### AFRICAN UNION الاتحاد الأفريقي



# UNION AFRICANA UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone 002511-115 517 700 Cables: OAU, Addis Ababa website: www.africa-union.org

EXECUTIVE COUNCIL Tenth Ordinary Session 25 – 26 January 2007 Addis Ababa, ETHIOPIA

EX.CL/310 (X)

# REPORT OF THE 3<sup>rd</sup> EXTRAORDINARY SESSION OF THE AFRICAN UNION CONFERENCE OF MINISTERS OF TRADE,

### INTRODUCTORY NOTE TO THE REPORT OF THE 3<sup>RD</sup> EXTRAORDINARY SESSION OF THE CONFERENCE OF MINISTERS OF TRADE

#### Introduction

1. The 3<sup>rd</sup> extraordinary session of the AU Conference of Ministers of Trade was held at ministerial level on 16 January 2007 at the AU Headquarters, in Addis Ababa, Ethiopia. The main objective of the Conference was to provide Ministers a platform to reflect on the state of play of the WTO negotiations and Economic Partnership Agreements negotiations with the European Union both of which are currently at a crucial stage. Ministers were expected to formulate an African common position to guide African negotiators in Geneva, Brussels and the capitals. The meeting was also appraised of the requirements at country and sub-regional levels to prepare adequately for the 6<sup>th</sup> AGOA Forum scheduled for July 2007 and briefed about preparations for UNCTAD XII in 2008, both to be held in Accra, Ghana.

#### Main outcome of the Conference

- 2. The following two documents were the main outcome of the Conference:
- (i) The Addis Ababa African Union Trade Ministers Declaration on WTO Trade Negotiations, Ref. Ext/Min/Trade/Decl.1 (III), and
- (ii) The Addis Ababa Ministerial Declaration on Economic Partnership Agreements Negotiations, Ref (Ext/Exp/Trade/Decl.2(III)

#### **Major Recommendations of:**

The Addis Ababa African Union Trade Ministers Declaration on WTO Trade Negotiations, Ref. Ext/Min/Trade/Decl.1 (III)

- The current Round of negotiations must give rise to a fair and balanced agreement, including full modalities that will truly integrate the development dimension, pursuant to the mandate given by the Doha Ministerial Declaration, the July Framework and the Hong Kong Ministerial Declaration;
- In Agriculture, the results of the negotiations should guarantee substantial and
  effective reduction in trade-distorting domestic support of developed countries
  coupled with necessary disciplines to prevent box-shifting and shifting of support
  among products among others;
- On cotton, build on the positive developments achieved so far and ask the Director General of the WTO to organise a meeting as soon as possible in 2007 to take stock of the development aspects of the cotton sector as part of the follow up on the mandate given by the Hong Kong Ministerial Conference;
- The outcome of Non-Agricultural Market Access **(NAMA)** negotiations should not lead to the de-industrialisation of African economies;

- Regarding the Duty Free Quota Free Market Access for products originating from LDCs, Members must build on the positive development of the WTO Sixth Ministerial Conference;
- On **negotiations in Services**, African countries must be allowed to liberalise according to their individual levels of development;
- **Trade facilitation** should address, among others issues, physical infrastructure and trade capacity constraints;
- The Ministers requested the Economic Commission for Africa (ECA), the African Development Bank (ADB), the International Trade Center (ITC), the United Nations Development Programme (UNDP), the United Nations Conference on Trade and Development (UNCTAD) and other collaborating agencies to assist the African Group to respond rapidly to the evolving dynamics in the negotiations and, in particular, to assist the Group in developing an effective and operational Special and Differential package in the upcoming modalities phase.
- Ministers strongly stressed the need for a pro-development outcome of the Round;
- They urged major trading partners to show the necessary political will to facilitate the full resumption of the negotiations;

### The Addis Ababa Ministerial Declaration on Economic Partnership Agreements Negotiations, Ref (Ext/Exp/Trade/Decl.2(III)

- Ministers called upon the European Commission to show flexibility and to respond positively to Africa's concerns, and to provide additional resources to face the challenge of adjustment costs. In this regard, they called for a broad EPA adjustment facility in addition to the European Development Funs (EDF);
- Ministers reiterated that negotiations of EPAs should be coordinated even at the technical level and that the AU Commission should be involved in events and negotiations of all African negotiating groups;
- The review should make recommendations on all outstanding issues and the four African negotiating groups should coordinate activities and produce a consolidated report with the assistance of the AU Commission and the ECA;
- Article XXIV of the GATT 1994 should be reviewed to accommodate the prodevelopment dimension of EPAs.

### 6<sup>th</sup> AGOA Forum and UNCTAD XII

3. Member States were urged to prepare adequately for both events.

Recommendations

- 4. Council is called upon to recommend to Summit to send a strong message to the international community and development partners on the need to promptly and fully resume the Doha Round of WTO negotiations and to ensure its successful completion.
- 5. Council is also invited to recommend to Summit to urge the European Union and its Member States to extend the deadline for the conclusion of the EPA negotiations and to work with ACP countries towards getting the necessary waiver in the WTO.

EX.CL/310 (X) Annex I

# REPORT OF THE 3<sup>rd</sup> EXTRAORDINARY SESSION OF THE CONFERENCE OF MINISTERS OF TRADE,

## REPORT OF THE 3<sup>rd</sup> EXTRAORDINARY SESSION OF THE CONFERENCE OF MINISTERS OF TRADE,

#### **INTRODUCTION**

1. The Third Extraordinary Session of the AU Conference of Ministers of Trade was convened at Ministerial level on 16th January, 2007, at the AU Conference Centre, in Addis Ababa, Ethiopia. The meeting which was preceded by a Senior Officials' meeting on 15<sup>th</sup> January, was chaired by Honourable Mukhisa Kituyi, Minister of Trade and Industry of the Republic of Kenya, Chairman of the Conference.

#### **ATTENDANCE**

**2.** The meeting was attended by the following Member States:

1.	Algeria	23.	Libya
2.	Angola	24.	Madagascar
3.	Benin	25.	Malawi
4.	Botswana	26.	Mali
5. Burkina Faso		27.	Mauritius
6.	Burundi	28.	
7.	Cameroon	29.	•
8.	Cape Verde	30.	Niger
9.	Chad	31.	Nigeria
10.	Congo	32.	Rwanda
11.	Democratic Rep. of	33.	Sahrawi Arab Democratic
	Congo		Republic
12.	Cöte d'Ivoire	34.	Senegal
13.	Djibouti	35.	Sierra Leone
14.	Egypt	36.	South Africa
15.	Ethiopia	<b>37</b> .	The Sudan
16.	Gabon	38.	Swaziland
17.	The Gambia	39.	Tanzania
18.	Ghana	40.	Togo
19.	Guinea	41.	Tunisia
20.	Guinea Equatorial	42.	Uganda
21.	Kenya	43.	Zambia
22.	Lesotho	44.	Zimbabwe

**<sup>3.</sup>** The following Regional Economic Communities (RECs) participated in the meeting: CEN-SAD, COMESA, ECCAS, SADC, and UEMOA.

- **4.** The following Inter-governmental organizations were represented at the meeting: ACP, ADB, CFC, Commonwealth, ITC, OIF, UNDP, UNECA, WTO, World Bank.
- **5.** The following NGOs were also represented: Africa Trade Network, ILEAP and SEATINI.
- **6.** The meeting adopted the following agenda for its work:
- Opening
- 2. Consideration of the Report of Senior Officials
- 3. Adoption of Ministerial Declaration on WTO Negotiations
- 4. Adoption of Ministerial Declaration on EPA Negotiations
- 5. Briefing on Preparations for UNCTAD XII
- 6. Date and Venue of the 5<sup>th</sup> AU Conference of Ministers of Trade
- 7. Any Other Business and Closure
- **7.** The report of the Senior Officials was presented by the Rapporteur Egypt, and the Ministers took note of the report.
- **8.** The meeting also considered and adopted the following documents as amended:
- a) The Addis Ababa African Union Trade Ministers Declaration on WTO Trade Negotiations (Ref. Ext/Min/Trade/Decl.1 (III), and
- b) The Addis Ababa Ministerial Declaration on Economic Partnership Agreements Negotiations (Ext/Exp/Trade/Decl.2(III)
- **9.** These are attached herewith.
- 10. Hon. Alan Kyerematen, Minister of Trade and Industry of the Republic of Ghana briefed the Ministers on preparations for the organisation of UNCTAD XII in Accra, Ghana in 2008. He recalled Council Decision EX.CL/Dec. 222 (VII) accepting Ghana's offer to host UNCTAD XII and calling on all Member States to participate actively and contribute effectively to the outcome of the Conference. He gave detailed information on preparations both at the national level and at the Geneva level with UNCTAD Secretariat in terms of logistics and document preparation. He assured the Ministers that since

Ghana was about to celebrate its 50<sup>th</sup> Independence Anniversary in March 2007and host the AU Summit in June 2007 and the 6<sup>th</sup> AGOA Forum in July 2007 respectively, it was adequately prepared to also host UNCTAD XII in 2008.

- 11. Minister Kyerematen further briefed the Ministers on preparations for the 6<sup>th</sup> AGOA Forum scheduled for 18-19 July 2007 by stating that a similar structure to that of UNCTAD XII had been put in place to ensure preparations for the 6<sup>th</sup> AGOA Forum. He stressed the fact that there was need to adopt an African group strategy before meeting the US. He recalled that following the first African group consultative meeting held in Washington in 2006 prior to the 5<sup>th</sup> AGOA Forum, each AGOA-eligible country was tasked with elaborating its country-specific AGOA response strategy and that in order to ensure a full participatory process, sub-regional organisations had been called upon to organise pre-Forum consultative meetings to review progress in the preparation of those strategies and their subsequent implementation plans. The outcome of these sub-regional meetings would feed into the African group consultative meeting scheduled for 16 and 17 July 2007 at experts' and ministerial level respectively. In this regard, he called on all concerned Member States to be ready with their strategies and plans. In concluding he highlighted an innovation in the organisation of the Forum, which relates to the participation of the private sector and the civil society in plenary discussions.
- **12.** Regarding the date and venue of the 5<sup>th</sup> Ordinary Session of the Conference, two Member States, namely Congo and South Africa offered to host the meeting. Following consultations between the two countries, it was decided that Congo would host the next Ordinary Conference.
- **13.** Minister Kituyi brought the Conference to a close by thanking all the participants for their fruitful collaboration and calling for the strengthening of the capacity of the AU Commission in view of the increased demand by Member States and the RECs for technical support at this crucial stage of negotiations.

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# THE ADDIS ABABA AFRICAN UNION TRADE MINISTERS DECLARATION ON WTO TRADE NEGOTIATIONS

# AFRICAN UNION الاتحاد الأفريقي



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### AU CONFERENCE OF MINISTERS OF TRADE THIRD EXTRAORDINARY SESSION 15 – 16 JANUARY 2007 Addis Ababa, ETHIOPIA

Ext/Min/Trade/Decl.1 (III) Rev.1

# THE ADDIS ABABA AFRICAN UNION TRADE MINISTERS DECLARATION ON WTO TRADE NEGOTIATIONS

### THE ADDIS ABABA AFRICAN UNION TRADE MINISTERS DECLARATION ON WTO TRADE NEGOTIATIONS

**We,** African Ministers of Trade, meeting in Addis Ababa on 16 January 2007, **having examined** the developments since our last meeting in Nairobi in April 2006 and the subsequent suspension of the negotiations of the Doha Round in July 2006;

**Taking into account** the issues at stake in these negotiations for Africa and the legitimate aspirations of its people as restated by the Current Chairperson of the African Union in his Statement on 6 October 2006 regarding the resumption of the negotiations;

**Considering** the immense costs incurred and the related efforts made by African countries in terms of human and financial resources since the launch of the Round in November 2001;

**Emphasising** the imperative need for the Round to yield results that achieve the development objectives contained in the Doha Ministerial Declaration and later reaffirmed by the WTO General Council Decision of 1 August 2004 (the July Framework) and subsequently the 6th WTO Ministerial Conference held from 13 to 18 December 2005 in Hong Kong;

**Underlining** the understanding reached at the Trade Negotiating Committee (TNC) meeting on 16 November 2006 to build on the consultations and the need to ensure a fully inclusive and transparent process in all areas of the negotiations;

**Underscoring** the fact that African countries, and in particular the Least Developed Countries (LDCs) among them, have specific needs in view of their particular situation and their levels of development;

**Considering** the adverse consequences of the domestic support and subsidies granted to cotton by the developed countries on the economies and the populations of the cotton producing countries of Africa;

**Reaffirming** our positions and concerns as contained in the Kigali Consensus (27 - 28 May 2004), the Cairo Road Map on the Doha Work Programme (5 - 9 June 2005), the Arusha Development Benchmarks (21 - 24 November 2005), the Arusha Ministerial Declaration on Commodities (21 - 23 November 2005) and the Nairobi Ministerial Declaration (12 - 14 April 2006);

**Noting with concern** that there are still differences in the positions expressed by the major players, especially on the development dimension, which are hampering a timely and successful conclusion of the negotiations:

1. STRESS that it is important to the Members as well as the global economy that the current Round of negotiations give rise to a fair and balanced agreement, including full modalities that will truly integrate the

development dimension, pursuant to the mandate given by the Doha Ministerial Declaration, the July Framework and the Hong Kong Ministerial Declaration which remain the only bases on which these negotiations should be conducted. In this regard, the establishment of partial modalities will not be conducive to a productive and acceptable outcome.

- 2. **REAFFIRM** at this critical juncture, our readiness to engage with all Members to ensure that WTO negotiations in Agriculture live up to the commitments of the Doha Round mandate. The results of the negotiations should guarantee substantial and effective reduction in trade-distorting domestic support of developed countries coupled with necessary disciplines to prevent box-shifting and shifting of support among products; substantial improvement in market access; and expeditious elimination of all forms of export subsidies, while taking into account the concerns of the Net Food Importer Developing Countries (NFIDCs) and LDCs. The results should also address the issue of food aid in accordance with the joint submission of the African Group and LDCs in March 2006, resolve the issue of longstanding preferences and preference erosion, including the banana issue and other commodities through trade-related solutions especially the institution of reference periods of equivalent effect or duration and ensure that effective and operational Special and Differential Treatment, Special Products and Special Safeguard Mechanism are fully integrated in the final outcome, taking into account the development needs and concerns of Africa.
- 3. URGE that WTO Members, with regard to cotton, immediately build on the positive developments achieved by the General Council Decision of 1 August 2004 and the Sixth Ministerial Conference. We FURTHER URGE the Director General of the WTO to speed up the consultation process on the approaches and mechanisms that will address the revenue losses as a result of the decline in cotton prices and to report to the Members of the WTO. We ALSO CALL UPON the Director General of the WTO to organise a meeting as soon as possible in 2007 to take stock of the development aspects of the cotton sector as part of the follow up on the mandate given by the Hong Kong Ministerial Conference.
- 4. EMPHASISE that the outcome of Non-Agricultural Market Access (NAMA) negotiations should not lead to the de-industrialisation of African economies. Adequate flexibilities, less than full reciprocity and appropriate Special and Differential Treatment should be provided to address the development needs and concerns of African countries, including trade solutions to the problem of erosion of preferences.
- 5. **FURTHER STRESS** that the Duty Free Quota Free Market Access for products originating from LDCs is still a negotiating issue and must be maintained in the Special Session of the Committee for Trade and Development, taking into account the proposals made by the LDCs. In this

- regard, We **URGE** Members to build on the positive development of the WTO Sixth Ministerial Conference.
- 6. URGE that the negotiations in Services should give special consideration to sectors and modes of supply of interest to African countries, maintain the current flexibilities of GATS and allow African Countries to liberalise according to their individual levels of development. We ALSO CALL for the full operationalisation of the modalities on the basis of the proposals made by LDCs in March 2006. In this regard, we REITERATE our position as reflected in the Nairobi Declaration.
- 7. **REAFFIRM** that the negotiations in Trade Facilitation should take into account the need to provide technical and financial assistance and capacity building during the negotiations as well as the implementation and post implementation periods. Such assistance should address, among others issues, physical infrastructure and trade capacity constraints. There should be appropriate Special and Differential Treatment provisions for the developing countries, and particularly for the LDCs, to enable tangible benefits from the reform process.
  - 8. REQUEST the Economic Commission for Africa (ECA), the African Development Bank (ADB), the International Trade Center (ITC), the United Nations Development Programme (UNDP), the United Nations Conference on Trade and Development (UNCTAD) and other collaborating agencies to assist the African Group to respond rapidly to the evolving dynamics in the negotiations and, in particular, to assist the Group in developing an effective and operational Special and Differential package in the upcoming modalities phase.
  - 9. RECALL the pledge made at Doha to place the needs and interests of developing countries, especially the least developed among them, at the heart of the Doha Round. We therefore REITERATE our shared interest in a pro-development outcome of the Round. We HIGHLIGHT the indivisibility of such a development agenda particularly the need to ensure an ambitious outcome for development.
  - **10. ARE STRONGLY OPPOSED** to the decline of the development dimension of the Doha Round and to any attempt to modify the existing mandate, given the special situation of African countries and taking into account the need to achieve the Millennium Development Goals.
  - 11. URGE WTO Members, particularly the major trading partners which have a greater responsibility in these negotiations, to demonstrate flexibility and show the necessary political will to facilitate the full resumption of the negotiations.

- **12. ENCOURAGE** the WTO Director General to continue his consultations while ensuring that the entire negotiation process remains fully member-driven, all-inclusive and transparent.
- 13. REAFFIRM our solidarity with all our African members that are in the WTO accession process and URGE all WTO Members to facilitate and accelerate the accession process of these countries as we stipulated in the Nairobi Declaration. In keeping with the guidelines for the accession of LDCs, adopted by WTO members on 10 December 2002, we STRESS that acceding LDCs should not be compelled to negotiate concessions and commitments that go beyond what is undertaken by existing WTO LDC members. We ALSO STRESS that non-LDC African countries in the process of accession should not be compelled to make excessive concessions and commitments which are not compatible with their level of development and go beyond the commitments already taken by WTO developing countries Members.
- **14. UNDERSCORE** our determination to contribute to the emergence of a strong multilateral trade system in the service of development of all WTO Members, through Regional Trade Agreements.
- 15. COGNISANT of the fact that most African countries are currently negotiating Economic Partnership Agreements (EPAs) with the European Union and RECALLING that the outcomes are to be consistent with WTO rules, URGE WTO Members in particular to support ACP proposals, incorporating development dimensions in the negotiations on the review and clarification of Article XXIV of GATT 1994.
- 16. CONCUR that Aid for Trade is not a substitute for the development objectives set by the Doha Development Agenda. Consequently, the resources to be allocated under Aid for Trade should be truly additional, predictable, non-conditional and released as grants, to enhance supply capabilities, develop trade-related infrastructure, build human and institutional capacities and meet the costs of implementing the multilateral trade rules. We FURTHER URGE that the recommendations of the Task Force be implemented expeditiously on a fast track and stand-alone basis, also taking into account the regional dimension of projects and programs implemented in Africa.
- 17. CALL for effective and timely implementation of the recommendations of the Task Force on the Enhanced Integrated Framework (EIF) in a manner that will result in positive benefits to the LDCs.
- **18. UNDERSCORE** that technical assistance and capacity building are key integral components of the Doha Work Programme. We **CALL ON** our development partners to avail resources to the ECA and the African Trade Policy Center (ATPC) to be involved in the delivery of trade related

technical assistance to African countries. We **CALL ALSO** on our development partners to adequately finance technical assistance and capacity building through, inter alia, the Enhanced Integrated Framework, the Joint Integrated Trade Assistance Programme (JITAP) and other complementary mechanisms.

- WE RECOGNIZE that some African countries have benefited from JITAP. We therefore urge the continuation of the programme and the implementation of JITAP III. In this regard, we FURTHER URGE our development partners and relevant multilateral organisations to ensure that the original aims of JITAP are not undermined but rather made more secure to serve as a mechanism for delivering technical assistance and capacity building in Africa, while ensuring the participation of the countries that are already beneficiaries of the programme and those requesting to be involved in its conceptualization and in the consolidation of the new phase of the programme.
- **20. FURTHERMORE, determined** to strengthen the synergy between the African countries which JITAP has continued to promote, we **WELCOME** the decision taken at the Workshop on the networking of the institutions involved in trade in services held in Tunis, in June 2006 to create an inter-African network on trade in services and **URGE** our development partners and the relevant multi-lateral organizations to assist in the establishment and operationalization of this network as a tool for the promotion of inter-African trade. We **AGREE**, in this regard, to the creation of a mechanism to follow up on the recommendations of the Tunis Workshop.
  - **21. UNDERSCORE** the need for fair and balanced representation of Africa in the WTO Secretariat; in particular, we **are concerned** with the underrepresentation of Africa. We **URGE** that this situation be remedied.
  - 22. RECOGNIZE that developing countries have a common strategic objective to advance the development dimension of the Doha Round. We APPLAUD the unity displayed since the Hong Kong Ministerial Conference by the various developing countries groupings.
  - 23. REITERATE our commitment to working towards the achievement of the objectives of the Doha Round and to the successful conclusion of the negotiations.

Done in Addis Ababa, Ethiopia, this 16<sup>th</sup> day of January 2007

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EX.CL.310 (X) Annex 3

# ADDIS ABABA MINISTERIAL DECLARATION ON ECONOMIC PARTNERSHIP AGREEMENTS NEGOTIATIONS

### **AFRICAN UNION** الاتحاد الأفريقي



### **UNION AFRICAINE** UNIÃO AFRICANA

Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone 517 700 Cables: AU, ADDIS ABABA

**CONFERENCE OF MINISTERS OF TRADE** OF THE AFRICAN UNION 3<sup>rd</sup> Extraordinary Session 15-16 JANUARY 2007 **ADDIS ABABA, ETHIOPIA** 

> Ext/Exp/Trade/Decl.2(III) **ORIGINAL: ENGLISH**

ADDIS ABABA MINISTERIAL DECLARATION ON ECONOMIC **PARTNERSHIP AGREEMENTS NEGOTIATIONS** 

### ADDIS ABABA MINISTERIAL DECLARATION ON ECONOMIC PARTNERSHIP AGREEMENTS NEGOTIATIONS

We, Ministers responsible for Trade of Member States of the African Union, meeting in the Third Extraordinary Session in Addis Ababa, Ethiopia on 16<sup>th</sup> January 2007:

Recalling the objectives contained in the Georgetown Agreement and the Cotonou Partnership Agreement,

Re-affirming positions contained in the Declarations of Mauritius, Cairo, and Nairobi on Economic Partnership Agreements Negotiations,

Recalling the Decision on Economic Partnership Agreements of the ACP Council of Ministers held in Khartoum Sudan in December 2006,

Having regard to the Outcome of the African Union Summit held in Banjul, The Gambia, in July 2006 which, inter alia, addressed the issues of harmonisation of Africa's RECs, including overlapping membership and the incongruence between the EPA negotiating configurations and regional integration groupings,

Having regard to the reports on EPA negotiations at the regional level, which in general indicate lack of sufficient progress in all aspects of the negotiations and in particular the delay by the European Commission to respond to certain issues submitted by the African negotiators related, *inter alia*, to the development dimension, market access and regional integration as well as the EC's demand for the inclusion of new generation issues,

Concerned that at this advanced stage of the negotiations, Africa's priorities have not been positively and adequately addressed by the European Commission,

Taking into account the reports of the ECA and the four African regions on the Comprehensive Review of EPAs under Article 37.4 of the Cotonou Agreement,

Whereas the EPAs should result in the promotion of the economic development of all African States,

Considering the Conclusions on operationalisation of Aid for Trade adopted by the General Affairs and External Relations Council of the European Union on 16 October 2006,

Considering the need to ensure that EPAs take into account African countries' concerns such as the cost of adjustment and building of the supply capacities, market access, including flexibilities related to product coverage, transitional period as well as financing of trade-related infrastructure,

*Underscoring* that regional integration is a priority for Africa in accordance with the legal instruments and programmes for the establishment of the Regional Economic Communities and progressively the African Economic Community, and in accordance with the Constitutive Act of the African Union

Reiterating that the African regions will be allowed to pursue their regional integration processes at a pace that is commensurate with their political, economical and social capacities,

Noting that the level of preparedness to conclude Economic Partnership Agreements is inadequate in Africa due to among other reasons the lack of completion of country-specific impact assessment studies,

- We therefore call upon the European Commission in the spirit of partnership to show flexibility and to positively and adequately respond to key concerns of Africa,
- 2. **We further call upon** the European Union and its Member States to genuinely provide additional resources in accordance with their commitment, paying attention to the development and financing needs of Africa in building competitiveness and addressing supply side and infrastructure constraints,
- 3. Fully aware of the potential huge adjustment costs that Economic Partnership Agreements would entail during implementation and in this regard, as the questions of how to adjust still persist, clear measures need to be defined that will help our countries address the challenges of adjustment. We therefore re-iterate the call for a broad EPA adjustment facility, in addition to the EDF, as an appropriate instrument that should cover social development, economic reforms, private sector development, and institutional development,
- 4. Having regard to the preliminary results of the Comprehensive Review, **we urge** all the parties to take stock of the negotiations and explore all alternatives to ensure that there is no disruption of mutual trade, including whether to extend the period of negotiations,
- 5. **We direct** our negotiators in each of the regions to ensure that they coordinate the negotiations for Economic Partnership Agreements including at the technical level. In this regard, the AU coordination of the negotiations should be strengthened. The negotiating groups should involve the Commission of the African Union in their events and negotiations,
- 6. We direct our negotiators to ensure that the review fully addresses and makes recommendations on all outstanding issues in the negotiations; and that the four negotiating groups of Africa coordinate their activities in this regard and produce a consolidated report with the assistance of the Commission of the African Union in collaboration with the Economic Commission for Africa,

7. Cognisant that Article XXIV of the GATT 1994, as currently interpreted by the EU, is unsuitable for pro-development Economic Partnership Agreements, we recall the proposal by the ACP group at the WTO and urge WTO members to take this proposal fully into account.

Done in Addis Ababa, Ethiopia, this 16<sup>th</sup> day of January in 2007

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