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Malabo, 12 December 2012

**DECISIONS AND RESOLUTIONS
OF THE 96th SESSION OF THE ACP COUNCIL OF
MINISTERS HELD IN MALABO (EQUATORIAL GUINEA)
ON 10 AND 11 DECEMBER 2012**

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**DECISIONS No.1/XCVI/12
OF THE 96th SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN MALABO (EQUATORIAL GUINEA) ON 10 AND 11 DECEMBER 2012**

ACP SECRETARIAT'S BUDGET FOR FINANCIAL YEAR 2013

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The ACP Council of Ministers,

- Meeting in Malabo, (Equatorial Guinea), on 10 and 11 December 2012,

HAVING REGARD TO the provisions of the Georgetown Agreement, in particular Article 27, and Articles 5 and 6 of the Financial Regulations of the Secretariat of the ACP Group;

HAVING EXAMINED the ACP Secretariat's draft budget for 2013 [Document ACP/45/013/12 Rev.7] as recommended by the Committee of Ambassadors;

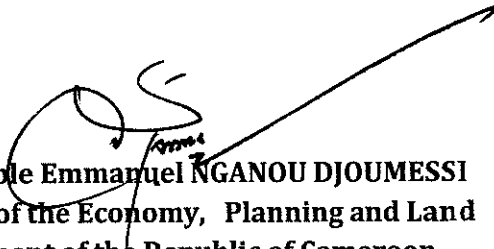
NOTING the observations and recommendations made by the Council of Ministers;

HEREBY DECIDES to adopt the Secretariat's budget for 2013, with income and expenditure amounting to € 12,972,294 to be financed as follows:

- Member State contributions	€6,272,695
- EDF Contributions	€5,015,000
- Income from tax deductions	€1,256,985
- Arrears in contribution	€ 427,614

FURTHER INSTRUCTS the Secretary General to ensure that the 2014 and future budget proposals are prepared in accordance with international best practice and be programme based.

Done at Malabo on 12 December 2012


Honourable Emmanuel NGANOU DJOUMESSI
Minister of the Economy, Planning and Land
Development of the Republic of Cameroon
President of the ACP Council of Ministers

**DECISIONS No.2/XCVI/12
OF THE 96th SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN MALABO (EQUATORIAL GUINEA) ON 10 AND 11 DECEMBER 2012**

THE FUTURE PERSPECTIVES OF THE ACP GROUP

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The ACP Council of Ministers,

- Meeting in Malabo (Equatorial Guinea) on 10 and 11 December 2012,

HAVING CONSIDERED the oral submissions of the Chairman of the Ambassadorial Working Group on the Future Perspectives of the ACP Group based on the Working Group's Progress Report which is Annex 1 to the Report of the Committee of Ambassadors to the 96th Session of the ACP Council of Ministers;

CONFIRMING that the process of reflection and critical analysis to reinvent and transform the organization has started and that it is of fundamental importance for the ACP Group to become a more effective organization in implementing its objectives in a changing world and in being more responsive to the needs and aspirations of the citizens of its Member States;

REITERATING that the future of the ACP Group can be determined only by its Members;

COMMITTED to a process of consultation on the future of the ACP Group not only with their Governments but with all relevant and interested stakeholders and development partners in the regions and the wider South;

NOTING that the work of the Working Group on the Future Perspectives is work in progress,

DECIDES:

1. To continue to support and encourage the work of the Working Group on the Future Perspectives of the ACP Group;
2. To endorse the Secretary-General's initiative to form an Eminent Persons Group to widen and deepen the reflections on the future of the ACP Group in its regions and the South, to envision the future of the ACP Group in a changing and challenging global environment, to examine options for reform to shape the ACP Group as a contemporary organisation that is responsive to the aspirations and expectations of the citizens of its Member States, and to hone its decision-making bodies and its Secretariat into a stronger and more effective framework of cooperation and partnership. The Eminent Persons Group will report to the Council of Ministers and the Summit of Heads of State and Government at the end of its mandate in 2014;

3. That the Council of Ministers holds a special session dedicated to reflections and discussions on the future of the ACP Group (including the results of further consultations with capitals on the Progress Report of the Working Group to this Session). ¶

Done at Malabo on 12 December 2012



Honourable Emmanuel NGANOU DJOUMESSI
Minister of the Economy, Planning and Land
Development of the Republic of Cameroon
President of the ACP Council of Ministers

RESOLUTIONS ^{KS}

RESOLUTION
OF THE 96th SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN MALABO (EQUATORIAL GUINEA)
ON 10 AND 11 DECEMBER 2012

**ON THE EU PROPOSAL FOR AN
AUTONOMOUS TARIFF QUOTA ON FISHERY PRODUCTS (ATQ)**

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The ACP Council of Ministers,

- Meeting in Malabo (Equatorial Guinea) on 10 and 11 December 2012,
- A. Having regard to** the role of the fisheries sector in the socio-economic development of ACP States, owing to its contribution to the creation of jobs and generation of revenue for the poorest strata of society;
- B. Stressing** that the European Union is the primary destination for fishery exports from ACP States;
- C. Recalling** that relations between ACP States and the European Union on fisheries matters are covered by several agreements, namely the Cotonou Agreement, bilateral fisheries agreements and the Economic Partnership Agreements;
- D. Having regard to** the European Commission's proposal (ref. Com/2012/357) of 3 July 2012 for a new Autonomous Tariff Quota for the import of certain quantities of fishery products, including tuna loins for the period 2013-2015;
- E. Recalling** that the EU's previous autonomous tariff quota of 15,000 tonnes was accompanied by a 6% duty between 2010-2012;
- F. Underscoring** the heavy investments made by the relevant ACP countries in the sector to meet the very strict sanitary requirements, as well as other standards applied by the European Union to where the majority of their products are exported;
- G. Considering** the lack of competitiveness of ACP fishery products, linked to high production costs stemming from the need to meet the requirements for rules of origin, as well as the various standards for access to the European Union market;

- H. **Recalling** that some of the ACP countries concerned have signed and even ratified Economic Partnership Agreements with the European Union, that they intend to take advantage of these Agreements and that the Commission's proposal, if accepted as presented, could deal a fatal blow to their fishing industries and ruin their economies;
- I. **Noting further** that consultations were held on 23 November 2012 between ACP countries and the European Commission, under Article 12 of the Cotonou Agreement;
- J. **Regretting**, however, that the European Commission had not informed the ACP representatives in Brussels in time so that consultations could have taken place from the start and in optimum conditions;

HEREBY:

- 1. **Urge** the European Union to make every effort to adhere strictly to the provisions of Article 12 of the Cotonou Agreement;
- 2. **Call on** the European Union to refrain from taking any action that could have a seriously adverse effect on ACP economies;
- 3. **Request** the European Union to take note of the legitimate concerns of the ACP countries by maintaining the 6% tariff for tuna loins imported under the tariff quota;
- 4. **Request** the President of the Council of Ministers to forward a copy of this Resolution to the European Commission, the Council of the European Union and the European Parliament. *ks*

Malabo, 12 December 2012

**RESOLUTION
OF THE 96th SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN MALABO (EQUATORIAL GUINEA)
ON 10 AND 11 DECEMBER 2012**

SUGAR

KS

The ACP Council of Ministers,

- Meeting in Malabo, (Equatorial Guinea), on 10th and 11th December 2012,
- A. **HAVING REGARD** to the Resolution on Sugar adopted by the 95th session of the ACP Council of Ministers held in Port-Vila (Vanuatu), from 10th to 15th June 2012;
- B. **HAVING REGARD** to the European Commission's (EC) Regulation No.828/2009, which regulates the import of sugar into the European Union (EU) from the ACP States and other Least Developed Country (LDC) suppliers, with effect from 01 October 2009;
- C. **HAVING REGARD** to the legislative proposals for the post-2013 Common Agricultural Policy (CAP) released by the European Commission on 12 October 2011;
- D. **NOTING** the progress made in the *EU decision-making process* on the reform of the Common Agricultural Policy, specifically in the European Parliament and at the Level of the EU Council;
- E. **NOTING** also that there are calls from certain quarters for an increase on the one hand in traditional supply needs and on the other of current beet sugar quotas;
- F. **RECALLING** that most studies conducted so far point to the fact that the abolition of the EU quotas will result in market volatility and uncertainty, including the Commission's own impact study which predicts a 45% fall in prices compared to the market prices reported in September 2012, and the ODI-LMC commissioned study which concludes on 850 million Euros losses for ACP Countries over the period up to 2019/20;
- G. **CONCERNED BY** the devastating impact which the abolition of EU sugar quotas and increased duty-free imports from third countries from 1st October 2015 would have on ACP sugar-exporting countries, to the extent that, no ACP country would be able to supply the EU market if prices were to fall to the low levels predicted;
- H. **UNDERLINING** that such a situation would jeopardise ACP States efforts and investments to render their industries more competitive and call into question the coherence of EU policies in the fields of agriculture, trade and development;

- I. **RECOGNISING** the contribution of the EDF Funded ACP Sugar Research and Innovation Programme towards fostering a sustainable and efficient ACP sugar sector;
- J. **CONCERNED** that the budget for the Accompanying Measures Support Programme (AMSP), had been scaled down and that this situation would make the adaptation process difficult and unsustainable;
- K. **UNDERSCORING** the need to address value-addition and support the formulation and implementation of diversification strategies in the ACP Commodity sectors:

HEREBY :

- 1. **Calls on the European Commission** to maintain the current market tools which allow ACP suppliers to derive a reasonably remunerative price from sugar exports, thereby guaranteeing predictability and stability on the Sugar market;
- 2. **Insists** on the need to ascertain that the EU traditional supply needs remain at 2.5 million tonnes and that border measures such as an appropriate tariff be maintained to protect the value of ACP preferential access;
- 3. **Opposes** any call for an increase in the current EU quotas;
- 4. **Proposes** therefore that EU country quotas should be maintained at least until 2020;
- 5. **Calls on the European Commission** to ensure flexibility in implementing the Accompanying Measures Support Programme (AMSP) to allow maximum disbursement of allocated resources so that all resources are collectively utilized and not forfeited;
- 6. **Calls on the European Commission and the EU Member States** to extend the support to the ACP Sugar Research sector beyond the end of the Current ACP Sugar Research and Innovation Programme in 2014;
- 7. **Invites** the European Commission and the ACP Secretariat to start discussions on ways and means by which an Integrated Commodity Development Programme could be designed and funded under the next multiannual financial framework ;
- 8. **Instructs** the President of the Council of Ministers to forward this resolution to the European Commission, the Council of the European Union and the European Parliament. **KS**

Malabo, 12 December 2012



RESOLUTION
OF THE 96th SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN MALABO (EQUATORIAL GUINEA) ON 10 AND 11 DECEMBER 2012

BANANAS

KS

The ACP Council of Ministers,

- Meeting in Malabo, (Equatorial Guinea), on 10th and 11th December 2012;
- A. **HAVING REGARD** to the Resolution on Bananas adopted by the 95th session of the ACP Council of Ministers held in Port-Vila (Vanuatu), from 10th to 15th June 2012;
- B. **HAVING REGARD** to the Geneva Agreement on Trade in Bananas between the European Union (EU) and certain Latin American countries, as well as the United States of America, concluded in Geneva on 15 December 2009;
- C. **HAVING REGARD** to the regulation of the European Parliament and Council establishing the Banana Accompanying Measures (BAM), adopted on 13 December 2011, confirming the allocation of €190 million to implement these measures;
- D. **NOTING** with interest, that ACP countries concerned by the BAM had all submitted a National Adaptation Strategy (NAS) which were validated by the European Union and that the Multiannual Support Strategies, which represent the BAM contribution to the implementation of the NAS were in turn approved for each of the selected countries;
- E. **DEEPLY CONCERNED** by the delay in setting up the BAM at the European Commission level, which will increase the risk of poor absorption by the countries concerned;
- F. **MINDFUL** of the need to facilitate implementation of the BAM at national level, and to enable equitable distribution of the financial resources among national stakeholders;
- G. **RECALLING** that the last paragraph of Article 1, line 2, of the Regulation (EU) No.1341/2011 of the European Parliament and Council which established the BAM provides that *"the BAM programme and the progress made by the countries concerned shall be the subject of an assessment, which shall include recommendations on any measures to be taken and the nature thereof"*; and that this *rendez-vous* clause echoes the idea contained in the European Commission's letter of 15 December 2009 to the Minister/ACP Spokesman for Bananas in the framework of the arrangements for the conclusion of the Geneva Agreement on Trade in Bananas of December 2009, and formalised in the revised Cotonou Agreement of 2010, for all aid programmes set up to address the problem of preferences erosion;
- H. **CONCERNED** at the continued multiplication of trade agreements proposed by the European Commission with rival countries or regions of the ACP countries in the export of bananas;

- I. **UNDERSCORING** the need to address value-addition and support the formulation and implementation of diversification strategies in the ACP Commodity sectors;

HEREBY:

1. **Urges** the European Union to speed up the release of the resources which is essential to the efficient implementation of the adopted National Adaptation Strategies;
2. In this regard, **calls on the European Union** to make use of the facilities and exceptions offered by its budgetary procedures, and thereby facilitate the absorption of resources by the recipient countries;
3. **Reiterates** to the European Union the need to refrain from adopting a definitive position on future support to the ACP banana sector before the results of the implementation of the BAM are known;
4. **Invites** again the European Union to open serious consultations to ensure that the policy coherence to which it refers in the Cotonou Partnership Agreement and in the EU Development Strategy is respected, particularly in the negotiation of trade agreements with countries that compete with ACP countries for certain exports;
5. **Reiterates** the need to review the situation in the ACP banana sector, given the new risks to competitiveness as represented by the additional trade benefits proposed by the EC to third countries that are rivals of ACP banana-producing countries, since the review of banana market developments is part of the package of the Geneva Agreement on Trade in Bananas, as particularly reflected in the letter sent by the two European Commissioners to the ACP Ministerial Spokesperson on Bananas;
6. **Invites** the European Commission and the ACP Secretariat to start discussions on ways and means by which an Integrated Commodity Development Programme could be designed and funded under the next multiannual financial framework ;
7. **Instructs** the President of the Council of Ministers to forward the present resolution to the Council of the European Union, the European Parliament, EU Member States, the European Commission and the European Union Delegations in the banana-producing countries concerned and to the WTO Director-General. *KS*

Malabo, 12 December 2012

RESOLUTION
OF THE 96th SESSION OF THE ACP COUNCIL OF MINISTERS
HELD IN MALABO (EQUATORIAL GUINEA) ON 10 AND 11 DECEMBER 2012

COTTON

As

The ACP Council of Ministers,

- Meeting in Malabo, (Equatorial Guinea), on 10th and 11th December 2012;
- A. **HAVING REGARD** to the Resolution on Cotton adopted by the 95th session of the ACP Council of Ministers held in Port-Vila (Vanuatu) from 10th to 15th June 2012;
- B. **HAVING REGARD TO** the legislative proposals for the post-2013 Common Agricultural Policy (CAP) released by the European Commission on 12 October 2011, which do not accommodate the ACP Group's request to move from 65% to 100% decoupling of domestic support for European Union cotton farmers;
- C. **HAVING REGARD** to the new farm bill passed by the United States Senate on 21 June 2012, currently submitted to the House of Representatives for consideration, which maintains, as regards cotton, stabilization instruments which will develop a support system that will cause even greater trade distortions in favour of American cotton producers than the current WTO-rule-distortive subsidies;
- D. **WISHING TO IMPLEMENT** the commitment made by all WTO Members to address the cotton dossier ambitiously, expeditiously and specifically;
- E. **COMMENDING** the continued efforts of the representatives of cotton-producing and ACP countries to get the European Union to apply a 100% decoupling to domestic subsidies for cotton production in the EU, using the opportunity offered by the current reform of the EU agricultural policy as well as action undertaken in respect of the authorities of the United States of America in order for the occasion of the current reform of the Farm Bill to also be seized to bring their support for the cotton sector into complete conformity with the WTO rules and to remove distortive subsidies granted to their cotton farmers;
- F. **NOTING** the organisation of various rounds of the WTO Director-General's Consultative Framework Mechanism on Cotton which enable to review the situation regarding support pledged to the sector, as requested by the Hong Kong Mandate;
- G. **RECALLING** the ambition expressed by the European Union and the African cotton-producing countries of the ACP Group when concluding the EU-Africa Partnership for the Development of the Cotton Sector in Paris, on 6 July 2004, this ambition having been reiterated in the Action Framework for the European Union-Africa Cotton Partnership agreed in 2009;

- H. **NOTING** the progress made in the current discussions on the reform of the Common Agricultural Policy, in the European Parliament and at the Level of the EU Council;
- I. **COMMENDING** the continued efforts of cotton-producing countries to reform the cotton sector internally, including by adopting regional and national strategies to streamline the sustainable development of this sector and its contribution to the economic stability of States, as well as to rural development and food security;
- J. **UNDERSCORING** the need to address value-addition and support the formulation and implementation of diversification strategies in the ACP Commodity sectors;

HEREBY:

1. **Reiterate the call to** the European Union to ensure ambitious treatment for cotton by applying 100% decoupling of support for European cotton producers, taking into account the fact that the average decoupling rate in EU agriculture is set at 90%;
2. **Urges** the Authorities of the United States of America, to seize the opportunity of the Farm Bill reform to bring the cotton support granted to their farmer into complete conformity with the WTO rules and to refrain from adopting any measures which could cause even further distortion on the international cotton market;
3. **Calls on** the WTO members to ensure that cotton is treated as a priority and included in any intermediate WTO agreement on modalities, as well as at all stages of the negotiation process;
4. **Encourages** the WTO Director-General to continue his meetings of Consultative Framework Mechanism on Cotton and call on aid providers to better coordinate their interventions and further improve the information sharing;
5. **Invites** the European Commission and the ACP Secretariat to start discussions on ways and means by which an Integrated Commodity Development Programme could be designed and funded under the next multiannual financial framework ;
6. **Instructs** the President of the ACP Council of Ministers to forward this resolution to the Council of the European Union, the European Parliament, the European Commission, the House of Representatives and the Senate of the United States of America, and the Director-General of the WTO. **KS**

Malabo, 12 December 2012

Handwritten signature