



Feedback from the Arab NGO Network for Development for the Evaluation of the trade component of the EU's Euro-Mediterranean Association Agreements with six Mediterranean partner countries (Algeria, Egypt, Jordan, Lebanon, Morocco and Tunisia)

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Trade is a key component within the European Union and the Arab partnership; the Arab region represents 8.6% of total EU external trade. An ex-post evaluation of the EU's free trade agreements with Arab partner countries particularly to highlight lessons learnt and identify challenges is welcome and much needed on the way to the Deep and Comprehensive Free Trade Agreements (DCFTAs). Civil society from the Arab Region, has long raised its concerns on the DCFTAs¹ and for overall EU trade policy. They have called for the EU-Arab partnership to ensure development-oriented trade and investment policies, through protecting policy space of developing countries and ensuring the integration of human rights and development considerations in decision-making, policy formulation, design, and implementation of these policies.

With regard to purpose for the evaluation, we would like to note that the evaluation can only serve public interest, if it moves away from a traditional and limited consultation approach. The outcomes of the evaluation should be made available to the public and disseminated widely. Civil society should be considered as an important counterpart in the future discussions that will take place with partner countries. Civil society should be given more than a watch-dog role for monitoring; engaging in multi-stakeholder national dialogue that should be organized in a structured, transparent and inclusive approach. As noted by the ANND publication on the Arab Region and Trade Liberalization Policies, "civil society no longer addresses trade issues in general terms; rather, it is involved in presenting alternatives, texts, proposals, plans, and strategies. In fact, CSOs want "in" on trade policy—they want more than to merely be listened to and politely shown the door when the time comes for serious decision making. What they are clearly seeking is rebalance, not simply to be heard."²

With regard to the issues that will be covered within the evaluation, critical issues that were already highlighted within the Sustainability Impact Assessment (SIA) undertaken for DCFTAs should be the starting point. For instance, the outcome of the Trade SIA for Tunisia pointed out that DCFTAs can breach human rights in practice, mainly at the level of economic and social rights. Therefore in addition to sectorial impacts, a key concern of the evaluation should be to assess in detail potential economic and social rights violations.

On the other hand, the *methodology used in the impact assessment* should be revised. This is mainly because the Computable General Equilibrium (CGE) modelling used by the EU assumes labor mobility

¹ See for instance <http://www.annd.org/data/item/pdf/399.pdf> , <http://www.annd.org/data/item/pdf/128.pdf> , <http://www.annd.org/data/item/pdf/61.pdf>

² <http://dev.cskc.daleel-madani.org/sites/default/files/resources/40.pdf>



between sectors and full employment. Nevertheless, “the reliability of findings from CGE models is constrained by data limitations”.³ Furthermore labor reality in partner countries does not align with CGE model assumptions; labor mobility between sectors is difficult, there is high unemployment and informal economy is a key challenge.⁴ Therefore ex-post evaluation should not be bound by CGE modelling, with improved relevancy to context, integrating unemployment and informal labor realities in many of the partner countries.

Last but not least *with regard to the objectives set*, intra-regional trade remains as the minor component of the ex-post evaluation, based on the assumption that the FTAs are bilateral. However, as HRVP Mogherini acknowledges “only greater regional integration can reduce the instability of the Mediterranean region and solve conflicts”⁵. Enhancing regional integration, and intra-regional trade is key in this regard. Thus, FTAs assessment should be broad to evaluate the success and failures with regard to promotion of regionalism; should cover the level of integration in the global and regional economies; the support provided for collective regional production chains. This would be key to assess positive and negative development impacts over the regions’ geography.

About the Arab NGO Network for Development: ANND is a regional network, working in 12 Arab countries with nine national networks (with an extended membership of 250 CSOs from different backgrounds) and 23 NGO members. ANND was established in 1997 and its headquarters is located in Beirut, Lebanon since 2000. ANND aims at strengthening the role of civil society, enhancing the values of democracy, respect of human rights and sustainable development in the region. ANND advocates for more sound and effective socio-economic reforms in the region, which integrate the concepts of sustainable development, gender justice, and the rights-based approach.

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³ South Center Analytical Note, SC/AN/TDP/FTA available at https://www.southcentre.int/wp-content/uploads/2013/08/AN_FTA_Analysis-of-the-Draft-TSIA-of-the-EU-central-America-FTA_EN.pdf

⁴ <http://www.annd.org/cd/arabwatch2016/#english>

⁵ https://eeas.europa.eu/headquarters/headquarters-homepage/19078/mogherini-urges-greater-cooperation-and-integration-mediterranean_en