

# ACP-EU JOINT PARLIAMENTARY ASSEMBLY

ACP-EU 103.291/22/fin.

## RESOLUTION<sup>1</sup>

### **on ensuring market access for OACPS commodity-producing countries by enhancing sustainable consumption and production patterns**

*The ACP-EU Joint Parliamentary Assembly,*

- meeting in Maputo (Mozambique) from 29 October to 2 November 2022,
- having regard to the UN 2030 Agenda for Sustainable Development and the Sustainable Development Goals, notably SDG 1 on poverty, SDG 8 on decent work and economic growth, SDG 12 on sustainable consumption and production patterns and SDG 13 on climate action,
- having regard to the agreement adopted at the 21st Conference of the Parties to the UNFCCC (COP21) in Paris on 12 December 2015 (the Paris Agreement), and the principle of common but differentiated responsibilities embedded therein, which acknowledges that while climate change is a universal problem that all countries must address, the efforts of individual countries in fighting climate change must be guided by their capacities,
- having regard to the declaration adopted by the Heads of State and Government of the Member States of the African Union and EU on 18 February 2022 entitled ‘Sixth European Union – African Union Summit: A Joint Vision for 2030’,
- having regard to the role of the World Trade Organization (WTO), namely that of regulating and facilitating international trade by establishing, revising and enforcing the rules governing international trade,
- having regard to the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 20002 (hereinafter ‘the Cotonou Agreement’), to the subsequent revisions to the agreement adopted in 2005 and 2010, and to the Post Cotonou agreement initialled by the EU and OACPS chief negotiators on 15 April 2021,
- having regard to the economic partnership agreements (EPAs) concluded between the regions and countries of the OACPS and the European Union,

---

<sup>1</sup> Adopted by the ACP-EU Joint Parliamentary Assembly on 2 November 2022 in Maputo (Mozambique). This is a provisional version that will undergo linguistic verification.

<sup>2</sup> [OJ L 317, 15.12.2000, p. 3.](#)

- having regard to the EU’s Generalised Scheme of Preferences (GSP), which comprises the following three arrangements for least-developed countries (LDCs): the standard GSP, GSP+ and everything but arms (EBA),
  - having regard to the European Green Deal, which aims to make Europe the first climate-neutral continent by 2050 and some of its deliverables,
  - having regard to the Commission impact assessments of 14 July 2021 on the proposal for a regulation of the European Parliament and of the Council establishing a Carbon Border Adjustment Mechanism (SWD(2021)0643), of 17 November 2021 on minimising the risk of deforestation and forest degradation associated with products placed on the EU market (SWD(2021)0326), and of 23 February 2022 on the proposal for a directive of the European Parliament and of the Council on Corporate Sustainability Due Diligence (SWD(2022)0042),
  - having regard to the 1998 ILO Declaration on Fundamental Principles and Rights at Work and its follow-up<sup>3</sup>,
  - having regard to the 2017 ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy<sup>4</sup>,
  - having regard to the 114<sup>th</sup> Session of the OACPS Council of Ministers held on 8 and 9 June 2022, in particular the adoption of the decision on preferential access for OACPS agricultural products on the EU market and the resolution on commodities and value chain issues,
  - having regard to the European Parliament resolution of 23 June 2022 on the implementation and delivery of the Sustainable Development Goals (SDGs)<sup>5</sup>,
  - having regard to Article 18(2) of its Rules of Procedure,
- A. whereas the Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development – adopted by world leaders in September 2015 – officially came into force on 1 January 2016; including SDG 12 on sustainable production and consumption patterns;
- B. whereas for the second year in a row, the world is not making progress on the UN Sustainable Development Goals (SDGs); whereas the least-developed countries (LDCs) have been particularly hard hit by the impact of COVID-19 because of their vulnerability to external shocks; whereas according to one estimate, as of early 2021, economic uncertainty and the shortfall in pandemic-related recovery spending in developing countries increased the gap in the spending required to meet the SDGs by 50 % to USD 3.7 trillion;
- C. whereas the ACP-EU Joint Parliamentary Assembly underlines the resolution of the UN General Assembly from 2 March 2022, takes notes of the EP’s position and acknowledges

<sup>3</sup> <https://www.ilo.org/declaration/thedeclaration/textdeclaration/lang--en/index.htm>.

<sup>4</sup> [https://www.ilo.org/wcmsp5/groups/public/---ed\\_emp/---emp\\_ent/---multi/documents/publication/wcms\\_094386.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---multi/documents/publication/wcms_094386.pdf).

<sup>5</sup> [Texts adopted, P9\\_TA\(2022\)0263](#).

that the war in Ukraine has exacerbated poverty, food insecurity and access to affordable energy; whereas the climate and biodiversity crises are amplifying the impact of this crisis;

- D. whereas OACPS countries have limited and difficult access to global markets; whereas ensuring market access for OACPS commodity-producing countries by enhancing sustainable consumption and production patterns is an important contribution to achieving SDG 12 as well as SDGs 1, 2 and 8, among other objectives;
- E. whereas the EU and its Member States are a major trading partner for OACPS countries, representing more than 21 % of their global trade; whereas the EU and its Member States are Africa's most important trading partner and whereas the value of trade between the two increased in 2021 to EUR 288 billion; whereas interregional trade accounts for just 14.4 % of total continental trade in Africa; whereas the EU is the Caribbean region's second-biggest trading partner behind the United States; whereas the EU is the Pacific region's third-biggest trading partner behind China and Australia;
- F. whereas the production of raw materials accounts for a substantial part of the economy in OACPS countries; whereas the diversification of value chains within OACPS countries is instrumental in generating sustainable production patterns by potentially reducing transport emissions, creating jobs and supporting the local economy;
- G. whereas high social, environmental and food safety standards are instrumental to achieving the SDGs, particularly with regard to social and environmental aspects;
- H. whereas on 14 July 2021, the European Commission adopted a proposal for a new Carbon Border Adjustment Mechanism (CBAM), which will seek to adjust the price of certain imported products by the amount of CO<sub>2</sub> emissions embedded within them so as to equalise the cost of carbon between EU-produced goods and comparable imports; whereas this means that OACPS exporters of these products to the EU could face a carbon levy depending on the amount of emissions embedded within their goods;
- I. whereas on 17 November 2021, the Commission adopted a proposal for a regulation on deforestation-free products, which seeks to reduce deforestation caused by the EU's imports and consumption of certain agricultural goods by ensuring that goods and products sold on or exported from the EU market do not contribute to deforestation and forest degradation; whereas operators will have to make sure that only free products enter the EU market;
- J. whereas on 23 February 2022, the Commission adopted a proposal for a Directive on Corporate Sustainability Due Diligence, which aims to foster sustainable and responsible corporate behaviour throughout global value chains;
  - 1. Expresses concern over the lack of progress with regard to the achievement of SDG 12; Stresses the urgent need to give renewed political impetus to achieving the SDGs in order to account for the impact of COVID-19 and the global consequences of the war in Ukraine; Recalls that the Addis Ababa Action Agenda on financing for development highlighted the need to mobilise more domestic resources to achieve the SDGs;
  - 2. Recalls that one of the lessons learnt from the COVID-19 pandemic is that undiversified and resource-based economies are the most vulnerable to global price shocks; Recalls that

while one of the main objectives for OACPS countries is to climb the global value chain through economic diversification, commodity dependence remains one of the main development challenges;

3. Underlines that the Post-Cotonou Agreement will not change trading arrangements between the EU and OACPS countries, whose partnership will continue to be based on separate trade agreements and instruments, notably the regional EPAs and the Generalised Scheme of Preferences;
4. Calls on the EU to acknowledge the difficulties encountered by OACPS countries in relation to the economic partnership agreements and the diversification of their economies, industrialisation and the promotion of intra-regional trade; stresses that the key role of EPAs should be to promote long-term, sustainable development, reduce poverty and boost regional integration; to this purpose, insists, where and if needed to reform, to accompany those trading arrangements with OACPS countries with capacity-building as well as technical assistance, with the view to enable to finalise and implement those arrangements effectively;
5. Notes that the European Green Deal and farm to fork strategy present both opportunities, and considerable challenges, namely for OACPS producers, who will be forced to modify their production and supply systems with a view to complying with the new EU legislation with the risk of causing at least in the short term serious disruption to their exports to the EU thereby further aggravating their already deteriorating terms of trade with the EU;
6. Is deeply concerned that the market access obtained under EPAs, GSP, GSP+ and EBA is becoming increasingly more restrictive and stringent in view of the new directives and regulations on sustainability emanating from the European Green Deal and farm to fork strategy;
7. Is concerned that the new EU legislation may result in challenging technical barriers to trade and/or non-tariff barriers for OACPS exporters and that compliance with these new rules may place a considerable economic burden on OACPS farmers, leading to increased poverty thereby seriously undermining the capacity and prospects of most members of the OACPS to attain the SDGs;
8. Highlights the risks of due diligence mechanism and costly traceability and geolocation requirements, which could increase costs and have negative social and economic consequences for developing countries;
9. Is concerned that if exporters do not invest in the systems needed to measure, monitor, report and verify such emissions, as required by the CBAM, they may be subjected to punitive default values, resulting in higher carbon taxes on imports that may lead to further erosion of market access preferences obtained under EPAs, EBA, GSP and GSP+;
10. Calls on the EU to ensure greater alignment between the EU's trade liberalisation policy and social and environmental policies and to ensure that its regulations and directives do not negatively affect OACPS exports, and are compatible with WTO rules;
11. Calls on the Commission to take account of the adverse impact of climate-related trade restrictions on OACPS countries, notably on the special and vulnerable situation of LDCs

and small island developing states, and to take appropriate action to mitigate them, such as climate funding, insurance, technology transfer and capacity-building, in line with the principle of common but differentiated responsibilities; calls equally on the EU and OACPS countries to support the removal of barriers to the promotion of climate-friendly technologies in developing countries at the World Trade Organization (WTO);

12. Calls on the EU to provide dedicated accompanying measures in the form of technical and financial support to producers, exporters and national authorities in OACPS countries so as to make the necessary industrial and trade adjustment and allow them to domesticate and comply with the new market access requirements; in particular, recalls that enhanced social and environmental conditionality to benefit from preferential trade preferences in the remit of EU's Generalised Scheme of Preferences should be embedded within the technical and financial assistance projects under the NDICI Global Europe instrument;
13. Calls on the EU to ensure that the costs of compliance are not transferred to producers, but instead shared fairly among actors in the supply chains, in accordance with their respective capacities;
14. Calls on the EU to ensure that stakeholders receive adequate assistance, time and a fair remuneration so that their commodities and products can comply with the new market access rules such as traceability and geolocation requirements;
15. Calls on the EU to develop a comprehensive EU strategic framework on partnerships, devoting specific new attention to the needs of smallholders to enable them to transition towards sustainable farming and forestry practices;
16. Calls on the EU to conduct a needs-based assessment in close cooperation with producer countries, local civil society organisations and producer representatives in order to identify and understand existing compliance gaps and decide on the collective action needed to bridge them and also assess the potential of sugarcane plant to sequester, prevent soil erosion prevention and the contributions to preserve the environment;
17. Calls on the EU to draw upon the lessons learnt and best practices from the cocoa sector, where the EU engaged in a partnership with Côte d'Ivoire and Ghana to link the price increase (living income differential<sup>6</sup>) to further action on deforestation and child labour;
18. Calls on the EU and its Member States to support the scientific and technological capacities of developing countries, including agro-ecology and nature-based solutions for sustainable production and consumption in line with the first target of SDG 12; Stresses the importance of supporting leapfrogging in the process of value chain diversification and industrialisation in OACPS countries underlines, in this context, the structural challenges faced by OACPS countries in terms of the mobilisation of domestic resources linked to, inter alia, illicit financial flows, unsustainable debt burdens, unfair trade agreements and tax abuse by multinationals; on this line, calls on the EU to scale up its cooperation, including on tax matters with OACPS countries in order to enhance their mobilisation of public resources;
19. Insists that sustainable consumption and production must take account of the entire value

---

<sup>6</sup> In 2019, the governments of Côte d'Ivoire and Ghana introduced a premium on the export price of cocoa for the 2020/2021 season, known as the living income differential, of USD 400 per tonne.

chain of goods and services; calls on the EU and OACPS countries to actively work within the WTO in order to promote multilateral rules for the sustainable management of global value chains, based on the UN Guiding Principles on Business and Human Rights;

20. Stresses the importance of the strategic role of the EU's Global Gateway in deepening relations with developing countries based on respect for environmental and labour standards and anti-corruption standards;
21. Instructs its Co-Presidents to forward this resolution to the ACP-EU Council, the European Commission; and the Council of the EU, the Secretary General of the United Nations, the African Union and the governments and parliaments of the EU Member States.