



CIVIL SOCIETY DIALOGUE

**MEETING ON THE EX-POST EVALUATION OF THE
IMPLEMENTATION OF THE
EU-COLOMBIA/ECUADOR/PERU TRADE AGREEMENT:
INCEPTION REPORT**

Date: 03 July 2020

Time: 10:00-12:00

Location: Webex

Lead speakers

- Head of Unit, Unit C.3, Director-General, DG Trade, European Commission
- Study Coordinator/Team Leader for the study, accompanied by study team members

Moderator

Civil Society Coordination, DG Trade, European Commission

1. Introduction

In the introductory remarks, DG Trade reminded participants that negotiations for the Trade Agreement were concluded in 2010, and that the Agreement has by now been in force for about seven years for Colombia and Peru, and more than three years for Ecuador, which joined later. The Agreement was a quite modern FTA, with ambitious tariff liberalisation for trade in goods, but also increased market access in services and investment and government procurement, as well as rules on technical barriers to trade, sanitary and phytosanitary measures, intellectual property, competition, etc. , and also including a trade and sustainable development (TSD) chapter, like the EU's most recent FTAs.

From the Commission's point of view, the Agreement is well-functioning: meetings of the Parties take place regularly (the next one being planned for November 2020). A number of market access and TSD issues have been addressed through the meetings.

The evaluation is being undertaken for two main reasons. The first one is the Commission's commitment to good administrative practice, which entail that policies – and the EU's trade agreements are considered as such – are subjected to a regular review. Second, the scope of the Commission's impact assessments has changed over time, and the 2009 Sustainability Impact Assessment prepared during

negotiations of the Agreement had for example not yet covered potential human rights impacts.

DG Trade also highlighted the fact that the evaluation was carried out as an independent exercise and had therefore been outsourced to a contractor. At the same time, it would be based on a wide range of inputs, including in particular from civil society. Therefore, civil society organisations (CSOs) were called upon to participate actively, and widely.

Finally, DG Trade noted that the purpose of the meeting was to present and discuss the evaluation methodology; unlike in previous ex post evaluations, which had included only one CSD meeting at the interim report stage, in this evaluation three meetings were planned, to discuss the methodology, the interim findings, and the draft final report.

2. Presentation of the Draft Evaluation Methodology

The **study team** presented the draft evaluation methodology focussing on the overall evaluation framework, the methodologies for the economic, social, human rights and environmental analysis, case studies and consultations. The corresponding slides are available on the meeting page¹ and the evaluation webpage.²

3. Discussion / Questions and Replies

A representative from the **Oficina Internacional de los Derechos Humanos - Acción Colombia (OIDHACO)** (1) asked whether the evaluation period ended in 2019 or would also include most recent developments, notably COVID-19 effects; (2) requested further information about how Latin American CSOs would be enabled to participate and urged to give them the same opportunities to participate as EU ones; and (3) asked to what extent the Agreement's impact on illegal economic activities, such as drug trade, would be covered in the evaluation. The evaluation team responded that: (1) in principle there was no cut-off date for the evaluation period, and developments until now would be covered, provided that data and information were available. For COVID-19, considering that Latin America was currently in the midst of the crisis, it might be impossible to get reliable data in time for the evaluation, but this would in any case be closely followed. (2) Regarding the participation of Andean CSOs, the team will consider the possibility of "mirroring" the CSD meeting schedule in the partner countries, e.g. through additional webinars; however, one disadvantage for Andean stakeholders will remain that full reports will only be prepared in English. The team tries to ameliorate the disadvantage by preparing more extensive summaries in Spanish than required in the ToR. (3) To the extent that information is available, the Agreement's impact on illegal trade will also be considered.

A representative of the **European Ceramic Industry Association (Cerame-Unie)** (1) asked whether protectionist measures taken by the Andean countries – e.g. safeguards in Ecuador – would also be addressed under the evaluation, and (2) requested more information on how the Agreement's impact on SMEs would be measured. The evaluation team responded that contingent trade measures, to the extent that they affected bilateral trade between the parties, would be addressed. Regarding SMEs, in terms of indicators, these would be the same as for the overall analysis on firm impact, i.e. levels of trade, output/value added, and employment. The difficulty was more on obtaining data as trade data do not disaggregate by size of companies. For this, the stakeholder consultations would be particularly important (especially, the business survey). In addition, the team would get in touch with the

¹ <https://trade.ec.europa.eu/civilsoc/meetdetails.cfm?meet=11568>

² <http://www.fta-evaluation.eu/en/resources-2/study-outputs>

relevant SME agencies and associations to obtain more information; eventually, a matching analysis would be done between sectoral effects of the Agreement and the sectoral role played by SMEs, i.e. in which sectors SMEs were particularly important, or not.

A representative of **Koepel van de Vlaamse Noord-Zuidbeweging - 11.11.11** asked why the human rights analysis was restricted on the impact of the Agreement on human rights and would not also comprise the monitoring by the EU of human rights issues. The evaluation team clarified that the monitoring aspect was also covered by the evaluation, adding that the starting point for this evaluation would be the text of the Trade Agreement.

The **OIDHACO** representative asked how the European Parliament (EP) would be consulted during the evaluation and how the various documents and resolutions of the EP would be considered. The evaluation team replied that any relevant written outputs prepared by EP would be analysed as part of the literature review and that also interviews with Members of the EP, notably those in the relevant Committees were also planned. The OIDHACO representative also asked why the evaluation focus would be restricted to the operational objectives as stated in Article 4 of the Agreement, which would not address impacts of the Agreement on human rights issues or the peace process. The evaluation team clarified that operational objectives were assessed to evaluate the effectiveness of the Agreement, but that its impact (i.e. higher level objectives) were also covered, and these included human rights issues. In addition, the organisation of the evaluation team was based on impact areas – economic, social, environmental and human rights – which would guarantee that human rights issues would be comprehensively addressed. Finally, OIDHACO asked how the domestic advisory groups (DAGs; notably those in the partner countries) would be involved in the evaluation. The evaluation team responded that all DAGs will be consulted, both with regard to general Agreement implementation issues and specifically the implementation of the TSD chapter. A short meeting with the EU DAG had already taken place, and the team had asked the European Economic and Social Committee (EESC), which acts as the Secretariat of the EU DAG, to facilitate contacts with the DAGs in partner countries.

A representative from **BusinessEurope** expressed satisfaction that a case study on services and investment was foreseen and noted that in general, despite the high importance of services sectors and services trade, the annual FTA implementation reports of the European Commission provided very limited data. He also asked if it was likely that other services sectors would be added to the analysis. The evaluation team responded that indeed disaggregated data on services trade or investment were difficult to obtain, and therefore the evaluation team would need to identify primary data from stakeholders. As this was a time and resource intensive process, only one services sector would be covered by the case study; depending on initial research it was possible that the tourism sector would be replaced by another services sector if it turned out that the Agreement was more important for changes there.

A representative of the **Committee of the European Sugar Users (CIUS)** asked on what basis the selection of case studies related to agricultural products had been made, citing the example of the case study on bananas. The evaluation team explained that this had been done based on an initial review of statistics, documents and discussions with the Commission and local partners. Also, the purpose of the case studies on agricultural products was to illustrate some very specific examples of the Agreement's effects and/or to verify which impacts the Agreement had on one of the remote regions in a partner country which had traditionally not been very active in exporting before the existence of the Agreement. All agricultural sectors would be covered by the overall analysis as part of the assessment of sector effects.

Next steps

Once the draft inception report has been published, stakeholders will have four weeks to provide comments. Stakeholders wishing to ensure that they are informed once the report is published should follow the Twitter account ([@BKPEconAdvisors](#)) or register for the mailing list through the study website (<http://www.fta-evaluation.eu>) or by email (fta-evaluation@bcp-advisors.com).