with a narrow community of institutional actors (i.e. Brussels-based ACP and joint ACP-EU structures). The task at hand is to ensure that the renewal of the partnership is primarily shaped by what really happens on the ground (in terms of global, regional and foreign policy dynamics) and by the relevant state and non-state actors involved in these processes at various levels.

Align EU financing instruments to core strategies. The ACP-EU partnership may be marginalised in political and institutional terms, yet it still commands the largest share of EU development resources through the EDF. This gives it substantial power beyond its actual weight, the ability to attract and cater for all sorts of (vested) interests⁸ and a competitive advantage over other policy frameworks such as the Joint Africa-EU Strategy (JAES).⁹ If the EU is serious about building a more coherent external action and prioritising regional dynamics, or even targeting the poorest, it will have to carefully consider where to put the money.

⁸ For instance, multilateral organisations and civil society actors trying to access funding from resources available for intra-ACP cooperation.

⁹ A case in point is the often heard observation that "the CPA has worked much better than the JAES". This comparison is shaky on many grounds, particularly if one considers the huge financial resources the EU has dedicated to the CPA. If these resources were injected in a full-fledged African partnership, the dynamics would most likely also change.

Section 2: Main elements of the 'preferred umbrella scenario' of the EU

Building on this review of the current status of ACP-EU relations, this section provides an analysis of what the EU has so far put on the table regarding future ACP-EU relations. The focus is on the so-called '**umbrella scenario**' promoted by DEVCO and EEAS as the best option to forge the necessary consensus among EU institutions and Member States. The main sources of information used in the analysis are the Joint EU Communication of 22 November 2016 (which provides a justification and a basic outline of the preferred option), subsequent public debates on the issue, official speeches,¹⁰ interviews, etc.

The European Commission and the High Representative/EEAS start from the premise that the longstanding partnership with the ACP "provides a good starting point to build a renewed political partnership".¹¹ This would take the form of a **single, legally binding agreement** with the partner countries involved, based on the following building blocks (for a visual representation, see Figure 2).

- **An umbrella, applicable to the EU and all ACP countries**, which would define common values, principles, essential elements as well as the interests that underpin the cooperation between the parties. It would also include avenues for cooperation on global agendas between the ACP and the EU, to be pursued through specific coordination mechanisms.
- **Three distinct regional partnerships** with the countries of Africa, the Caribbean and the Pacific, which would take the form of **protocols** to the umbrella agreement. These partnerships would "build on and integrate" existing strategies and be in charge of defining specific **priorities and actions** for each geographic region. For instance, the Africa partnership would be based on the JAES and apply to the whole continent. However, it will be implemented according to the legal framework of the umbrella agreement in the case of the sub-Saharan countries which are members of the ACP.
- **An 'outreach' beyond ACP countries** could be envisaged by extending, "where needed", the geographic scope to non-ACP countries (while ensuring coherence with existing policy frameworks). Particular reference is made to the non-ACP countries in North Africa and the non-ACP members of the group of Least Developed Countries (LDC) and of the group of Small Island Developing States (SIDS). Bringing them on board in selective policy processes is expected to enhance policy coherence and add diplomatic capital to the partnership.
- **A multi-layered and flexible institutional architecture** which would reflect the political nature of the partnership, should make it possible to "better tackle issues at the right level and in the right setting", in line with "the principles of subsidiarity and complementarity, as well as differentiation and regionalisation".¹² Box 3 goes deeper into the envisaged multi-level governance system (based on available information at this stage).
- **New means of implementation.** This includes important changes to current practice such as the shift to effective multi-stakeholder approaches, the diversification of implementation methods according to the type of partnerships and the application of the Addis Ababa Action Agenda (e.g. on domestic resource mobilisation or fair, transparent and efficient tax systems).

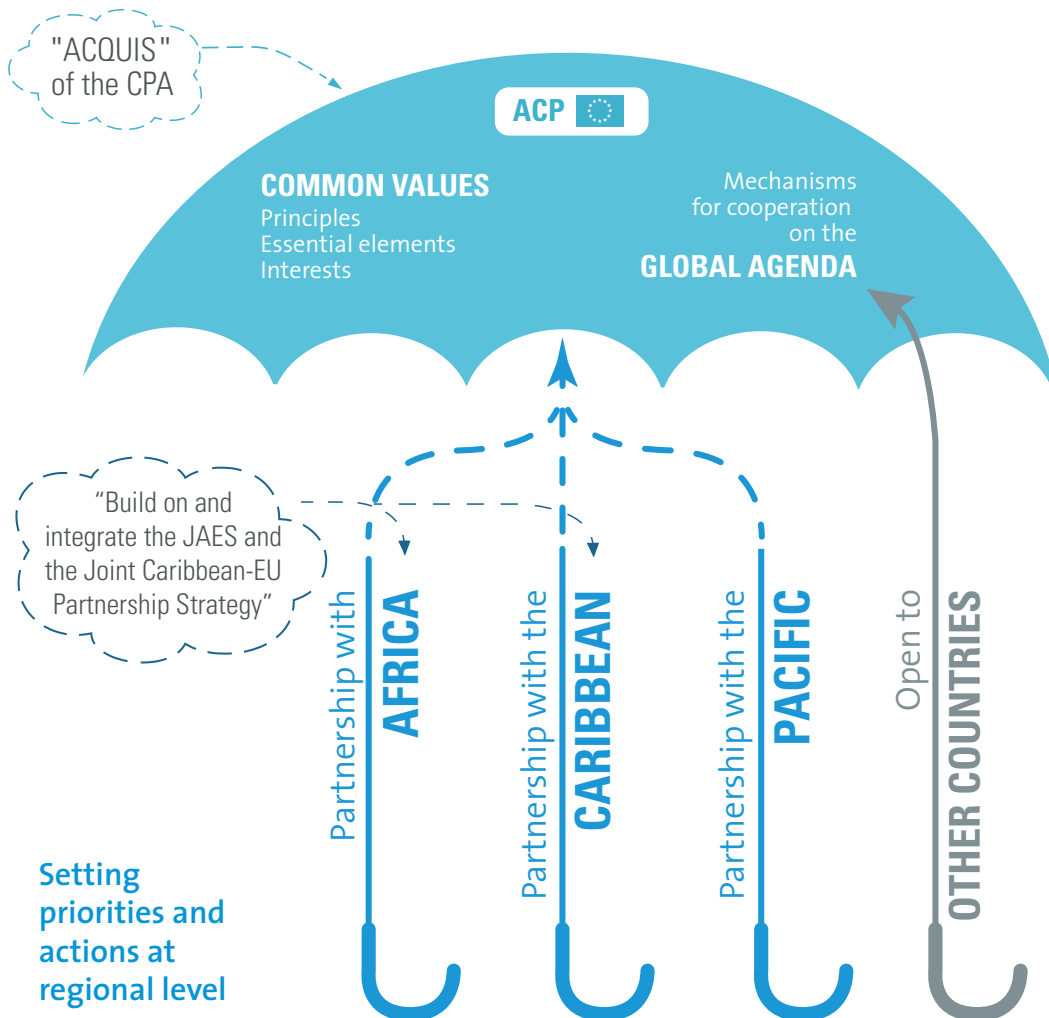
¹⁰ For instance, the recent speech of Commissioner Mimica in a meeting with Cariforum Ministers: "*The Renewal of the ACP-EU Partnership beyond 2020 – Exchange of views*", Cancun, 22/06/17.





¹¹ Joint Communication on a renewed partnership with the ACP, p. 3.

¹² Joint Communication on a renewed partnership with the ACP, p. 2.

Figure 2

TOWARDS A RENEWED POLITICAL PARTNERSHIP



- PRINCIPLES FOR THE INSTITUTIONAL SET-UP**
-  A multi-level governance system
 -  Guided by Subsidiarity and complementarity
 -  Anchored in a legally binding framework
 -  A shift in decision-making and implementation towards the regional level

Box 3: The institutional architecture of the preferred scenario

Initial proposals point to an institutional set-up based on the following elements:

1. **Continued role for joint ACP-EU institutions.** This is linked to the proposed content of the umbrella, which explicitly foresees to expand cooperation with the ACP Group on global agendas in international fora. In practice, this could require the organisation of ad-hoc Summits as well as ACP-EU Ministerial Councils to define joint positions. The abovementioned ‘outreach’ principle is foreseen at this level by inviting non-ACP stakeholders to relevant meetings (as observers).
2. **Regional mechanisms to steer the respective regional partnerships yet within the overall ACP frame.** Applying the principle of subsidiarity, the bulk of the dialogue and decision-making would (continue to) be done at regional level. In the case of Africa this means the involvement of the JAES structures covering the entire continent (i.e. EU-Africa Summit and the College-to-College annual meeting between the EC and AUC) as well as the holding of ‘regional’ ministerial meetings of the ACP-EU Council to deal with specific EU-Africa matters. However, it is not clear where the Regional Economic Communities (RECs) fit into this scheme as they have no formal place and role in ACP-EU institutional structures. For the Caribbean partnership the use of existing mechanisms is equally foreseen, though in closer association with the more prominent EU-CELAC processes (which include the Caribbean). For the Pacific, regionalised ACP-EU ministerial Council meetings would provide the required political steering.
3. **Need for an important “shift of decision-making and implementation to the regional levels”.**¹³ This is explicitly foreseen in the EU Joint Communication yet so far it is not clear what this would entail. There are concrete proposals to delineate a task division between umbrella and regional structures. But it is less obvious at this stage to see where the centre of gravity between the two governance layers would be in terms of power, actors involved, decision-making methods and control over resources.

By applying a political economy analysis perspective it is possible to understand why the EU proposed this specific scenario. It promises a degree of continuity in volatile times in Europe and across the world. Defenders of this option argue that it allows the EU to preserve important political capital linked to the longstanding relations with 79 countries, and this at a moment when Europe needs allies to promote global agendas and defend its interests. It avoids sensitive discussions with the formal ACP institutions who manifested the wish to stay united. By deepening the regional partnerships, the EU seeks to adapt the new agreement to prevailing regionalisation dynamics and the need for more differentiated approaches. Continuity can be ensured in terms of managing development cooperation resources through tested channels, rules and procedures. This scenario responds to the needs of those that want to preserve a legally binding agreement through a treaty with all ACP countries. Several Member States fear that the EU ‘stands to lose much’ if it can no longer call upon Articles 8-9 (political dialogue) and 96-97 (consultations, sanctions) of the CPA to defend core values. Finally, it also provides a justification for continuity in the aligned EDF and the way it is resourced (outside the EU budget).

¹³ Ibid., p. 3.

Section 3: How realistic is the umbrella option and can it deliver?

While the above motivations for selecting the umbrella option can be understood, it remains to be seen **whether this solution can effectively deliver on the core objectives put forward by the EU with regard to future ACP-EU relations**, i.e. to build a rejuvenated political partnership that addresses global and regional challenges, responds to EU interests and provides more effective governance and development support.

1. Fostering a mutually beneficial political partnership

The fundamental **assumption** on which the whole umbrella scenario rests is **that it is possible to turn the ACP-EU partnership into an effective, multi-actor instrument for political cooperation**. This, together with the preservation of the '*acquis*', is invoked as a key justification for keeping an overarching framework. However, as mentioned before (Section 1, p. 3) the baseline conditions for such a qualitative jump forward are particularly sobering. Today, ACP-EU relations are essentially an asymmetric partnership restricted to states and based on traditional aid flows. There is no substantial track record of joining forces in international fora on political dossiers at an all ACP-EU level. Political cooperation, erstwhile the domain of the CPA, now primarily takes place at regional, sub-regional and bilateral levels or in other fora.

Furthermore, evidence indeed suggests that **the existence of a legally binding framework to promote shared values does not constitute in itself a major political trump card ensuring impact**. While some successes have been achieved, the evaluation made by the EU on the CPA recognises that they remain rather limited in number and scope. ACP institutions have generally not played a pro-active role in promoting this agenda – suggesting that the values may not be that shared after all. In recent years, **things have deteriorated** in many ACP countries, as reflected by the tensions around several constitutional amendments to dismantle presidential term limits, the closing space for civil society in an increasing number of countries, prevailing limitations on freedom of expression and association, LGBTI rights, and wavering support for the ICC.

Finally, the question also arises **whether the ACP Group is willing to move in the direction of a modern political partnership with the EU**. The writing on the wall regarding the emerging ACP negotiating position is far from promising. As in the past, the Group essentially seems to go for a reactive and conservative agenda, also in terms of governance and institutional changes (see Box 4).

Box 4: The choice of the ACP group for the status quo

As a Group, the ACP has taken several initiatives to reflect on its own future and that of its relationship with Europe.¹⁴ The intention was put forward to transform the organisation into a global player with a real presence and impact on today's international scene. Yet the policy statements **remain predominantly aspirational in nature** – projecting grand new ambitions without necessarily looking at their feasibility.

Perhaps more reliable to understand the real agendas is the March 2017 '*Aide Memoire*'¹⁵ on the future of ACP-EU relations. While the short note calls for a "radically transformed relationship" (par 2), the rest of the text spells out (not unexpectedly) a **conservative approach de facto amounting to a status quo scenario**. It is as a unified, trans-regional entity that the Group proposes to negotiate a successor to the CPA with the ACP structures in the driving seat. It should be construed as a "single legal undertaking" (par 8) and lead to a "legally binding agreement" (par 10). There is a reference to the need to clarify how to structure relations with regional and continental bodies (par. 7) but at the same time the Group proposes to maintain its own geographic structure with the six regions¹⁶ (par 9). Content-wise, the proposals also cover traditional ground, i.e. a dedicated development finance mechanism (EDF) and even a return to preferential trading arrangements (par 12). All this does not indicate a willingness on the side of the ACP to pro-actively develop a genuine vision of its own future, its relation with continental and regional dynamics or its potential added value. It is also **highly questionable that this ACP agenda forms a credible basis for a more mature political partnership**.

2. Addressing global challenges

The track record of the current ACP-EU framework is equally sobering on global deals. The only success story the EU can report in this domain is the contribution of the ACP to the COP 21 negotiations. It is heralded as a best practice and proof of the weight and capacity of the ACP to be a global player. However, evidence indicates that the successful collaboration was gradually given shape at the bilateral level –without direct involvement of the ACP and ACP-EU structures. All the groundwork for preparing and working out a feasible plan for COP 21 has in practice been the product of informal coalitions of actors across various regions. The contribution of the ACP Group was largely limited to providing political support at the final stages of the COP 21.

As a result, a concern exists that **this function, ascribed to the umbrella, will largely remain an empty box**. Concluding global deals requires cohesion, legitimacy, proximity and subsidiarity as the key ingredients of real political capital. None of these apply to the ACP-EU framework today. If anything, the growing heterogeneity of membership on both sides prevents meaningful collective action on global issues. In practice, both parties go elsewhere to promote global issues or defend their core interests on such matters (e.g. in regional, sub-regional or thematic frameworks). The EU migration agenda is a perfect example of how the EU in its external action has embraced an '*à la carte*' approach in selecting relevant channels and fora where it can obtain results. The recently adopted Communication on the Africa-EU Partnership¹⁷ clearly shows where future political traction and action will lie in terms of addressing global public goods.

¹⁴ Including the mobilization of 'Eminent Persons' from the ACP and the organization of an ACP Summit.

¹⁵ ACP Group. *Aide Memoire: Basic Principles for ACP-EU Relations Post 2020*. ACP/28/007/17. Brussels, 13 March 2017.

¹⁶ West, Central, East and Southern Africa, the Caribbean and the Pacific.

¹⁷ European Commission – *High representative for Foreign Affairs and Security Policy*. 2017. Joint Communication for a renewed impetus for the Africa-EU Partnership. Brussels, 4.5.2017, JOIN (2017), 17 final.

The EU's own expanding foreign policy and security agenda is organised continentally, regionally, trans-regionally, bilaterally or through global governance networks. The June 2016 EU Global Strategy on Foreign and Security Policy (EUGS) reinforces this paradigm. Its devise of following interest-driven forms of cooperation with willing (regional) parties in a spirit of "principled pragmatism" is hard to reconcile with a centralised ACP-EU framework, composed of a heterogeneous group of actors with equally diversified interests. Another case in point of the superfluous nature of the CPA from a foreign policy perspective is the growing use of EDF resources for the EU's own interests.

3. Providing effective development support

This fourth objective – the use of the CPA as a framework to provide development cooperation funding – has a long history. Available evidence suggests that EDF resources in the past have globally been allocated to pertinent development priorities and produced a wide range of development outputs and outcomes. It is more difficult to make an aggregated assessment of their actual impact as evidence is scattered and seldom linked to the performance of the CPA framework.

This pillar of the CPA still mobilises a lot of institutional and non-state actors who have an interest in safeguarding the EDF as a ring-fenced pot of money for the ACP. These actors may share the diagnosis on the erosion of ACP-EU relations, the limited political clout or leverage on global issues. Yet, they stand together in defending ODA allocations in volatile times, with many 'known unknowns' (e.g. the impact of BREXIT) and a new and potentially highly complex debate pointing to the horizon on the new Multiannual Financial Framework (MFF) of the Union. While these concerns may be legitimate, the renewal of the ACP-EU partnership should also spend considerable time **rethinking core implementation features of the development cooperation component**. Many elements of the CPA '*acquis*' may represent laudable principles but have shown major limitations (e.g. the principle of co-management) hampering sustainable development impact in practice.

Section 4: Exploring possible alternatives

In today's Europe, confronted with many uncertainties, the appetite for 'experimentation' may be low. That said, a future agreement could potentially last until 2040, hence the **stakes are high** and the window of opportunity for change is unique. So what does the above analysis mean for the future of the debate? Does it imply that the preferred umbrella option, around which the EC tries to broker a consensus with Member States, should be abandoned altogether? Or is it possible to further refine this scenario so that it can be more coherent both with EU's external action priorities post 2020, particularly towards Africa, and the dynamics found within the A, C, and the P?

Before considering alternative avenues, it is important to stress that **the need for renewal does not only apply to ACP-EU relations**. All kinds of other strategic partnerships - at EU, global or bilateral levels - face similar challenges. For instance, continental and regional bodies in Africa are also confronted with issues of legitimacy, governance, delivery and capacity. Furthermore, designing effective multilateral cooperation frameworks that are relevant and effective in today's world is a daunting task and existing successful models are scarce.

This paper started with the premise that **meaningful discussions** on the future of the ACP-EU partnership are **not possible without looking back at the history** of this relationship and its evolution over time. The Cotonou Agreement (2000) created new expectations that ACP-EU relations could be modernised yet this did not happen (see Section 1). It therefore makes little sense to go for a

'*de facto*' Cotonou bis, with largely the same actors, the same (negotiation) format, existing structures, the same agenda, leading to 'more of the same', and replicating the weaknesses that have plagued cooperation in the past.

This brief then looked at the proposal put on the table by DEVCO and EEAS. It has the **merit of providing a 'frame' to structure this complex and sensitive debate** – involving many actors with competing perspectives, agendas and interests. Moreover, the EC has the responsibility to put forward proposals around which an EU-wide consensus can realistically be forged. That is also a delicate task, inevitably leading to compromise solutions.¹⁸

The umbrella scenario thus represents a '**compromise**' whereby the EU essentially seeks to reconcile two legitimate core policy objectives:

- the preservation of an overarching ACP-EU framework (to avoid the cost of abandoning the existing partnership with the ACP Group and safeguard the so-called '*acquis*' of the CPA¹⁹); and
- deepening regionalisation (to align EU external action to the real dynamics in the field and thus improve its overall coherence and effectiveness). In pursuing this second objective, **DEVCO/EEAS should be credited for putting forward some needed innovations** (in terms of deepening regionalisation, outreach, decentralising decision-making, multi-actor partnerships, etc.) although sometimes in a rather sketchy manner.²⁰

The main problem with the umbrella option, as currently presented, is that it does not make a clear and coherent political choice on how to balance these two objectives. The result is an **ambiguous and half-baked reform proposal**. On the one hand, there are genuine attempts to modernise the EU's external action with the A, C and P, deepen regional political relations and pursue mutual interest. Yet at the same time, the proposal pushes on the brake by falling back on a postcolonial ACP-EU framework - based on an outdated geographic ambit and institutional structures - to organise these regionalisation dynamics. On balance, **the umbrella scenario in the way it is shaped and pursued today tilts more towards preserving the ACP-EU construct than to a genuine regionalisation**. The net result is a scenario that, if not altered, may turn out:

1. to give precedence to the 'geographic logic' of the ACP Group rather than to the 'new geography' of international/ EU relations - a logic that only exists in (relation to) the European Union and not beyond.
2. to entrust the overarching ACP-EU framework with mandates and roles that are not realistic considering past track records and current geopolitical trends (i.e. the expressed intention to rejuvenate the political partnership or push forward global agendas).²¹
3. to make the regionalisation of the partnership subject to the preservation of an overarching ACP framework, institutions and related set of rules, whose relevance, legitimacy, effectiveness and sustainability have been seriously challenged by the practice of the past decade. This may hamper the consolidation of effective regional partnerships (as illustrated for the case of Africa in Box 5 below).

¹⁸ The internal EU debate on the renewal of ACP-EU relations has been rather difficult so far, reflecting diverging views among Member States on the matter but also lack of trust in how the process is conducted by DEVCO. This has not facilitated truly open-ended and evidence-based discussions on required reforms.

¹⁹ See Joint Communication on a renewed partnership with the countries of Africa, the Caribbean and the Pacific, p. 26.

²⁰ For instance, in relation to the institutional and financial implications of these innovations and what they mean for the established structures.

²¹ This also implicitly suggests a continued need for EU to partially fund ACP and ACP-EU structures at the expense of the prospects for a more symmetrical partnership.

4. to organise the 'outreach' to other interested parties on an artificial basis; it is indeed hard to see what incentive there is for North Africa, the non-ACP SIDS and LDCs to participate as observers in a complex scheme like the ACP-EU system.
5. to reinforce the primacy of a highly centralised, statist framework for international cooperation which is at odds with the multi-actor and multi-level governance requirements of today's international cooperation system.

Box 5: Why an overall ACP-EU framework may hamper a genuine and effective partnership with Africa

The current scenario may impose several barriers to establishing a full-fledged Africa partnership:

1. **Unclear centre of gravity:** While a certain decentralisation of decision-making and implementation to the regions is foreseen, it is not clear where the epicentre of the new system will lie and who is really in command. Both levels (i.e. the overarching framework and the regional partnerships) are supposed to co-exist, often with overlapping mandates (e.g. on key global challenges such as climate change, migration, etc.). This may create all kinds of tensions, institutional conflicts as well as additional transaction costs. Unless the rules and procedures of the current CPA are drastically changed, there is a danger that African regional actors are *de facto* side-lined within the future governance of the umbrella scenario.²²
2. **Continued fragmentation of EU-Africa relations:** While the Africa partnership would be based on the JAES and serve as the guiding document for the continent, key decision-making and implementation aspects would be split up between sub-Saharan countries (which would need to follow the legal framework of the renewed ACP-EU partnership) and North Africa (whose role in that framework would be one of mere observers).
3. **Limited ownership of the 'acquis' by African actors.** While the EU's concern to adopt a single legally binding framework for the three regional partnerships can be understood, evidence suggests that what the EU understands as the 'acquis' of the CPA is different from what many African countries want to preserve in the ACP-EU partnership. The political dialogue and conditionality provisions are increasingly contested within African circles and have largely failed to deliver actual results on the ground. While it is true that renegotiating these political cooperation principles with Africa may be challenging, the choice to 'stick to the CPA' is also rather risky considering current low levels of African ownership and the history of opposition in subsequent revisions of the CPA. Even within an ACP-EU framework, the debate on the rights and fundamental values agenda is likely to be controversial and may yet end up in a deadlock, threatening a smooth ratification process.

A key lesson learnt from the ongoing BREXIT negotiations between the UK and the EU is that policy objectives can be fundamentally incompatible, or to put it more bluntly, that you 'cannot have your cake and eat it'. It would appear this also applies to the current EU position regarding the future of ACP-EU relations: **keeping the full (postcolonial) architecture of the ACP-EU framework cannot be reconciled with modernising EU external action** in a way that reflects the current geopolitical realities, new global and EU agendas and current interest-driven forms of cooperation.

So if the EU sticks to this scenario and remains committed to maintaining the ACP-EU framework, it should also create the conditions for genuine regionalisation to work. This requires a **fundamental recalibration of the proposal currently on the table**. The way forward is to **unambiguously shift**

²² Specific clauses could be foreseen to allow the AU and the regional bodies to accede to the renewed ACP-EU partnership. Yet this does not guarantee that the prevailing state-driven and highly centralised ACP management culture will not continue to dominate the game.

the centre of gravity of the future partnership to the regions and to look then what subsidiary and complementary role an ACP-EU partnership could still play. It should be clear that **this is not only the responsibility of the EU**. In the absence of a clear, **pro-active demand** from continental and regional partners as well as African, Caribbean and Pacific states, it will be difficult to bring about change.

Looking ahead, turning the current proposal upside down will require the following changes:

1. 'Going regional' with this fundamental debate - before things get negotiated and cemented at centralised levels (both in the EU and the ACP). This implies ensuring that key regional actors are in the driving seat in defining how best to construct a solid and mutually beneficial regional partnerships with Africa, the Caribbean and the Pacific – thus recognising the fundamentally different realities and needs of these various regions. Regionalising the debate will make the process more complex (in terms of dialogue, actors to be involved, etc.) yet it is a precondition for creating real ownership of the future partnerships.
2. Exploring what type of institutional set-up would be relevant to manage these regional partnerships - building on real dynamics, interests, relevant institutions and actors. In the case of Africa, this will not only need to imply the AU but also relevant regional and sub-regional actors (RECs). In order to avoid highly centralised approaches (as now prevailing in the ACP-EU system), the inclusion of other key actors (i.e. civil society, local authorities, private sector) in the governance of the partnership will be crucial.
3. Considering how 'outreach' to other interested parties could be organised within each of these regional partnerships (e.g. sub-Saharan and North Africa; Caribbean and CELAC) and what real incentives would have to be provided to make this work.
4. Reconsidering the implications of such a genuine regionalisation process for future EU external financing instruments (the EDF in particular) in the framework of the upcoming negotiation of a new Multiannual Financial Framework 2020-2027. This would enhance coherence between democratic control over EU strategic frameworks and financing instruments.
5. Considering with each of the regions what subsidiary and complementary role could be given to an all-ACP-EU framework, thus providing this structure with a real mandate from the bottom-up, coming in the first place from the various regions (this may enhance both the ownership of the ACP Group and its future financing base).
6. Deciding with the regions what type of 'common rules' could guide the three partnerships, if possible translated in a shared and legally binding agreement. This could also mean abandoning the notion of an 'umbrella' (which implies control and a hierarchical relation) and rather go for a 'common basis' for the three regional partnerships (more consistent with putting regions in the lead).

Barely one year before the intended start of the negotiations, the debate on the future of ACP-EU relations remains remarkably one-sided. Only a limited group of stakeholders have shown their cards, mostly in favour of a conservative scenario. The reality however is that **many key players, including the African Union, regional actors and the majority of member states are yet to enter on stage.**

The discussions thus far have focused on what the EU or ACP Group would stand to lose by deviating from the path of the CPA, much less on what they would stand to gain by taking regional partnerships as the starting point. It seems critical that institutions, member states and other stakeholders reopen this space. This requires some courage to allow for a higher degree of process uncertainty regarding the terms of the partnership, including the financial package of the EDF. Yet it may pay off in the form of stronger and more modern regional partnerships, particularly with Africa. Opportunities exist in the coming months to jump-start the discussions with the relevant regional partners. The upcoming **2017 Africa-EU summit** is an essential moment to open-up the debate.

About ECDPM

The European Centre for Development Policy Management (ECDPM) is an independent 'think and do tank' working on international cooperation and development policy in Europe and Africa.

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- European external affairs
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- Regional integration
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Over nearly 30 years, the Centre has worked closely with institutional partners and other stakeholders on a wide range of ACP-EU topics, including trade, development cooperation and political dialogue. The Centre has produced substantial analysis on various aspects of the ACP-EU partnership and has been an open platform for dialogue on the periodic renewal of the Partnership.

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