

INCEPTION IMPACT ASSESSMENT			
TITLE OF THE INITIATIVE	Towards a new partnership between the European Union and the African, Caribbean and Pacific countries after 2020		
LEAD DG – RESPONSIBLE UNIT – AP NUMBER	DG DEVCO (UNIT 01) AND EEAS (DIVISION AFRICA 5) 2016/DEVCO+/001	DATE OF ROADMAP	04/05/2016
LIKELY TYPE OF INITIATIVE	Recommendation for a Council Decision		
INDICATIVE PLANNING	<a href="http://ec.europa.eu/atwork/pdf/planned_commission_initiatives_2016.pdf">http://ec.europa.eu/atwork/pdf/planned_commission_initiatives_2016.pdf</a>		
ADDITIONAL INFORMATION	-		
<p><b>This Inception Impact Assessment is provided for information purposes only and can be subject to change. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content and structure.</b></p>			

A. Context, Subsidiarity Check and Objectives	
<b>Context</b>	
<p>The "Cotonou Partnership Agreement" (CPA) is an international agreement that entered into force in 2002 and will expire on 29 February 2020.</p> <p>The CPA was concluded between the EU (at the time: European Communities) and its Member States of the one part, and the members of the ACP Group of States of the other part. The ACP Group of States comprises 79 countries, of which 78 are at this stage party to the CPA. The Cotonou Agreement (Article 95.4) provides for the Parties to enter into negotiations "in order to examine which provisions shall subsequently govern their relations" 18 months before the end of the total period of the agreement, i.e. by 31 August 2018 at the latest.</p> <p>The CPA is a wide-ranging agreement that covers many policy areas under the broadly defined pillars: (i) political cooperation, (ii) development cooperation, and (iii) economic and trade cooperation. It is strongly interlinked with EU policies in these areas, including through the Policy Coherence for Development framework, provided for in Article 208 TFEU. The 2030 Agenda for Sustainable Development adopted in September 2015, will have an impact on a future partnership. It provides as well for EU - ACP cooperation in the international arena, as reflected by the recent joint statements within the Financing for Development and Sustainable Development Goals processes and common position in the COP21 negotiations leading towards the Paris Agreement on climate change.</p> <p>The CPA is also linked to a dedicated financial instrument, the European Development Fund (EDF), outside the general budget of the Union. During the last inter-institutional discussions leading to the current Multiannual Financial Framework (MFF, 2014-2020), it was decided that the EDF would remain outside the EU Budget with the understanding that the Commission would propose to include it in the EU Budget later ("budgetisation of the EDF").</p> <p>The Commission Work Programme 2016 (COM(2015) 610) foresees the preparation of a new policy framework to govern relations with the ACP countries and regions. The Commissioner for International Cooperation and Development will prepare this work in close cooperation with the High Representative of the Union for Foreign Affairs and Security Policy. This initiative is concerned with identifying the options for an appropriate follow-up to the current agreement based on an evaluation of the existing agreement and an impact assessment.</p> <p>A wide set of evaluations are available for specific elements of the CPA, as well as mid-term and end-of term evaluations of the successive EDF instruments under the CPA (except EDF11). Furthermore, the Joint Consultation Paper itself and the broad public consultation based on it will support the assessment of the strengths and possibilities for improvement in relation to the current Partnership Agreement.</p>	
<b>Issue</b>	
<p>(1) This initiative seeks to learn from the partnership in order to best advance today's joint interests. The new relationship needs to be agreed in light of the new political, economic, social and demographic realities in the EU, the ACP countries and at global level. There are new global challenges (e.g. related to climate change, security or migration), new important players (e.g. emerging economies), new economic interests, and the</p>	

<p>reshaping of the international sustainable development framework under the 2030 Agenda.</p> <p>The framework should also accommodate the evolutions within the Partnership itself, such as:</p> <ul style="list-style-type: none"> <li>- The adoption of the Treaty of Lisbon which confers legal personality to the EU;</li> <li>- The conclusion of Economic Partnership Agreements between the EU and some sub-groups of the ACP group of states;</li> <li>- The political relations and cooperation with the three regions composing the ACP group which has been strengthened outside, although in synergy with, the Cotonou Agreement.</li> </ul> <p>Based on lessons learnt from the past, it should also assess which institutional arrangements best serve the purpose of a modernised framework, possible ways of working and instruments, with a view to improving effectiveness towards attaining the Union's objectives.</p> <p>(2) The current partnership has a broad membership including the EU and its Member States as well as 78 ACP countries. Looking forward, the form (legal framework, geographical coverage) and the content (topics covered) will have to be reviewed. This will touch upon different issues and contain opportunities relevant for EU and ACP citizens, civil society and private sector, public administrations, political institutions and governments.</p>
<p><b>Subsidiarity check</b></p> <p>This initiative directly contributes to the priority "A stronger global actor" of the political guidelines presented by the Commission's President in 2014. The EU can achieve better results through common action than by each Member State acting separately. A similar partnership is unlikely to be obtained by one Member State in view of the broad policy scope and number of partners involved in this agreement. In addition, some policy areas covered by the CPA are areas of exclusive competence, notably trade.</p> <p>The initiative is related to the CPA, an international agreement, for which the legal basis is provided in Articles 209(2) and 212(3) of the Treaty on the Functioning of the European Union. They specify that the Union may conclude with (developing) third countries and competent international organisations any agreement helping to achieve the objectives referred to in Article 21 of the Treaty on European Union, which is part of the common provisions on the Union's external action, and in Article 208 of the Treaty, as well as cooperation agreements with third countries other than developing countries (as the case might be for some ACP countries).</p>
<p><b>Main policy objectives</b></p> <p>The initiative will specifically look at the revision of the existing ACP-EU partnership and seek to contribute to the EU Treaty objectives to uphold and promote its values and interests and contribute to the protection of its citizens in its relations with the wider world. It will seek to contribute to peace, security, consolidation of and support to democracy, the rule of law and human rights, foster sustainable development and eradicate poverty, encourage the integration of all countries into the world economy, support populations confronted with natural or man-made disasters and promote an international system based on stronger multilateral cooperation and good global governance.</p>
<p style="text-align: center;"><b>B. Option Mapping</b></p>
<p>Taking into account the main policy objectives of the initiative a number of options can be considered.</p> <p>The current situation is taken as the baseline. The evaluation being carried out of the first 15 years of the current CPA will contribute to building this baseline.</p> <p>The first option (option 1) would be the expiration of the agreement, and the consequent <u>absence</u> of an agreement with the group of African, Caribbean and Pacific countries. A second option would envisage a revision of the partnership reflecting updated common interests and new realities within the partnership and the world at large. It would as well take into account the revision of tools and management procedures based on the evaluation outcome. Several possible sub-options have to be considered here particularly in relation to the scope of the agreement, which includes different dimensions as the role of the regions, the geographical coverage, the role of different key actors and the form of the agreement that would be sought (legally or non-legally binding).</p>
<p><b>Baseline scenario</b></p> <p>The baseline scenario, against which the other options will be assessed, reflects the current situation: a partnership providing a legally-binding agreement for political, economic as well as development cooperation with ACP countries with a framework for political dialogue and consultation procedures in case of failure to fulfil an obligation stemming from the respect of the essential elements of the agreement..</p>

<b>Options of improving implementation and enforcement of existing legislation or doing less/simplifying existing legislation</b>
See different scenarios
<b>Alternative policy approaches</b>
<p>As a first alternative option, the absence of an agreement with the group of African, Caribbean and Pacific countries through one or more partnerships will be considered.</p> <p>The second option envisages a possible revised partnership with ACP countries reflecting updated common interests and new realities within the partnership and the world at large. It will also take into account the revision of tools and management procedures based on the evaluation outcome. A number of possible sub-options need to be considered particularly in relation to the scope of the agreement, including the articulation of the strengthened regional dimension with an increased role of the regional and continental organisations (African Union), its geographical dimension and the role of different actors.</p>
<b>Alternative policy instruments</b>
As regards the second option, the conclusion of a legally binding partnership or the conclusion of a political partnership (non-legally binding) needs to be considered for the sub-options.
<b>Alternative/differentiated scope</b>
<p>As regard the second option, the scope of the partnership has to be brought in line with the common interests identified. Notwithstanding that the country level remains the essential level for dialogue and international cooperation, a key dimension to be considered is the degree of increasing the regional component in the partnership as the regional interests, cooperation and organisations have gained strength over time.</p> <p>Therefore, a number of sub-options should be considered in function of the common interests and how they can best brought forward taking into account the regional dimension.</p> <p>Sub-options include:</p> <ul style="list-style-type: none"> <li>-A partnership agreement with the ACP countries where the regional dimension is not further strengthened.</li> <li>-A partnership agreement based on a "common foundation" with all ACP countries and including three regional pillars respectively for Africa, the Caribbean and the Pacific countries.</li> <li>-Three regional partnership agreements with respectively the African, Caribbean and Pacific countries, without a "common foundation" agreement with all ACP countries.</li> </ul> <p>Further elements that should be considered in the scope of the partnership are:</p> <ul style="list-style-type: none"> <li>- the geographic scope e.g. considering inclusion of all Least Developed Countries, Small Island Development States or Northern Africa;</li> <li>- the role of key actors in the current agreement as Parliaments, local authorities and non-state actors;</li> <li>- the role of other actors that have strengthened their role such as the emerging economies, which have become more prominent in the international environment and across the ACP world.</li> </ul>
<b>Options that take account of new technological developments</b>
Not applicable. The initiative concerns a partnership with third countries.
<b>Preliminary proportionality check</b>
<p>The objective is to advance EU strategic interests in a way fully coherent with and complementary to EU Member States' bilateral actions. It would not impose new burden on EU Member States or economic operators. EU Member States are parties to the current partnership agreement and joint EU and Member States efforts are already undertaken (e.g. joint programming).</p> <p>The impact assessment (IA) Staff Working Document will set out different policy proposals towards a future partnership, being proportionate to the initiative objectives and it will focus on a more efficient and effective partnership.</p>

## C. Data Collection and Better Regulation Instruments

### Data collection

In light of this initiative, it is important to take stock of the current partnership agreement, to explore the extent to which it remains valid for the future and offers a platform to advance common interests. A thorough review is needed of the assumptions on which the partnership is based, of its scope, instruments and ways of working. The outcomes will form a major component of the analysis and as such contribute to set out policy proposals for the future relationship.

Data will be collected with the objective of providing relevant and evidence-based information for decision making. It will be sourced from a wide range of evidence. In relation to the current partnership agreement, the evaluation Staff Working Document<sup>1</sup> will evaluate the effectiveness of the current agreement. Furthermore, stakeholders are being consulted through a public consultation and a number of more targeted consultations will be organised.

Analysis on specific topics will be provided by external consultants, which will also help to analyse the outcome of the broad public consultation and the consultation of the Delegations. Further input will be provided by EU Member States and some major non-governmental organisations undertaking analysis themselves.

### Consultation approach

Main stakeholders: EU institutions and EU Member States, ACP countries, institutions and regional organisations, joint EU-ACP institutions, private sector, civil society organisations, academia, think-tanks, general public

The initiative affects a broad range of stakeholders that have to be involved in the analysis and reflection. As indicated, stakeholders will be consulted through different channels.

A targeted consultation phase took place in Spring 2015, with a series of Round Tables in different EU Member States to analyse and evaluate various aspects of the CPA and identify key issues and questions for the public consultation.

A broad public consultation, on the basis of a Joint Consultation Paper adopted 6 October 2015, has been launched and finalised. It reflects on the past performance and on future policy options through retrospective and prospective questions. The outcome of this consultation will be made public through a specific report. It will constitute an important input and serve as a reference document for the impact assessment, amongst others. The target audience included citizens, researchers, civil society, the private sector, Member States (governments and institutions), and was open to any other stakeholders who wished to provide their views.

An internal survey addressed to EU Delegations. In parallel to the above public consultation, the reflection on future options will also be based on the experience of EU Delegations in the field. An internal survey has been launched in October 2015 in order to capture the opinions of the Commission's staff in the field about different aspects of the CPA and about the components of its likely successor. EU Delegations have been requested to consult Member States' Embassies and capture the assessment from the respective national authorities on specific topics.

Information will be further gathered through ongoing discussions with EU Member States and the European Parliament. Further ad-hoc discussions or dedicated thematic meetings could (to be determined) take place.

All the feedback from the consultation phase will be published at [http://ec.europa.eu/europeaid/public-consultation-eu-acp-new-partnership\\_en](http://ec.europa.eu/europeaid/public-consultation-eu-acp-new-partnership_en)

### Will an Implementation plan be established?

Yes  No

This initiative is not an act that requires transposition measures.

## D. Information on the Impact Assessment Process

Preparatory work for the IA is ongoing. An ISG was established in 2011 and convened last in March 2016 and

<sup>1</sup> For more information, see the evaluation roadmap: [http://ec.europa.eu/smart-regulation/roadmaps/docs/2016\\_devco\\_016\\_evaluation\\_cotonou\\_en.pdf](http://ec.europa.eu/smart-regulation/roadmaps/docs/2016_devco_016_evaluation_cotonou_en.pdf)

<p>seen the broad scope of the partnership many DGs participate. The ISG is chaired by the SG, DG DEVCO and the EEAS are lead services. Other participating services are: SJ, EPSC, ECFIN, GROW, COMP, EMPL, AGRI, ENER, MOVE, CLIMA, ENV, RTD, JRC, CNECT, MARE, FISMA, REGIO, TAXUD, EAC, SANTE, HOME, JUST, TRADE, NEAR, ECHO, ESTAT, BUDG, OLAF.</p>
<p><b>E. Preliminary Assessment of Expected Impacts</b></p>
<p><b>Likely economic impacts</b></p> <p>The initiative concerns a partnership with a large group of third countries. This initiative will seek to reshape the current ACP partnership to advance today's common interests. Sustainable and inclusive economic growth, private sector development and increased trade and investment are interests that are considered. The impact of the options will differ mainly in the degree to which the partnership will be reshaped.</p>
<p><b>Likely social impacts</b></p> <p>Similarly, this initiative will seek to reshape the current ACP partnership to advance today's common interests of which poverty eradication, part of the EU Treaty, as well as human development are important objectives which are considered. This includes as well the objectives of providing for peace and security, and addressing the root causes of migration. The social impact will vary, particularly in relation to the scope definition and tools used under the different options.</p>
<p><b>Likely environmental impacts</b></p> <p>As regards environmental impacts, the fight against Climate change and sustainable development are important objectives that are considered. The impact of the options will differ mainly in the degree to which the partnership will be reshaped in content and structure.</p>
<p><b>Likely impacts on simplification and/or administrative burden</b></p> <p>It would not impose new burden on EU Member States or economic operators. EU Member States are parties to the current partnership agreement and to streamline EU and Member States activities efforts are already undertaken (e.g. joint programming). It will also focus on a more efficient and effective partnership.</p>
<p><b>Likely impacts on SMEs</b></p> <p>Within the framework of this initiative both sustainable and inclusive economic development and private sector development including trade and investment are considered for further cooperation. This will provide economic opportunities for EU companies, including SMEs.</p>
<p><b>Likely impacts on competitiveness and innovation</b></p> <p>Within the framework of this initiative other trade related services and accompanying measures in relation with the implementation of economic partnership agreements (EPAs) will be considered. This will provide for a more competitive and innovation stimulating environment.</p>
<p><b>Likely impacts on public administrations</b></p> <p>The objective is to advance common interests in a way fully coherent with and complementary to EU Member States bilateral actions, while at the same time simplifying managerial procedures allowing for increased effectiveness and efficiency.</p>
<p><b>Likely impacts on third countries, international trade or investment</b></p> <p>The initiative concerns a partnership with third countries. It has the objective to foster a strong partnership to bring forward common interests and objectives. The initiative will thus have an impact on third countries in a large number of domains, amongst others the respect of fundamental and essential principles, political cooperation and trade and investment.</p>