



**The CARIFORUM-EU Economic
Partnership Agreement (EPA)**
A new partnership for trade and development

Factsheet:
**How the EU is
putting the EPA into
practice**

April 2012

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Introduction

This is a critical time for the Caribbean economy, just as it is for Europe's.

To continue to grow, the region must become more competitive and productive. To do that it must create more higher-skilled jobs. It must attract more outside investment. And it must

move up the value chain, relying less on exports of traditional commodities like sugar and bananas, and instead developing the service industries which characterise modern economies.

That's precisely where the CARIFORUM-EU EPA comes in.

1. The CARIFORUM-EU EPA in a nutshell

The EPA is a new trade and development partnership, signed in 2008 by the 15 states of CARIFORUM and the EU's 27 countries.

Our goals are simple: to make it easier for people and businesses from our two regions to invest in and trade with each other, and to spur development across the Caribbean. As such, the agreement does four important things.

Firstly, the EPA **creates a more equal partnership**.

Ever since the EU's inception in 1958, the rules governing trade between our two regions had meant only the Caribbean enjoyed preferential access to the EU. The Caribbean didn't have to open its market in any way to the EU.

Now, both sides now have obligations as well as rights - as in any free trade agreement. Each region opens its market to the other, and reaps the benefits.

However, the EPA also **reflects our two regions' stages of development**.

It does so by being 'asymmetric'. In other words, the agreement requires the EU to go much further than the Caribbean. It also makes much lighter demands on Caribbean states than standard free trade agreements.

In fact, the EU offers Caribbean states 100% duty- and quota-free access for all

goods from day one. But Caribbean states have up to 25 years to cut import tariffs. They have excluded from these cuts around 17% of goods and services which they consider sensitive. And they can respond if EU imports suddenly surge and threaten local production.

In addition, the EPA **covers trade in its widest sense**.

Before, the rules governing Caribbean-EU trade had been mostly limited to goods. Now, the EPA covers trade not just in goods, but also in services. It also covers other areas where rules and regulations can hinder trade: competition, innovation and intellectual property, public procurement, and environmental and labour standards.

Finally, the EPA **supports the region's integration process**.

In fact, this process is the very basis of the EPA. In the accord, CARIFORUM states have committed to offering each other the same preferences they give the EU. And between 2012 and 2015 the EU is providing over €140 million to several region-wide bodies.

These bodies will help the region to implement the EPA and thereby to export more and to attract more investment from overseas.

Countries which are part of the CARIFORUM-EU EPA

CARIFORUM (15)

 Antigua and Barbuda
 Bahamas
 Barbados
 Belize
 Dominica
 Dominican Republic
 Grenada
 Guyana
 Haiti
 Jamaica
 Saint Kitts and Nevis
 Saint Lucia
 Saint Vincent and the Grenadines
 Suriname
 Trinidad and Tobago

EU (27)

 Austria
 Belgium
 Bulgaria
 Cyprus
 Czech Republic
 Denmark
 Estonia
 Finland
 France
 Germany
 Greece
 Hungary
 Ireland
 Italy
 Latvia
 Lithuania
 Luxembourg
 Malta
 Netherlands
 Poland
 Portugal
 Romania
 Slovakia
 Slovenia
 Spain
 Sweden
 United Kingdom

2. Putting the EPA into practice

Implementing the EPA was never going to be easy. Caribbean businesses and governments have only limited resources and expertise. And the EPA is wide-ranging and covers complex topics.

But both the Caribbean and the EU are keen to ensure it delivers positive results. Since it was signed in October 2008, the EU has been working with its Caribbean partners in three ways to put the agreement into practice.

2.1. Supporting Caribbean governments and organisations

The first way in which the EU is working to implement the EPA is by helping Caribbean governments to fulfil their commitments.

We're doing this in three main ways.

Firstly, the EU is **funding EPA implementation structures** throughout the Caribbean.

These are based in national trade ministries, and in the new CARIFORUM Directorate at the Caribbean Community (CARICOM) Secretariat. The Directorate serves all 15 CARIFORUM States - the 14 CARICOM countries plus the Dominican Republic (DR).

Their work includes, for example, planning and co-ordinating implementation; help with updating or drafting from scratch the rules and regulations governing trade, investment, and other business activities; or reorganising the agencies that enforce those rules.

Secondly, the EU is **funding a €47m EPA programme for governments and businesses**, running from 2012 to 2015.

We've teamed up with several Caribbean and international bodies with the technical expertise Caribbean governments have asked for, to help

them:

- modernise the way they raise taxes and collect statistics;
- help businesses meet EU health, safety and environmental standards;
- diversify their economies by supporting the growth of their services sectors.

Thirdly, the EU is **investing €59m to help governments integrate** in other ways:

- across CARICOM: by creating a Single Market and Economy (CSME);
- in the DR and Haiti: by fostering closer cooperating between the two;
- in the Eastern Caribbean: by pursuing closer integration.

The EU is also funding similar work through its country-specific programmes.

This support is already yielding results. For example:

- almost all states now have EPA coordinators and structures in place;
- they have started cutting their tariffs on EU imports, as agreed in the EPA, or are preparing to do so;
- work is underway to strengthen CROSQ, a regional standards body, and CAHFSA, a regional food safety agency set up in 2010.

EU regional support for the Caribbean, 2012-15

Programme		Implementing bodies	Total (€m)
1	Implementing the EPA	1.1 helping States to implement the agreement	46.5
		<ul style="list-style-type: none"> • Caribbean Export; • Caribbean Development Bank (CDB); • Inter-American Institute for Cooperation on Agriculture (IICA); • International Monetary Fund (IMF); • West Indies Rum and Spirits Producers' Association (WIRSPA); • Physikalisch-Technische Bundesanstalt (PTB) 	
		1.2 helping Caribbean businesses use the EPA	28.3
2	Consolidating the CARICOM Single Market and Economy (CSME)	CARICOM Secretariat (CCS)	27.5
3	Fostering cooperation between Haiti & the Dominican Rep. (DR)	Haiti-DR Binational Commission	22.5
4	Promoting integration between Eastern Caribbean states	Secretariat of the Organisation of Eastern Caribbean States (OECS)	8.6
5	Other investing in human capital; fostering cooperation with other Caribbean States	To be confirmed	13.3
Total			146.7

We've teamed up with several Caribbean and international bodies which offer the technical expertise which Caribbean governments have asked for. These bodies include:



the Secretariat of the [Caribbean Community \(CARICOM\)](#), which works on behalf of the 15 CARIFORUM States to facilitate closer integration;



the [Caribbean Development Bank \(CDB\)](#), which provides development loans, and helps countries attract outside investment and develop financial institutions and markets;



the [Inter-American Institute for Cooperation on Agriculture \(IICA\)](#), part of the [Organisation of American States \(OAS\)](#), which works to make farming more competitive and sustainable;



International Monetary Fund

the [International Monetary Fund \(IMF\)](#), a global organization promoting monetary cooperation, financial stability, trade, sustainable growth, and poverty reduction.

2.2. Holding both regions to account

The second way in which the EU is helping to put the EPA into practice is by working with our Caribbean partners to set up several new, joint Caribbean-European institutions.

These bodies are intended to monitor the ways in which both regions put the agreement into practice. They are also intended to ensure the EPA delivers

positive results, and to resolve any problems if they arise.

All but one of these joint institutions has now met at least once since the agreement was signed in October 2008. The EU is funding participation by Caribbean representatives in the Parliamentary and Consultative Committees.

The five new joint CARIFORUM-EU institutions

<i>Name</i>	<i>Role</i>	<i>Composition</i>	<i>EU bodies involved</i>	<i>Meets every...</i>	<i>Last meeting</i>
1 Joint Council	Gives political direction, reviews main issues in implementing the EPA	Caribbean Ministers; EU Trade Commissioner and High Representative	European Commission; EU Council of Ministers; EU Member States' representatives	Two years at least	Spain, May 2010
2 Trade and Development Committee (T&DC)	Reviews EPA implementation in detail	Senior officials	European Commission; EU Member States	Year	Barbados, June 2011
3 Parliamentary Committee	Reviews EPA implementation, advises T&DC and Joint Council	Caribbean MPs, Members of the European Parliament (MEPs)	European Parliament (EP)	Committee to decide	Belgium, June 2011
4 Consultative Committee	Reviews EPA implementation, advises T&DC and Joint Council	Business and civil society representatives	European Economic and Social Committee (EESC), as secretariat	Committee to decide	Due to meet in 2012
5 Special Committee on Customs Cooperation and Trade Facilitation	Reviews technical issues concerning customs and trade facilitation	Customs and trade officials	European Commission; EU Member States	Committee to decide	Dominican Rep., December 2011

2.3. Helping Caribbean businesses

The third way in which the EU is helping to put the EPA into practice is through our partnership with Caribbean Export, a Caribbean-wide agency promoting trade and investment across the region.

We're funding a €28m programme to help **Caribbean Export** work closely with Caribbean companies, so they can make use of the EPA to develop their production and export more, both to other Caribbean countries and to the EU.

The agency also works with the EU's Outermost Regions (ORs) and Overseas Countries and Territories (OCTs) in the Caribbean, to spur trade between them and the rest of the region.



To find out more about the agency's work, visit www.carib-export.com.

The EU is also helping businesses from the Caribbean and other developing regions to export more to the EU through the **EU Export Helpdesk**: www.exporthelp.europa.eu



Want to export your product to the EU? Then visit the EU's online Export Helpdesk: www.exporthelp.europa.eu

You'll find all you need to know about the nuts and bolts of exporting to the EU, including:

- health and safety standards you need to meet;
- rules on the origin of your inputs - you need to meet these to export freely to the EU;
- forms you need to send with your shipments.

You can even see how much each EU country has imported from the Caribbean in recent years in your particular product area.

3. Useful links

For **Caribbean** businesspeople

- **EU Export Helpdesk**, a one-stop shop for information on exporting to the EU:
www.exporthelp.europa.eu
- **Caribbean Export**, a region-wide agency promoting trade and investment:
www.carib-export.com
- **Centre for the Development of Enterprise (CDE)**, which helps Caribbean businesses to become more competitive:
www.cde.int
- **EU delegations** in the Caribbean:
 - > In English:

Serving Bahamas, Belize, Jamaica:
www.eeas.europa.eu/delegations/jamaica

Serving Barbados and the Eastern Caribbean:
www.eeas.europa.eu/delegations/barbados

Serving Guyana, Suriname, and Trinidad and Tobago:
www.eeas.europa.eu/delegations/guyana
 - > In Spanish:

Serving the Dominican Republic:
www.eeas.europa.eu/delegations/dominican
 - > In French:

Serving Haiti:
www.eeas.europa.eu/delegations/haiti
- Short **presentations** – on the EPA's benefits to:
 - Caribbean businesses in general
 - specific Caribbean industries:
www.trade.ec.europa.eu/doclib/press/index.cfm?id=701

For **EU** businesspeople

- Caribbean Association of Investment Promotion Agencies (CAIPA):
www.caipainvest.org

Includes links to all 15 CARIFORUM States' investment promotion agencies.

For other EPA **stakeholders**

- CARIFORUM-EU Parliamentary Committee:
www.europarl.europa.eu/delegations/en/dcar
- CARIFORUM-EU Consultative Committee, the voice of civil society:
<http://portal2.eesc.europa.eu/cariforum-eu/Pages/Welcome.aspx>

For more EPA **details** and **news**

- The European Commission's dedicated EPA webpage:
www.ec.europa.eu/trade/wider-agenda/development/economic-partnerships/negotiations-and-agreements/#_caribbean

Includes links to factsheets and presentations.
- The CARICOM Secretariat's EPA Implementation Unit:
www.caricom.org/jsp/community_organ/epa_unit