Fairness in International Trade:
the case of Economic Partnership Agreements

Geoff Moore
Durham Business School, Durham University, U.K.

Abstract

This chapter begins by setting out the background to international trade relations between the European Commission and developing countries before turning to look at Economic Partnership Agreements (EPAs) themselves in more detail and the effects that have been predicted on the developing countries if EPAs were to be introduced in the way envisaged. The chapter then comments briefly on a "Stop EPAs" campaign that has been run by NGOs for a number of years, before presenting and commenting on the current position showing which EPAs have been signed. The literature on fairness in international trade is then reviewed and, to some extent, extended and applied to the case of EPAs. Conclusions which, as might be predicted, are somewhat tentative, but do raise some new issues are then drawn.

Introduction

> *"Any attempt to define fairness in global trade relations should teach humility."*
> Brown & Stern (2007: 316)

There are, perhaps, three reasons why humility is both required and will be learned from studying fairness in international trade. The first is due to the inherent complexity of international trade relations, which makes any attempt to grasp them difficult and the danger of over-simplification rife. The second is that, if it were possible to adequately summarise even a particular aspect of such relations, the application of fairness principles is by no means straightforward. While there have been numerous attempts to apply such principles, so that in one sense the ground is well-trodden, the judgements that emerge do not necessarily bring the kind of clarity that might be desired – in other words, judgments that such and such a practice is unfair and should be changed, or otherwise, are few and far between. Brown & Stern, cited above, continue: "even if we could transcend the self-serving bias inherent in the judgment of all interested parties, there is still no conclusive and incontrovertible way of assessing fairness" (2007: 316). And this leads to the third reason why humility will be required and learned, which is that fairness judgements on particular aspects of international trade relations, even if they were to be clear and unequivocal, may not lead to any change by those deemed to have infringed fairness towards those who are on the receiving end of such acts. Humility is involved in finding that one's work may lead to nothing substantive by way of change 'on the ground' – where it really matters.

Despite these three reasons, any one of which might seem to be enough to persuade one not to embark on this particular journey, this chapter sets out to explore the case of Economic Partnership Agreements (EPAs). These are bilateral trade agreements between the European Commission (EC) and various groupings of African, Caribbean and Pacific (ACP) countries, which have been the subject of intense negotiations leading up to and beyond the deadline of 31st December 2007 by which all such agreements were due to be set in place. The case of

EPAs, therefore, provides both a timely and an excellent test case for exploring the fairness or otherwise of trade relations between developed and developing countries.

The chapter begins by setting out the background to international trade relations between the EC and developing countries before turning to look at EPAs themselves in more detail and the effects that have been predicted on the developing countries if EPAs were to be introduced in the way envisaged, together with a number of associated issues related to the introduction of EPAs. The chapter then comments briefly on a "Stop EPAs" campaign that has been run by NGOs for a number of years, before presenting and commenting on the current position showing which EPAs have been signed. The literature on fairness in international trade is then reviewed and, to some extent, extended and applied to the case of EPAs. Conclusions which, as might already be predicted, are somewhat tentative, but do raise some new issues are then drawn.

The background to EU-ACP international trade relations

When the European Communities, as they were originally known, were founded in 1957 by the Treaty of Rome they rapidly established preferential relations with the ACP countries that had recently gained independence from their former colonial masters (Lang 2006: 1). From 1975 until 2001 trade relations between what became the European Union (EU) and the ACP countries were governed by the four Lomé Conventions. These represented a form of the EU's Generalized System of Preferences (GSP) which "put ACP countries at the top of the pyramid of preferences granted by the EU to developing countries" (Ochieng 2007: 367). These have provided ACP countries with "a very favourable trade regime, a substantial aid budget, and a set of joint institutions" which has meant that "ACP exporters have generally enjoyed a tax advantage over some of their competitors when selling products facing tariffs into the European market" (Stevens 2006: 442). These trade relations have been non-reciprocal in the sense that ACP countries have not been required to assume corresponding obligations to allow tax advantages to imports originating in EU countries (Ochieng 2007: 367).[1]

However, such non-reciprocal arrangements have become increasingly open to challenge in the World Trade Organisation (WTO) because they were seen to discriminate against other developing countries (Powell 2007: 8). There is, therefore, immediately an issue of fairness between one set of developing countries and another set, as well as the possibility that such other developing countries might mount a legal challenge based on the General Agreement on Tariffs and Trade (GATT) Article XXIV (see further below). Indeed Peter Mandelson, the former European Commissioner for Trade since 2004, has claimed that "other developing countries are watching these final stages of our negotiations [over EPAs] like hawks" (Mandelson 2007), precisely to ensure fair treatment between all parties and the end of preferential treatment to ACPs. Despite this, there are a number of "special and differential

[1] Such preferential treatment is allowable under what is known as the "Enabling Clause", but is officially the "Decision on differential and more favourable treatment, reciprocity and fuller participation of developing countries" that was adopted by the General Agreement on Tariffs and Trade (GATT) in 1979. The Enabling Clause provides the legal basis for the World Trade Organisation's (WTO) GSP by which developed countries offer non-reciprocal preferential treatment (e.g. zero or low duties on imports) to products which originate in developing countries. Preference-giving countries can unilaterally decide which countries and which products to include. See www.wto.org/english/tratop_e/devel_e/dev_special_differential_provisions_e.htm, accessed 12/12/08.

treatment” (SDT) provisions, most notably the notion of non-reciprocity, that are enshrined in GATT articles and the Enabling Clause (Ochieng 2007: 391 and see Ochieng 2007: 367 and Footnote 1) which might allow more flexibility.

The successor to the Lomé Conventions between the EU and ACP countries was the Cotonou Agreement which was signed in 2000 for a period of 20 years. This Agreement “aims to promote economic growth and development as well as the smooth and gradual integration of ACP states into the world economy” (Borrmann & Busse 2007: 403). Although a 20 year Agreement, from a trade perspective the time period is shorter because of the WTO-compatibility issue identified above. Thus, at the WTO Doha conference in November 2001 a temporary waiver was granted giving a deadline by which WTO-compatible reciprocal trade agreements had to be signed of 31st December 2007. It has been the prospect of the end of this temporary waiver that has led to the negotiation of the EPAs which are the subject of this chapter.

The Cotonou Agreement placed these new arrangements under the jurisdiction of GATT Article XXIV whereas previously under the Lomé Conventions the arrangements were under the jurisdiction of the Enabling Clause. Article XXIV governs Free Trade Agreements (FTAs) between states or groupings of states, and includes the requirement that FTAs must eliminate tariff barriers on “substantially all trade” (SAT) within a “reasonable length of time” (see Lang 2006, Ochieng 2007, Powell 2007). Article XXIV defines the time period stating that it should exceed 10 years only in exceptional cases, such exceptions requiring specific justification. The exact definition of “substantially all trade”, however, is not provided for within the Article but is usually taken to mean a minimum of 80% (Busse & Grossmann 2007: 808) allowing flexibility both over which 20% is omitted and whether this is divided equally. Lang (2006: 12-13), however, states that the EU has traditionally argued that liberalisation should extend to 90% of existing trade, but that this might be split unevenly so that, for example, the EU could accept full liberalisation of 100% with ACP countries committing to 80%. We will return to both these issues – of how much liberalisation and over what period – when considering EPAs in more detail below.

Despite the requirement to negotiate revised and reciprocal trade agreements, the Cotonou Agreement, as noted above, is more broadly based and includes specific provisions for development strategies and priority for the objective of poverty reduction, and a special focus on the Millennium Development Goals.[2] There is also a provision for a transitional period of up to at least 12 years on the new trade agreements, apparently in contradiction of the 10 year maximum under Article XXIV,[3] although the U.K.’s Department for International Development (DFID) suggests such periods may be as much as 25 years.[4] Both Powell (2007: 8) and Ochieng (2007: 382-3) draw attention to the objective of EPAs within the Cotonou Agreement as follows: “Economic and trade cooperation shall aim at fostering the smooth and gradual integration of the ACP states into the world economy, with due regard

---

[2] See http://ec.europa.eu/development/geographical/cotonouintro_en.cfm?CFID=2311138&CFTOKEN=de5549ec566e53bc-44BE1EAC-BCAD-6AE3-85FE869240E498A7&jsessionid=243062fb88384a375d62, accessed 12/12/08.

[3] See http://ec.europa.eu/development/geographical/cotonouintro_en.cfm?CFID=2311138&CFTOKEN=de5549ec566e53bc-44BE1EAC-BCAD-6AE3-85FE869240E498A7&jsessionid=243062fb88384a375d62, accessed 12/12/08.

[4] See, www.dfid.gov.uk/aboutdfid/organisation/economic-partnership-agreements.asp, accessed 12/12/08.

for their political choices and development priorities, thereby promoting sustainable development and contributing to poverty eradication in the ACP countries".

This leads us on to consider two other aspects of the context within which EPAs have been negotiated. The first is the WTO itself which has become the subject of bitter dispute and anti-globalization protests such as those at Seattle (Elsig 2007: 75). While providing, as we have seen, the overall legal context within which trade agreements such as FTAs are to be negotiated by those countries which have chosen to become WTO members (such that GATT Article XXIV, for example, forms part of WTO Law – Ochieng 2007: 365), there remains a dispute over whether the WTO is a trade rather than development organisation, and so whether it should or should not "be burdened by broad development concerns of which it has no comparative institutional advantage" (Ochieng 2007: 383). Not surprisingly the EU takes a pro-trade stance in which trade liberalisation, greater integration of the world economy, the increasing role of the market and a correspondingly diminishing role of the state all form key elements. However, "ACP countries and a number of scholars object to this conception of the objects and purposes of both EPAs and the WTO" (*ibid*.: 384, and see also Griffith & Powell 2007: 7-11).

The Doha Development Round of the WTO which began in 2001, was suspended in July 2006 and resumed in February 2007, had, as its name suggests, a fundamental focus on the needs of developing countries and has foundered on the issues of market access and agricultural subsidies (IDC 2007: 10). Negotiations may, however, now be moving towards some form of resolution.[5] The point in relation to EPAs, however, is that their WTO-compatibility, while not in dispute in itself and, indeed, part of the Cotonou Agreement (Lang 2006: 2), is subject to disagreement over what precisely such compatibility entails. Ochieng, for example, argues that the EU takes a literal (textual) approach to the interpretation of WTO laws, an approach described as "legally problematic and relatively developmentally restrictive compared to the ACP's teleological approach to interpretation – a holistic examination involving textual, contextual and case law analyses of specific WTO Agreements, and assessment of the objects and purposes of the WTO" (Ochieng 2007: 364). Thus, not only are specific issues such as GATT Article XXIV open to renegotiation (Lang 2006), but the purpose of the WTO itself continues to be the subject of contention.

The final contextual issue that we need to take account of is the economic situation and trade objectives of the ACP countries. In 1976, just after the first Lomé Convention was introduced, the ACP states accounted for 6.7% of the EU market, while by 2005 it accounted for only 3% (see Borrmann & Busse 2007: 403). ACP's trade with the rest of the world has also fallen over the same period (Ochieng 2007: 377-8). In addition, about 68% of total ACP exports to the EU consists of agricultural goods and raw materials, with ten products accounting for some 74% of this (Borrmann & Busse 2007: 404). This is, of course, despite the trade preferences that the ACP countries have enjoyed over many decades. Thus, while trade with the EU continues to be important to ACP countries, there is evidence that it is in decline, at least proportionately, and that primary commodities continue to form a substantial part with little apparent progression to added value processed goods. Additional preferences on market access are, therefore, unlikely to benefit ACP countries in the future (*ibid*.: 404).

Perhaps associated with the decline in international trade, the African countries within the ACP have long held the view that regional integration leading eventually to full continental

[5] See http://www.wto.org/english/tratop_e/dda_e/dda_e.htm, accessed 12/12/08.

integration is a desirable objective (see Powell 2007: 18-23). Thus, there have been various regional groupings involving more than 20 economic co-operation arrangements and, while the success of these groupings is not proven and their considerable overlapping membership remain problematic (Powell 2007: 22, Stevens 2006: 445), the vision of regional integration remains and has recently been reinforced by the establishment of the African Union (succeeding the Organisation of African Unity) and the founding of the New Partnership for Africa's Development (NEPAD) (Powell 2007: 23).

Associated with this, the negotiations between the EC and ACP countries have been conducted not on a country-by-country basis, but between the EC and six regional groupings – four in Africa and one each in the Caribbean and Pacific. The groupings and countries within each group are shown in Appendix 1. Within each of these groupings it will be noted that there is a mixture of Least Developed Countries (LDCs) and others generally known as developing countries. While the United Nations maintains a precise definition and listing of the 50 LDCs in the world,[6] no official definition and listing of developing countries exists. In relation to EPAs the fact that each grouping contains a mixture is important, for under WTO rules developed countries can give non-reciprocal access to only two groups – either to LDCs only or to all developing countries.[7] Thus, it would be possible to negotiate different agreements with the two different types of countries within a regional grouping but potentially problematic to negotiate one overall regional agreement – a point to which we will return.

Given that negotiations were always likely, and have proven, to be problematic, one obvious question has to do with the fall-back position should such negotiations fail. Here, a further reason for difficulties associated with combinations of LDC and other developing countries within one regional grouping emerges. For LDCs a system known as "Everything But Arms" (EBA) exists. This was adopted by the EC in February 2001, granting duty-free access to imports of all products from all LDCs without any quantitative restrictions, except to arms and munitions. The EBA Regulation foresees that the special arrangements for LDCs should be maintained for an unlimited period of time and not be subject to the periodic renewal of the EC's scheme of generalised preferences.[8]

However, for non-LDCs a more restrictive GSP+ scheme, approved in June 2005, exists. To qualify for this a large number of good governance and economic conventions have to be implemented, which most ACP countries have not ratified,[9] and even then "this would mean less-favourable access to the EU market than the one granted under … the Cotonou Agreement and thus a decline in their export earnings from the EU market" (Busse & Grossman 2007: 788). For this reason non-LDCs have been keener to sign up to EPAs than their LDC regional partners which have less to lose – a source of tension within some of the regional groups (see Borrmann & Busse 2007: 408). An illustration of the effects on non-LDCs is given in Ross (2007) citing the case of a Ghanaian pineapple producer with a turnover around $50 million supplying to the U.K. supermarket chain Marks and Spencer. Once the tariff-free status is removed, the juice products would become immediately unviable. If prices with European supermarkets could not be renegotiated, the company

[6] See www.un.org/special-rep/ohrlls/ldc/list.htm, accessed 12/12/08.
[7] See, for example, www.dfid.gov.uk/aboutdfid/organisation/economic-partnership-agreements.asp, accessed 12/12/08.
[8] See http://ec.europa.eu/trade/issues/global/gsp/eba/index_en.htm, accessed 12/12/08.
[9] See www.dfid.gov.uk/aboutdfid/organisation/economic-partnership-agreements-myths.asp, accessed 12/12/08.

might be forced to consider relocating – presumably to a LDC where the tariff-free status would remain.

Economic Partnership Agreements and their predicted effects and associated issues

With this as background, we are now in a position to look in more detail at EPAs themselves, their predicted effects and a number of associated issues. Given the requirement to have new trade agreements in place by the end of 2007, negotiations started in September 2002 but, as might be expected from the discussion above, have not progressed smoothly. This is despite the fact that, at least according to DFID, EPAs "are intended to be instruments for development, as opposed to standard trade agreements" with the aim being that ACPs "gradually build their capacity to compete in world markets".[10] This was expected to be a three-stage process first with regional integration within ACP regions, then with integration with the EU so that the EU market is slowly opened up, and finally integration as a whole with the world economy. At first sight, therefore, EPAs seem to be simple replacements for the WTO-incompatible agreements and to be beneficial to ACP countries, preserving the preferential treatment that has long been afforded to these countries and leading to regional and world integration.

What, then, are the concerns that have meant that EPAs have become the subject of such concern within ACP countries themselves and have led to a campaign by various NGOs against the EC? The main point of concern, as we noted above, is that these new agreements must be reciprocal if they are to be WTO-compatible, and this therefore involves liberalising substantially all trade and within a reasonable period. But, while such liberalisation has been the main source of concern, there have been a number of other associated issues. All in all, we can identify five such issues.

The first is the effects of EPAs on regional integration which, as we saw above, is a key objective particularly of African countries. There is a potentially negative effect on African regional integration with regional groups splintering between those countries which are willing to liberalise and those which are not (Stevens 2006: 446). This could cause regional realignments and, because of the possibility of differential liberalisation schedules, make regional partners reluctant to open their borders to trade with each other – making smuggling across borders a possibility (*ibid*.: 451). Powell (2007: 5-6) cites United Nations research estimating that West African countries would experience net trade diversion amounting to US$365 million of which US$35.6 million represents foregone exports from the Economic Community of West African States (ECOWAS) to the rest of the region. Stevens concludes, "All in all, the outlook for EPAs to support regional integration is not good" (2006: 455).

The second issue is an associated argument against EPAs put forward by Borrmann & Busse (2007). Their concern is with the quality of institutions and in particular market entry regulations for starting a business, the efficiency of the tax system and labour market regulation (Borrmann & Busse 2007: 406). Where these are in place and not excessive there is a positive relationship between trade liberalisation and growth, whereas the opposite is true where the institutional arrangements are poor. Analysing the ACP countries on this basis they find that there is limited concern in the Caribbean and Pacific countries due to the stage of

[10] See www.dfid.gov.uk/aboutdfid/organisation/economic-partnership-agreements.asp, accessed 12/12/08.

institutional development already achieved. For the four African regions, however, the story is very different: "the large majority of African countries [33 out of 46][11] … are not likely to benefit from an increase in trade due to EPAs" (*ibid*.: 407). Hence, they argue that "reform of the institutional frameworks should be an important topic on the EPA agenda" (*ibid*.: 407), but are not convinced that even then, and even with appropriate aid assistance, sufficient time exists for such reforms to be introduced – a further point in relation to the "within a reasonable length of time" issue noted above. Borrmann & Busse (2007: 414) also note that larger or more powerful countries with good institutions may then force weaker countries into EPAs when the effects on the weaker countries may be for them to suffer rather than benefit. The alternative is the undermining of regional integration if they opt out of the EPA process – as we have already noted above.

The third issue, which follows from the first two, is the trade and fiscal impact of EPAs. As might be expected, various assessments of such effects have been made. Lang (2006: 13) compares the impact of EPAs under three scenarios – full reciprocal liberalisation; asymmetrical liberalisation (EU 100%, ACP 80%, SAT = 90%) under the EU's classic interpretation; and a larger degree of asymmetry (EU 100%, ACP 60%, SAT = 80%). The most favourable, of course, is the last scenario and only here does GDP increase for ACP countries though there are still fiscal losses due to reduced tariff income. The effect of reciprocity on the consequent reduction in revenues from tariffs is illustrated by the case of Zambia which would lose $15.8m per year – the equivalent of its annual HIV/Aids budget (Bunting 2007).

Busse & Grossmann (2007) look specifically at the trade and fiscal impact on West African countries. While the detailed results that they present are beyond the scope of this chapter, their conclusions are instructive. Assuming complete tariff liberalisation, trade creation would exceed trade diversion in all West African countries, with total imports from EU countries also increasing in all countries (*ibid*.: 795). The effect on government revenues, however, is a decline of between 4% and 9% in most West African countries, although Cape Verde and Gambia would be more seriously affected (*ibid*.: 808). Since full liberalisation is unlikely the actual effects would be smaller, but nonetheless Busse & Grossman conclude that since "tariff revenue is a significant source of financing government expenditures in most of the West African countries … the most urgent task … will be to take measures to offset the decline…" (*ibid*.: 809), though they note the difficulties inherent in replacing this funding with domestic taxation. "To sum up", they say, "negotiations on EPAs pose a major challenge to West African countries. While there is little doubt that West African countries would benefit from improved or more secure access to EU markets, it is not clear whether it is in the interest of West African countries to eliminate customs duties for almost all EU products by 2020" and they call for the well-designed opening up of domestic markets "with specific attention given to country specifics and capabilities" (*ibid*.: 809). This echoes the call by Borrmann & Busse (2007: 414) for a high degree of flexibility in the EPA process if pro-development outcomes are to be achieved.

Anderson & van der Mensbrugghe (2007) studied the specific case of Uganda. They compare full mutual liberalisation (including the removal of developed countries' agricultural subsidies) with two alternative scenarios. The first is a multilateral partial reform under the WTO's Doha round and the second is under EPAs. Again, the details of the findings need not concern us, but the conclusions are that "Uganda is not likely to gain a lot – and may even

[11] Countries included in the analysis differ very slightly from those in Appendix 1.

lose very slightly – from further reducing its tariffs, and likewise from the EU waiving the remaining tariffs on imports from Uganda and other ACP countries" (*ibid.*: 548). They stress that this does not mean that there is no need for Uganda and its ACP partners to undertake further trade reform, but again it seems that the conditions need to be right for Uganda to benefit significantly from trade liberalisation.

More anecdotal evidence from NGOs indicates the actual effects of rapid trade liberalisation 'on the ground'. A Traidcraft report showed that Jamaica's dairy market liberalisation "decimated small farmers, left local milk production with barely a tenth of the market, and led to the EU supplying two-thirds of the island's milk powder", while a "Christian Aid assessment of tomato liberalisation in Senegal showed that the local price halved, while imports of EU paste increased twenty-fold" (Cobham & Powell: 2007). These may be anecdotal but the effects on actual people in ACP countries reminds us that statistics ultimately mean people and communities.

This collection of evidence then, albeit based mainly and necessarily on a forecasting of the effects, indicates that ACP countries are unlikely to benefit directly from EPAs. Nor should this surprise us, given the evidence that exists generally on trade liberalisation. Ochieng (2007: 377-8) summarises this well:

> "The relationship between trade and growth has been shown to be complex, if not ambiguous … there is little evidence that trade liberalization is correlated with economic growth, poverty reduction, or economic development. Whilst no country has developed successfully by turning its back on international trade, none has developed by simply liberalizing its trade. The critical balance lies in each country adopting its own trade and investment policies and strategies, in line with its development needs … [A]nalysis of trade, economic growth and poverty reduction needs to go beyond trade liberalization to include *inter alia*: the relationships between trade and inequality, trade and employment, bargaining power in global production chains and the distribution of gains from trade, the effects of trends in, and variability of terms of trade on poverty, the effects of primary commodity dependence, and the relationship between export and import instability and vulnerability."

Again the evidence in favour of the flexibility of individual countries to determine their own development needs is clear.

This brings us to the fourth issue of concern and one which is also related to the issue of flexibility. This is that the EC has attempted to include what are known as the "Singapore Issues" on the agenda within the negotiations on EPAs. These relate to investment, competition, government procurement and services, and the EC's position is that these should also be subject to negotiation within EPAs apparently "in order to achieve ACP development objectives" (Griffith & Powell 2007: 8). ACP countries, by contrast, have generally indicated that they do not wish these issues to be part of EPAs negotiations and, apart from services, these issues remain outside the ambit of the WTO. Within the Cotonou Agreement there is only an agreement to discuss co-operation not to agree binding rules (*ibid.*: 8-9). Again, there seems to be a lack of flexibility here on the EC's part, and an unwillingness to allow ACP countries the flexibility to negotiate on these issues at their choice and speed. This is exactly the concern of the U.K.'s International Development Committee which has expressed its

view that the EU is abusing its position on this issue (IDC 2007: 14), and DFID in the U.K. is similarly concerned.[12]

The fifth and final issue is to do with aid. Given that there are, as already noted above, a series of supply side constraints such as poor infrastructure, weak production capacity and low levels of human resources (Powell 2007: 4) that need to be addressed in any case to enable development in ACP countries, together with the adjustment costs that EPAs themselves would entail, aid has always been a part of the negotiations (Griffiths & Powell 2007: 19). The core funding for supply side issues comes from the European Development Fund (EDF) but there is evidence that the tenth EDF, from which such funds would come, is both under-funded and will suffer a delayed start in 2010 leaving a two year gap between it and the ninth EDF (Powell 2007: 45). The EU has also promised further aid targeted specifically as "aid for trade", planned to reach €2 billion by 2010.[13] However, the issue of contention has been the extent to which such aid is being made conditional on signing EPAs. Not surprisingly, the two sides differ – DFID is explicit in stating that the EC's position is that "aid for trade is not conditional on EPAs",[14] while those reporting the ACP position are equally unequivocal in stating that, "aid is clearly being offered on condition of commitments made in EPAs" (Powell 2007: 45).

Whatever the rights and wrongs of this particular issue, there remains the fact that negotiations over EPAs have become highly contentious and politicised. The effects on regional integration, the need for reform in institutional frameworks, the estimated direct trade and fiscal effects of EPAs, together with the introduction or otherwise of the Singapore issues and the amount and conditionality of aid, all make for a complex situation where any assessments of fairness or unfairness are clearly not straightforward. However, NGOs have traditionally seen their role as cutting through the complexities and running campaigns to highlight what they perceive to be gross injustices. Before turning to issues of fairness, a brief look at the campaign against EPAs is worthwhile.

The "Stop EPAs" campaign

Once negotiations on EPAs had begun in September 2002 African organisations became concerned at the potential effects of these new agreements and contacted European charities to help. In 2004, after two years of detailed analysis, the "Stop EPAs" campaign was born (Traidcraft 2008). Since then an orchestrated campaign involving many organisations linked to the Trade Justice Movement (TJM),[15] has attempted at the very least to ensure that 'fair' EPAs were negotiated or that alternatives such as EBAs and GSP+ were introduced to allow more time for the negotiations over EPAs themselves. It is not clear that the campaign ever had the objective or thought that it might actually "stop EPAs" from occurring, but in the nature of NGOs and campaigning a snappy title is more important than accuracy. Similarly, the content of some of the campaigning material expresses the enormous complexity of the issue in rather more bite-sized language. A briefing for U.K. MP's by the TJM issued in September 2007, for example, stated that "If [EPAs] are not changed dramatically in the next

---

[12] See www.dfid.gov.uk/aboutdfid/organisation/economic-partnership-agreements-myths.asp, accessed 12/12/08.
[13] See http://europa.eu/scadplus/leg/en/lvb/r13002.htm, accessed 12/12/08.
[14] See www.dfid.gov.uk/aboutdfid/organisation/economic-partnership-agreements-myths.asp, accessed 12/12/08.
[15] See http://www.tjm.org.uk, accessed 12/12/08.

few months, they will threaten the futures of up to 750 million people" – quite what "threaten the futures" means in practice is far from clear.

This is not to say that the campaign has not had the intellectual weight behind it that such campaigns deserve – two extensive reports (Griffiths & Powell 2007, Powell 2007) have already been cited from above. One of these reports had as its focus not so much the content of the EPA negotiations but the manner in which they have been conducted – an approach that is described as "undermining partnership" (Griffiths & Powell 2007: 13). The claim is that in the dismissive approach to ACP proposals, the disregard for ACP institutions and processes, the forcing of negotiation on the Singapore issues, the manipulation of the prospect of aid, the threat of loss of market access, the refusal to consider alternatives, the exclusion of dissenting voices and the imposition of deadlines before development, the EC's conduct has been far from exemplary. This is an interesting and unusual 'process' report which ends by placing the onus on EU states "to rein in the [European] Commission and insist upon a fundamentally different approach, based on non-reciprocity" (*ibid.*: 31). The issue of process is one that we will return to below.

EPAs – the current situation

The situation with regard to which EPAs had been signed was, of course, changing rapidly as the 31st December 2007 deadline came and passed. The position as of the date of writing in December 2008 (one year after the supposed deadline), is shown in Appendix 2 where it may be seen that 35 countries in total out of 76 (46%) have signed EPAs. Of these, however, only 9 out of 39 (23%) are LDCs, whereas 26 out of 37 (70%) non-LDCs have signed. Given the option for LDCs to use EBA, making essentially no difference to their previous position under the Cotonou Agreement, it is not surprising that many have opted not to sign. Equally predictable is the number of non-LDCs which have signed given that their alternative GSP+ gives less favourable access to the EU market and would thus lead to a decline in their export earnings. In terms of regional groupings, only the Caribbean has signed in its entirety, but given the presence of only one LDC (Haiti) in a group of 15 countries this is equally not surprising.

As noted in Appendix 2, the regional groupings that have signed EPAs are slightly different from the original groupings with which the EC was negotiating. Thus, seven EPAs have been signed in total.[16] Of these, only one – the Caribbean EPA – is considered to be a full or comprehensive EPA by the EC. The Caribbean EPA includes not just provisions for trade in goods, which were, of course, essential to comply with WTO rules, but services, investment, competition and public procurement aspects – in other words the contentious "Singapore" issues. The remaining six EPAs are regarded as "interim" in that they focus on goods only, but mostly include clauses to allow negotiations to continue on these other areas.[17] These

---

[16] The seven are: West Africa (Ghana, Ivory Coast); Central African Economic and Monetary Community (Cameroon); East African Community (Burundi, Kenya, Rwanda, Tanzania and Uganda); East and Southern Africa (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe); Southern African Development Community (Botswana, Lesotho, Mozambique, Namibia and Swaziland); Caribbean (all countries – see Appendix 1); Pacific (Fiji and Papua New Guinea), www.dfid.gov.uk/aboutdfid/organisation/epas-progress-update.asp, accessed 12/12/08.

[17] See www.dfid.gov.uk/aboutdfid/organisation/epas-progress-update.asp, accessed 12/12/08. An alternative web-site for regular up-dates can be found at www.acp-eu-trade.org. See also http://ec.europa.eu/trade/issues/bilateral/regions/acp/regneg_en.htm.

Interim EPAs (IEPAs) have only been initialled rather than signed – an important difference since although the negotiations have come to a conclusion there is still a formal ratification process to be undertaken.

In a recent assessment of the legal texts of the EPAs that have been signed or initialled (Oxfam 2008), it is claimed that these are not development friendly. While the actual impact on those countries which have not signed EPAs at present has been small (*ibid*.: 8), the projected effects of EPAs themselves are generally felt to be against the interests of ACP countries. The liberalisation of goods is higher than Europe originally proposed, at between 67% and 83% of trade, although the timescales vary between 0 and 25 years (*ibid*.: 14). Regional disintegration is predicted (*ibid*.: 17), and ACP countries will be left worse off financially with a need for significant aid to upgrade basic infrastructure (*ibid*.: 19). The conclusion is that the initialled EPA deals "fail the 'development test'. Far from restructuring economic relationships to stimulate development, they risk locking ACP countries into current patterns of inequality and marginalisation, and further bias the multilateral trading system against the interests of developing countries" (*ibid*.: 34). While much of this is familiar from the earlier discussions, it is of note that Oxfam calls for "renegotiation of any aspect of the initialled EPAs … to reduce the deals to the minimum needed for WTO compliance" (*ibid*.: 38). Despite the 31st December 2007 deadline, the initialling process seems to have bought time with the WTO, and may now allow the opportunity for further negotiations.

Assessing fairness in international trade

As noted at the outset, the inherent complexity of the situation described above rules out any simplistic application of fairness principles. So, we begin by looking at fairness principles themselves to see what light might be shed by such a review, before turning to their application. And while fairness has, of course, been the subject of much philosophical debate in general, it has also been the subject of discussion specifically in relation to international trade (Brown & Stern 2007, Davidson et al. 2006, de Jasay 2006, Franck 1995, Maseland & de Vaal 2002; 2003, Narliker 2006, Ochieng 2007, Suranovic 2000). Much of this originates in the economics literature, from which three points are worth noting immediately. The first is that economists frequently "dismiss notions of rights, justice and fairness as, at best, muddled, and more likely welfare worsening" and that the most characteristic normative method adopted by economists is "straightforward individualistic utilitarian consequentialism" (Davidson *et al*. 2006: 989). This 'free market' position, of course, lends strong support to trade liberalisation and opposes protectionism in all its forms. And protectionism is the second point worthy of note, for 'fair trade' is often contrasted with 'free trade' to denote protectionism which seeks to mitigate the effects of international competitors on domestic industries (see, for example, Bhagwati 1995, Maseland & de Vaal 2002, Howse & Trebilcock 1996). This understanding of fair trade gives rise to the view that fair traders are "charlatans (protectionists masquerading as moralists)" (Howse & Trebilcock 1996: 61).

However, while we can dismiss this particular use of the term fairness, it is clear that issues of fairness do play "a non-trivial role in the politics of trade policy" (Davidson *et al*. 2006: 990) so that questions such as, "Is it fair for all countries to be held to the same set of standards when these countries are at different levels of economic development?", or "What

are fair responses to the imminent changes in world trading patterns?" (Suranovic 2000: 283), or of direct relevance to this chapter, "Are EPAs fair?", are entirely legitimate. And the third point to note stems from this. As Franck (1995) has observed, for any discourse on fairness to take place, two preconditions must exist. The first is moderate scarcity: "Discussion about fairness … is most likely to be productive when the allocation of rights and duties occurs in circumstances which make allocation both necessary and possible. This circumstance … John Rawls has aptly called a condition of 'moderate scarcity'" (*ibid*.: 9). The second precondition is community: "It is only in community that the bedrock of shared values and developed principles necessary to any assessment of fairness is found" (*ibid*.: 10). And in Franck's view "we are witnessing the dawn of a new era, defined both by moderate scarcity and by an emerging sense of global community" (*ibid*.: 11). In other words, the preconditions are now met and the time is right for substantive discussion about fairness in international trade.

With this as background, we can turn to fairness principles themselves. And we find, not surprisingly, that these divide into the conventional distinction between procedural and distributive fairness – although 'justice' is often used instead of fairness, a point to which we will return. That fairness has two dimensions – the process by which outcomes are derived and the outcomes themselves – is, of course, a common-place, but it is worth exploring some of the nuances that emerge within this distinction.

On the procedural side, Suranovic (2000), amongst the seven fairness principles that he derives,[18] gives four that relate to procedural fairness. These are non-discrimination fairness (where, if one group is allowed to take some action, then all other groups deemed to be equal should be similarly allowed – *ibid*.: 288); Golden Rule fairness (based on Kant's categorical imperative, where an agent should take some action which has an effect on another only if that agent is willing to have another agent take a comparable action with the identical effect on himself – *ibid*.: 291); and positive and negative reciprocity fairness (where agents exchange either positive 'you scratch my back and I'll scratch yours', or negative 'tit for tat' actions – *ibid*.: 295, 299). Brown & Stern (2007: 299-302) also discuss reciprocity noting that, understood as "rough equivalence", it remains an important criterion for negotiations in international trade.

Maseland & de Vaal (2002) make a distinction of fairness along deontological versus consequentialist grounds, the latter of which we will return to under distributive fairness, but the former of which is worth noting now. Essentially it is to do with the "conditions under which trade, and the production of traded goods, should minimally take place" (*ibid*.: 254). In a later paper they refer to this as "principle" fairness (Maseland & de Vaal 2003) and identify it as being trade conducted in compliance with designated basic prohibitions such as the absence of child labour or environmentally harmful production methods. They note that, while free trade can lead to the absence of such conditions, for instance because it raises incomes, it lacks a self-regulating mechanism to ensure such conditions are met. It therefore seems appropriate to categorise it here, under procedural fairness, because of the procedural requirements to enforce such compliance and because the overall outcome that follows may not necessarily be efficient – a distributive matter.

Legitimacy fairness is another way of describing procedural fairness (Franck 1995: 7-8, Narlikar 2006: 1007-8), a point that Elsig (2007: 81) using the term "input legitimacy" makes

[18] Suranovic (2000) divides these seven into two categories: equality fairness and reciprocity fairness. I will cover six of the seven here, the seventh being privacy fairness – "an agent should be free to take any action which has effects only on himself" (*ibid*.: 301)

in relation to the WTO, and to which we will also return. Meanwhile, Brown & Stern refer to "equality of opportunity" as a procedural issue noting, however, that they do not advance it as a high moral principle but merely an "instrumental criterion to be valued for its consequences, namely that it facilitates the reaching of inter-governmental agreements that protect and enhance the mutually advantageous trading system" (2007: 295). This relationship between the two forms of fairness is also something to which we will need to return.

On the distributive side many of the authors already cited note the importance of outcomes for fairness assessments (Brown & Stern 2007, Maseland & de Vaal 2002; 2003, Narlikar 2006, Ochieng 2007, Suranovic 2000) and it is in relation to this discussion that economists refer to the concepts of welfare efficiency and Pareto optimality:

> "For many economists – borrowing from welfare theory – a practically acceptable criterion of fairness would be that the trade negotiations result in a more efficient global economy. Greater efficiency is defined as a movement towards Pareto optimality and, in the context of international trade, such a state would be reached when no country can be made better off without some other country being made worse off" (Brown & Stern 2007: 296).

An alternative expression of this is to refer to "maximum benefit fairness" (Suranovic 2000: 302-4), in which the utilitarian rhetorical device of "the greatest good for the greatest number" is, in effect, applied irrespective of the consequences for affected minorities.

However, another distributional principle that is included in the literature is perhaps best termed "poverty alleviation fairness" (Maseland & de Vaal 2003) and is one in which "beneficial consequences for the poorest groups in the world" (Maseland & de Vaal 2002: 256) are to be taken into account. As Maseland & de Vaal note, this concept draws on Rawlsian thinking and attempts to combine Pareto optimality with the idea that "the only inequality a rational individual would accept is the minimum inequality necessary to improve the situation of the least well off in society" (*ibid*.: 256). Franck refers to this as the 'maximin' principle (1995: 18-19) and notes that it is a neo-egalitarian principle of distributive fairness. In relation to the fairness of EPAs this will clearly be an important concept, but is also one that acknowledges the "unequal starting positions" (Maseland & de Vaal 2003) of different countries. While a Nozickian approach would ignore such inequalities, it would seem to be very much to the point that they be included in any consideration of the fairness of international trade. This is not to argue for a socialist redistribution of input factors (even were that to be possible), but for negative consequences of inequalities to be at least taken into account (see Maseland & de Vaal 2002: 255-6).

An attempt at resolving the terminological issue that we noted above between fairness and justice is made by de Jasay (2006). He argues, in effect, that justice refers to procedural issues, while fairness refers to outcomes. On this basis (one that is by no means universal) he is able to argue that trade made fair by regulation violates freedom of contract and as such is an injustice (*ibid*.: 175-6). In other words, fair is not, or is not necessarily, just (and *vice-versa*). While we do not particularly need to follow the terminology here, the point is important – that procedural and distributive fairness do not necessarily follow one another with one leading automatically to the other, but are different aspects of fairness which may not coincide (Franck 1995: 22). Franck makes the further point that they may not even pull in

the same direction, since distributive fairness is likely to lead to change, whereas procedural fairness tends towards stability (*ibid*.: 7).

However, it is often the case that both forms of fairness are needed if true fairness is to result – Elsig (2007), for example, refers to the need to balance what he calls input and output legitimacy in the WTO. Stiglitz & Charlton's set of principles (cited in Brown & Stern 2007: 312-3), in relation to the Doha Development round of the WTO, provide a further example. It is clear that the first two are to do with distributive fairness while the last two are procedural in nature:

1. Any agreement should be assessed in terms of its impact on development; items with a negative effect on development should not be on the agenda;
2. Any agreement should be fair (i.e. that the outcome should provide a larger share of aggregate benefits to the poorer countries);
3. Any agreement should be fairly arrived at;
4. Any agreement should be limited in scope (i.e. preventing unwarranted intrusions into national sovereignty).

While this completes a brief summary of fairness principles as covered in the relevant literature, there is one further and important area that we need to consider before we turn to an assessment of the fairness of EPAs. In some ways this takes us back to one of the two preconditions that Franck identified – that it is "only in community that the bedrock of shared values and developed principles necessary to any assessment of fairness is found" (Franck 1995: 10). The question that this raises is really an Aristotelian one, and so differs from the Enlightenment concepts of fairness discussed so far, and over which perhaps limited agreement can be reached.

The Aristotelian question is always to do with what makes for the flourishing of life as a whole both individually and in community. It therefore asks questions of purpose and relationship and is, in that sense, essentially *teleological*. Modern work on virtue ethics, as it is known (MacIntyre 2007), and as applied at the level of business organisations rather than trade *per se* (Moore & Beadle 2006, Moore 2009) focuses on such a teleological approach and encourages the pursuit of excellence rather than the "levelling tendency" that deontological ethics has been charged with (Koehn 1995: 537). In terms of something essentially practical like the negotiation of EPAs this will encourage us to ask what the purpose of such agreements are, how they support and benefit community both within developing countries and between developing and developed countries, and what excellence means in this context. It is probably apparent that questions such as these take us beyond the conventional approaches to ethics via the fairness discourse, but also that they have something in common with the teleological approach to interpretation of WTO laws taken by ACP countries, as noted above.

An assessment of the fairness of EPAs

From all that has been said above, it will come as no surprise that the fairness assessments that can be made are somewhat tentative. But the reasons for such tentativeness will be become clearer as we proceed, so we begin by considering issues of procedural fairness. The most extensive consideration of this is given in Griffith & Powell (2007), covered above in the "Stop EPAs" section. In "undermining partnership" through the eight procedural issues

that were identified, in all of which the EC was regarded as being at fault, procedural fairness seems to have been compromised by the EC. That, at first sight, might seem a straightforward and incontrovertible judgment.

However, in considering WTO negotiations in general (of which EPAs can be viewed in this context as a separate but inter-related part), the situation becomes less clear-cut. Narlikar (2006: 1009) argues that the WTO has, in general, paid limited homage to the fairness discourse but "particularly its distributive justice component". In other words, the WTO, where it has included fairness considerations, has focused on procedural fairness, and has done so partly because any notion of *redistributive* justice through global trade has sat uneasily with "more liberal trade principles" and "with the national interests of already institutionalised countries" (Ochieng 2007: 389). Narlikar reinforces this point: "even if provisions in the WTO on distributional fairness are few, … its dedication to fair process, order and legitimacy is borne out in its rules of non-discrimination and reciprocity" (2006: 1009). The concerns of the EC in ensuring that EPAs were WTO-compatible, and awareness of the procedural unfairness associated with the fact that such non-reciprocal agreements discriminated against non-ACP states, are further evidence of this approach.

Ochieng notes that even by the early 1990s "developing countries had been forced to change tack, toning down on the notion of *fairness of outcomes* and moving towards accommodating the *fairness of process* concept (even whilst complaining that WTO processes were not fair to them)" (Ochieng 2007: 389, emphasis in original). It seems, therefore, that developing countries might have been better prepared for negotiating on EPAs, having accepted that this would be the focus of the EC in such negotiations. Being better prepared might have helped the ACP countries to negotiate more forcefully and within the reasonable time periods laid down in the Cotonou Agreement.

Accepting that ACP countries might have expected the EC to focus on procedural issues does not, however, mean that they would or should have abandoned their interest in distributive fairness. Narlikar (2006: 1028), indeed, suggests that developing countries generally have had some success in maintaining a focus on distributive fairness and that this may lead to the reintroduction of the fairness-as-equity discourse into the WTO, with the Doha *Development* Agenda as an indicator of this. Elsig, however, recognises the link between the two forms of fairness arguing that "the input side should not be neglected as the belief in fair processes potentially increases the rate of compliance with negotiated treaties, thus increasing output legitimacy" (2007: 89).

However, allowing for the continuing asymmetries in the WTO and the continuing complaints of the developing countries over equity of process (Narlikar 2006: 1024-5), and therefore their likely extension into negotiations over EPAs, it seems probable that procedural fairness has been compromised during the process. The attempt (and success with the Caribbean grouping) to bring the Singapore issues onto the agenda, and the attempt to introduce conditionality on aid strengthens the suspicion that EPAs have not been fairly negotiated.

What, then, of distributive fairness? While, of course, the judgment in this case has to be tentative until actual outcomes are known, the evidence cited above in relation to the likely negative impact on regional integration especially in Africa; on the timing of the introduction of EPAs in relation to the poor institutional quality which is likely to mean, again, that African countries are not in a position to benefit from trade liberalisation; and the more

general trade and fiscal effects, all suggest that the distributive outcomes will not benefit ACP countries.

The counter argument to this, however, is the potential distributive unfairness that non-ACP, non-LDC countries have been experiencing (following the procedural unfairness noted above) – and hence the reason that they have been watching the EPA negotiations "like hawks" (Mandelson 2007, cited above) and might mount a legal challenge under Article XXIV. The EU countries, and on their behalf the EC, have, they would argue, been negotiating on EPAs in order to ensure that a WTO-compatible legal basis on which continuing preferential treatment of ACP countries could be provided. It is not their fault, they can argue, that the WTO requires reciprocity on substantially all trade within a reasonable period. In addition, the extended time periods (at least 10 years and possibly up to 25 – see above) allowable within EPAs for SAT to be realised would, the EU states might well argue, give both sufficient time and incentive to resolve the institutional development and other issues.

That it is in both the developing and developed countries' interests ultimately to make significant progress on trade liberalisation is something both sides can probably agree on. That EPAs are necessary in this is something developing countries, with the exception of the Caribbean grouping, are clearly more reluctant to agree on. That EPAs are likely to lead to appropriate and substantive development, and therefore to distributive fairness, is something that the two sides are, again with the possible exception of the Caribbean grouping, at odds over and only time will tell which side is right.

Within this debate, however, the issues of community and purpose, the Aristotelian questions, seem rarely to get asked, with sides being taken and personal advantage being sought. This takes us back to the different interpretations of WTO laws discussed in the background section above. Here, it would seem that the ACP's teleological approach is the more appropriate. The ACP states see the WTO as developmentally oriented while the EC and other developed countries see it as solely a trade organisation. Although not explicit, it could be argued that the ACP countries see the "dawn of a new era" characterised by "an emerging sense of global community" (Franck 1995: 11, cited above), and would argue for notions of excellence in international trade to emerge. Such excellence might well include the flexibility necessary to recognise the different starting positions and speed of development that developing countries in general, and LDCs in particular, are capable of, and to design processes that would allow such flexibility – a key point of concern noted on a number of occasions above. To achieve this flexibility, while still enabling regional integration, is obviously no simple task, but one that excellent trade negotiations and outcomes ought to seek.

Perhaps, a more genuine attempt by the EC to take a developing country perspective, to seek to realise the purpose of EPAs and the Doha Development Round more generally as to do with sustainable development as we try to learn to live together on one earth, and to effect that through more community-minded initiatives that extend, if necessary, to other non-ACP countries, might have led not only to a process that was more acceptable to ACP countries but one in which the outcomes are more likely to be developmentally good. The opportunity for further negotiations may yet lead to such an outcome.

Conclusion

I indicated at the outset that the conclusions that could be drawn would necessarily be somewhat tentative. It is difficult to be conclusive in such a fast-moving and complex area. However, while the evidence is generally against the EC and, behind it, the EU states, it does seem that both 'sides' may have lessons to learn from EPAs over both the process of negotiating and the outcomes that are sought, even though the actual outcomes may in some cases be many years away from being realised. The existing conceptualisations of fairness, based on Enlightenment principles, provide a basic mechanism by which such fairness claims can be examined, but they do not take sufficient account of the purposive and community aspects of international trade negotiations. Perhaps here, as EPAs continue to be negotiated and these agreements are implemented, there is a chance for something developmentally beneficial to emerge. This will require the EC to focus more on distributive fairness, and accept the changes that will necessarily accompany this, rather than rely upon the stability that arises from procedural fairness considerations.

Within this, there is a potential knock-on effect on the WTO itself. As Ochieng concludes, "development-oriented EPAs will require not only innovations in their design and scope but also innovative interpretation of existing WTO rules or innovations to some of the existing WTO rules, most notably, Article XXIV and a wide array of other SDT provisions" (2007: 395). Hence, one of the benefits of EPAs may be to challenge the WTO and the EU's conservative interpretation of its purpose, and lead to international trade that is, indeed, not just procedurally fair in its negotiation and distributively fair in its implementation, but also genuinely develops the global community.

Appendix 1

ACP Countries by regional groupings

	ECOWAS	CEMAC	ESA	SADC	Caribbean	Pacific
1	*Benin*	Cameroon	*Burundi*	*Angola*	Antigua & Barbuda	Cook Is.
2	*Burkina Faso*	*Central African Republic*	*Comoros*	Botswana	Bahamas	Fed. Micron.
3	*Cape Verde*	*Chad*	*Djibouti*	*Lesotho*	Barbados	Fiji
4	*Gambia*	Congo (Brazzaville)	*Eritrea*	*Mozambique*	Belize	*Kiribati*
5	Ghana	*Congo (Dem. Rep.-Kinshasa)*	*Ethiopia*	Namibia	Dominica	Marshall Is.
6	*Guinea*	*Equatorial Guinea*	Kenya	Swaziland	Dominican Rep.	Nauru
7	*Guinea-Bissau*	Gabon	*Malawi*	*Tanzania*	Grenada	Niue
8	Ivory Coast	*Sao Tome & Principe*	Mauritius	South Africa	Guyana	Palau
9	*Liberia*		*Madagascar*		*Haiti*	Papua New Guinea
10	*Mali*		*Rwanda*		Jamaica	*Samoa*
11	*Mauritania*		Seychelles		St. Kitts & Nevis	*Solomon Is.*
12	*Niger*		*Sudan*		St Lucia	Tonga
13	Nigeria		*Uganda*		St Vincent & the Grenadines	*Tuvalu*
14	*Senegal*		*Zambia*		Surinam	*Vanuatu*
15	*Sierra Leone*		Zimbabwe		Trinidad & Tobago	
16	*Togo*					
No. LDCs	13	5	11	4	1	5

Note: Countries in italics are Least Developed Countries (LDCs) – 39 out of a total of 76.

Sources: http://ec.europa.eu/trade/issues/bilateral/regions/acp/plcg_en.htm, accessed 12/12/08 www.dfid.gov.uk/aboutdfid/organisation/epas-progress-update.asp, accessed 12/12/08, and Lang 2006: 36-38.

Key

ECOWAS Economic Community of West African States

CEMAC Economic and Monetary Community of Central Africa

ESA Eastern and Southern Africa

SADC	Southern African Development Community

Appendix 2

Signatories to Economic Partnership Agreements

	ECOWAS	CEMAC	ESA	SADC	Caribbean	Pacific
1	Ghana	Cameroon	*Burundi*	Botswana	Antigua & Barbuda	Fiji
2	Ivory Coast		*Comoros*	*Lesotho*	Bahamas	Papua New Guinea
3			Kenya	*Mozambique*	Barbados	
4			Mauritius	Namibia	Belize	
5			*Madagascar*	Swaziland	Dominica	
6			*Rwanda*	*Tanzania*	Dominican Rep.	
7			Seychelles		Grenada	
8			*Uganda*		Guyana	
9			Zimbabwe		*Haiti*	
10					Jamaica	
11					St Kitts & Nevis	
12					St Lucia	
13					St Vincent & the Grenadines	
14					Surinam	
15					Trinidad & Tobago	
16						
No. LDCs	0	0	5	3	1	0

Note: Countries in italics are Least Developed Countries (LDCs). Only 9 from a possible 39 LDCs have signed EPAs; for non-LDCs the number is 26 from 37.

Source: http://ec.europa.eu/trade/issues/bilateral/regions/acp/regneg_en.htm, accessed 12/12/08. The web-site gives slightly different groupings from those shown in Appendix 1. For ease of comparison, the same groupings are maintained.
.

References

Anderson, K. & D. van der Mensbrugghe (2007). Effects of multilateral and preferential trade policy reform in Africa: the case of Uganda. *Journal of International Trade & Economic Development*, 16(4), 529-550.

Bhagwati, J. (1995). Trade liberalisation and 'Fair Trade' demands: addressing the environmental and labour standards issues. *World Economy*, 18(6), 745-759.

Borrmann, A. & M. Busse 2007. The institutional challenge of the ACP / EU Economic Partnership Agreements. *Development Policy Review*, 25(4), 403-416.

Brown, A.G. & R.M. Stern 2007. Concepts of Fairness in the Global Trading System. *Pacific Economic Review*, 12(3), 293-318.

Bunting, M. 2007. The EU is bullying the world's poor to rush into a dubious deal on trade. The Guardian, 19/11/07.

Busse, M. & H. Grossmann 2007. The trade and fiscal impact of EU / ACP Economic Partnership Agreements on West African countries. *Journal of Development Studies*, 43(5), 787-811.

Cobham, A. & S. Powell 2007. The EU is trying to trick developing countries into poor trade deals. The Guardian, 8/11/07.

Davidson, C., S. Matusz & D. Nelson 2006. Fairness and the political economy of trade. W*orld Economy*, 29(8), 989-1004.

De Jasay, A. 2006. When fair is not just and just is not fair. *The Independent Review*, 11(2), 165-176.

Elsig, M. 2007. The World Trade Organization's legitimacy crisis: what does the beast look like? *Journal of World Trade*, 41(1), 75-98.

Franck, T. 1995. *Fairness in International Law and Institutions*. Oxford: Clarendon Press.

Griffith, M. & S. Powell 2007. *Partnership under pressure. An assessment of the European Commission's conduct in the EPA negotiations*. London: ActionAid, CAFOD, Christian Aid, Tearfund, Traidcraft Exchange.

Howse, R. & M. Trebilcock 1996. The Fair Trade – Free Trade debate: trade, labour and the environment. *International Review of Law and Economics*, 16(1), 61-79.

IDC 2007. EU Development and Trade Policies: an update, International Development Committee, London: House of Commons.

Koehn, D. 1995. A role for virtue ethics in the analysis of business practice. *Business Ethics Quarterly*, 5(3), 533-539.

Lang, R. 2006. Renegotiating GATT Article XXIV – a priority for African countries engaged in North-South trade agreements, Work in Progress No. 33, Africa Trade Policy Centre, Economic Commission for Africa.

MacIntyre, A. 2007 [1981]. *After Virtue*, 3rd ed. London: Duckworth.

Mandelson, P. 2007. Comments by Peter Mandelson to the European Parliament Development Committee on EPAs, Doha trade talks, Brussels, 5 November, http://ec.europa.eu/commission_barroso/mandelson/speeches_articles/sppm177_en.htm, accessed 12/12/08.

Maseland, R. & A. de Vaal 2002. How fair is Fair Trade? *De Economist*, 150, 251-272.

Maseland, R. & A. de Vaal 2003. Fairness in International Trade. Paper presented at the International Conference "Managing on the Edge" , Nijmegen, University of Nijmegen.

Moore, G.: 2009, 'Virtue ethics and business organizations'. In J. Smith (ed.) *Normative Theory and Business*. Lanham MD: Rowman and Littlefield.

Moore, G. & R. Beadle 2006. In search of organizational virtue in business: agents, goods, practices, institutions and environments. *Organization Studies* 27(3), 369-389.

Narlikar, A. 2006. Fairness in international trade negotiations: developing countries in the GATT and WTO. *World Economy*, 29(8), 1005-1029.

Ochieng, C. 2007. The EU-ACP Economic Partnership Agreements and the 'Development Question': constraints and opportunities posed by Article XXIV and Special and Differential Treatment provisions of the WTO. *Journal of International Economic Law*, 10(2), 363-395.

Oxfam 2008. Partnership or Power Play? How Europe should bring development into its trade deals with African, Caribbean and Pacific countries. Oxford: Oxfam International.

Powell, S. 2007. *Economic Partnership Agreements: building or shattering African regional integration?* London: EcoNews Africa, Seatini, Traidcraft Exchange.

Ross, W. 2007. Africans wary of Europe's trade offer, BBC News, 8/12/07, http://news.bbc.co.uk/1/hi/world/africa/7134407.stm, accessed 10/12/07.

Stevens, C. 2006. The EU, Africa and Economic Partnership Agreements: unintended consequences of policy leverage. *Journal of Modern African Studies*, 44(3), 441-458.

Suranovic, S. M. 2000. A positive analysis of fairness with applications to international trade. *World Economy*, 23(3), 283-307.

Traidcraft 2008. Economic Partnership Agreements; the fight for trade justice goes on. The Magazine, Spring 2008, Traidcraft: Gateshead, 10-11.