

PREAMBLE

HAVING regard to the Partnership Agreement between the Members of the Group of African, Caribbean and Pacific States, of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000 and revised in Luxembourg on 25 June 2005, hereinafter 'the Cotonou Agreement';

CONVINCED that the Economic Partnership Agreement (EPA) will create a new and more favourable climate for their relations in the areas of economic governance, trade and investments and create new opportunities for growth and development;

WHEREAS the liberalisation of trade, of establishment and of trade in services between the Parties must be based on the regional integration of the Central African States, have the objective of fostering their smooth and gradual integration into the global economy, with due regard for their political choices and their development priorities, and fulfil the conditions laid down in the World Trade Organisation (WTO) agreements;

WHEREAS the Parties shall not encourage foreign direct investment by making their domestic environmental, labour or occupational health and safety legislation and regulations less stringent or by relaxing their domestic labour legislation and regulations or regulations designed to protect and promote cultural diversity. The Parties therefore reaffirm their commitment to comply with these domestic laws or regulations or to propose to do so in order to encourage the establishment, acquisition, expansion or retention in their territory of an investment or of an investor,

HAVE DECIDED AS FOLLOWS:

TITLE I

OBJECTIVES

*Article 1***Interim Agreement**

This Agreement establishes an initial framework for an Economic Partnership Agreement (EPA).

By 'initial framework', the Parties mean an Interim Agreement comprising, on the one hand, actual and enforceable commitments according to the provisions of this Agreement and, on the other hand, negotiations on incorporating additional elements in order to arrive at a full EPA in accordance with the Cotonou Agreement.

*Article 2***General objectives and scope**

The general objectives of this Agreement are to:

- (a) contribute to the reduction and eventual eradication of poverty by establishing a trade partnership consistent with the objective of sustainable development, the Millennium Development Goals and the Cotonou Agreement;
- (b) promote a regional economy in Central Africa that is more competitive and diversified, and stronger growth;
- (c) foster regional integration, economic cooperation and good governance in the Central African region;

- (d) promote the gradual integration of the Central Africa Party into the global economy, in accordance with its political choices and its development priorities;

- (e) improve the capacities of the Central Africa Party in terms of trade policy and trade-related issues;

- (f) establish and implement an effective, predictable and transparent regulatory framework for trade and investment in the Central African region, thus supporting the conditions for increasing investment and private-sector initiatives, and enhance capacity for the supply of products and services, competitiveness and economic growth in the region;

- (g) strengthen existing relations between the Parties on the basis of solidarity and mutual interest. To this end, in line with the WTO obligations, the Agreement will enhance commercial and economic relations, support a new trading dynamic between the Parties by means of the progressive, asymmetrical liberalisation of trade between them and reinforce, broaden and deepen cooperation in all areas relevant to trade;

- (h) promote private-sector development and employment growth.

*Article 3***Specific objectives**

In accordance with Articles 34 and 35 of the Cotonou Agreement, the specific objectives of this Agreement are to:

- (a) establish a basis for the negotiation of an EPA which will help reduce poverty, promote regional integration, economic cooperation and good governance in Central Africa and increase Central Africa's production, export and supply

capacities, as well as its ability to attract foreign investment and its capacities in terms of trade policy and trade-related issues;

- (b) foster the smooth and gradual integration of Central Africa into the global economy, in accordance with its political choices and its development priorities;
- (c) strengthen existing relations between the Parties on the basis of solidarity and mutual interest;
- (d) create an Agreement that is compatible with the rules of the WTO;
- (e) establish a basis for negotiating and implementing an effective, predictable and transparent regulatory framework for trade, investment, competition, intellectual property, public procurement and sustainable development in the Central African region, thus supporting the conditions for increasing investment and private-sector initiatives, and enhance capacity for the supply of goods and services, competitiveness and economic growth in the region;
- (f) provide a roadmap for negotiations on the areas referred to in paragraph (e) for which it was not possible to complete negotiations in 2007.

TITLE II

PARTNERSHIP FOR DEVELOPMENT

Article 4

Framework for capacity building in Central Africa

The Parties affirm their commitment to promote capacity building and economic modernisation in Central Africa using the various instruments at their disposal, for example by setting up an economic and institutional framework at national and regional levels that is conducive to growth in economic activity in Central Africa, by means of trade policy instruments and development cooperation instruments as set out in Article 7.

Article 5

Priority areas for capacity building and modernisation

1. The Central African Party, in partnership with the EC Party and by means of the cooperation instruments set out in Article 7, shall promote a quantitative and qualitative increase in the goods and services produced and exported by the Central African region, particularly in the following areas:

- (a) Development of basic regional infrastructure
 - Transport
 - Energy
 - Telecommunications

- (b) Agriculture and food safety
 - Agricultural production
 - Agro-industry
 - Fisheries
 - Stock farming
 - Aquaculture and fish stocks
- (c) Industry, diversification and competitiveness of economies
 - Modernisation of businesses
 - Industry
 - Standards and certification (sanitary and phytosanitary (SPS) measures, quality, zootechnical standards, etc.)
- (d) Strengthening of regional integration
 - Development of the regional common market
 - Taxation and customs
- (e) Improvement of the business environment
 - Harmonisation of national trade policies

2. In implementing this partnership, the Parties shall refer to the joint guidance document in Annex I to this Agreement.

3. In the implementation of this Agreement, the Parties affirm their commitment to promote the modernisation of the productive sectors in Central Africa affected by this Agreement, by means of the cooperation instruments set out in Article 7.

Article 6

Business environment

The Parties consider that the business environment is an essential vehicle for economic development, and that the provisions of this Agreement are therefore geared towards achieving this common objective. The signatory Central African States, which are also signatories of the OHADA Treaty (Organisation for the Harmonisation of Business Law in Africa), undertake to apply and implement the provisions of this Treaty effectively and without discrimination.

Article 7

Development finance cooperation

1. The provisions of the Cotonou Agreement which relate to economic and regional integration and cooperation shall be implemented in order to maximise the benefits provided for in this Agreement.

2. European Community ⁽¹⁾ financing pertaining to development cooperation between the Central Africa Party and the European Community supporting the implementation of this

⁽¹⁾ Member States not included.