

STATEMENT BY

HON MAHEN KUMAR SEERUTTUN

(MAURITIUS)

PRESIDENT OF THE OACPS COUNCIL OF MINISTERS at the

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- Co-Presidents of the ACP-EU Joint Parliamentary Assembly Hon.
 Carlos Zorrihno and Hon. Anarita Sithole.
- President-in-Office of the EU Council
- Hon. Members of the JPA
- Distinguished Delegates and guests
- Ladies and Gentlemen

Good Afternoon,

In my capacity as President of the OACPS Council of Ministers, I am indeed honoured and privileged to address the 43rd Session of the ACP-EU Joint Parliamentary Assembly.

On behalf of the OACPS Council of Ministers, I would, therefore, like to commend you all for the important work that you do in this august Assembly on the issues that are not only important for the Members of the OACPS and the EU, but also because of the political dimension that you bring to our discussions on global issues. This can make a difference if we are united and, where possible, speak with one voice on issues of common interest. This is important when the OACPS, as per the 2019 revised Georgetown Agreement, has the ambition to be a **global player** and the EU's increasing involvement in the fast-changing geopolitical configuration.

In this regard, all the joint institutions under our Partnership Agreement, the ACP-EU Joint Parliamentary Assembly best exemplify the spirit of partnership and global solidarity in the fight against poverty, injustice and quest for respect of human dignity, promotion of decent lives and sustainable development for all.

Honourable Members,

This JPA is taking place at a time when the world is experiencing unprecedented challenges since the Second World War. The multilateral Institutions and governance structure that were then put in place do not seem to be fit to adequately respond to them. Therefore, business as usual is not an option because some of those challenges are threatening our very existence on planet earth. Even if we belong to four Continents, we all share a Common Destiny in building a resilient and a sustainable world.

The challenge today is how we can together build and adapt it, including through deepened cooperation, mutual respect and adherence to internationally agreed principles and values, respect for human rights, fundamental freedoms, international law and good governance, respect for rule of law, territorial integrity and sovereignty as well as regional and inter-regional cooperation, with multilateralism at its core. We represent the 79 members of the OACPS, and 79 members of the European Parliament, representing members of the European Union. Together, we represent 106 countries and this is a force, when working in a united manner that can make a difference on global issues.

Honourable Members and distinguished delegates,

The ramifications of the triple multi-dimensional crises of climate change, Covid-19 pandemic, and the war in Ukraine, are far and wide. The developing world, particularly the vulnerable small island developing states, are the worst affected. We, on the OACPS side, are the helpless victims of a situation for which we are not responsible, and yet, we are paying a huge price, because of the severe consequences to our already fragile economies and social systems. They are jeopardising the prospects for the attainment of agenda 2030 on the SDGs. More than ever before, we need an overhauling of the multilateral institutions and global governance architecture.

In a way, multilateralism itself is under threat with a growing tendency for countries to look inward. Such a complex and threatening situation calls for collective action on our part, and resolve to work together. We all live on one planet and the problems are global and it is only by working together that we can resolve the problems, like the effects of climate change, health/sanitation crisis and the uncertainty brought about by wars/conflicts and poverty. In our unity and solidarity lies the strength of our partnership. This was proven when the OACPS took a common stance at the UNGA on the intiative of our fellow member state, Vanuatu, for the adoption of a resolution seeking an advisory opinion from the ICJ on obligations of States in respect of Climate Change. Moreover, concerning the existentiality problem of climate change, we now need to continue to work together for the early establishment, including its inclusive governance structure, of the Loss and Damage Fund.

Co-Presidents, Honourable Parliamentarians, Ladies and Gentlemen,

Peace and security are a necessary pre-condition for sustainable development, and history has shown that peace cannot be imposed by war. It is only through dialogue and diplomacy that lasting peace can be established.

The Sahel, the northern part of Nigeria and some parts of East Africa, continue to experience adverse impacts of security threats. It is critical that we, as leaders, now embrace a security-based response that focusses more on preventative efforts, with a view to identifying and tackling the root causes of threats.

The causes are diverse and include push factors, such as lack of socioeconomic opportunities; marginalization and discrimination; poor governance, violations of human rights and the rule of law. Equally true are pull factors, such as individual motivations and processes, which play a key role in transforming ideas and grievances into violent extremist actions.

As leaders, we have the responsibility to address both the push and pull factors that cause terrorism, radicalization and violent extremism which are on the rise. Effective action against terrorism requires a concerted multilateral and multifaceted response that is global, regional and national. Without peace and security, there cannot be sustainable economic development which is the best possible means to address insecurity and poverty and bring about prosperity. We cannot remain insensitive to the most severe humanitarian, security, political, economic and social crises in Haiti at a time when it is still reeling from the devastations caused by natural disasters, including the earthquake a few years ago. We strongly condemn the acts of violence and destructions caused by organised criminal gangs and call for an open and inclusive Haitian dialogue in an effort to provide lasting solutions to the current multifaceted problems facing Haiti.

In this regard, we call on the international community, including the EU and its Member States as well as members of the OACPS, particularly the neighbouring Caribbean states, to continue to provide the necessary support to restore peace, security and stability in a quest of lasting political solution and thus contribute to the long term development of Haiti as well as the restoration and reinforcement of rule of law, democracy and good governance

Co-President and, Honourable Members,

Because of illicit financial flows engineered by criminal activities, using increasingly more sophisticated means, our countries are losing huge amount of financial resources which could have been used to finance our recovery and sustainable development. Our fight against money laundering, terrorism financing and tax evasion is becoming more pressing and challenging. And this calls for cooperation and the putting in place of the right instruments, joint consultative mechanism as well as building capacity and exchange of best practices and intelligence. In this respect, we acknowledge the support already being provided by the European Commission under the EU Global AML/CFT Facility.

At the OACPS level, we are all committed at the highest political level to fight the scourge of money laundering, terrorism financing and tax evasion; but we do not have the resources and capacities to do it alone. There is an urgent need for cooperation and the adoption of inclusive and transparent procedures and, not a punitive and discriminatory approach by the EU, through the unilateral adoption of its lists of non-cooperative tax jurisdictions and a black list on antimoney laundering and the financing of terrorism. As regards AML/CFT, we are appealing to the EU and the European Parliament, to work together with us in order to put an end to these criminal activities, instead of adopting such lists unilaterally which further aggravate our already difficult and vulnerable situation.

As regards tax governance, we welcome the landmark resolution adopted by UN General Assembly on 23 November 2022 for the UN to start discussions on ways to strengthen the inclusiveness and effectiveness of international tax cooperation, and move to develop an international cooperation framework and preferably, for us, a UN Convention.

In this regard, we call on the international community, including the EU and its Member States as well as members of the OACPS, particularly the neighbouring Caribbean states, to continue to provide the necessary support to restore peace, security and stability in a quest of lasting political solution and thus contribute to the long term development of Haiti as well as the restoration and reinforcement of rule of law, democracy and good governance

This may reinforce our objective to secure fairer, inclusive and transparent tax policies and governance. And, in the process, do away with any listing by any other bodies. At the level of the JPA, we need a cooperative partnership approach and, not a punitive one, because we all have the same objective to protect the integrity of our taxation system as well as the international reputation of our financial services centres.

Co-Presidents, Hon Members,

Amid the backdrop of multidimensional crises, which are exacerbating inequalities and eluding the SDGs, there is a growing consensus on the need for systemic reform in the global financial system. The Bretton Wood institutions, which have played an important role in the postworld war II era, are unfortunately not equipped to address adequately and effectively current challenges. There is growing concerns amongst developing countries regarding debt overhangs, higher borrowing costs and limited access to liquidity in times of crisis. There is a rallying call to reform the global financial architecture to better address the sustainable development challenges and to finance our recovery, sustainability and resilience plans. For this, we need adequate resources and much improved access to new instruments like the IMF Resilience and Sustainability Trust (RST).

We commend President Macron for his initiative to convene the Summit on a New Global Financial Pact which took place only last week, with the objective of finding the necessary solutions to the interlinked global goals of tackling poverty, curbing planet-heating emissions and protecting nature. This requires a reform of the global financial system. The Summit calls for innovative financing solution to unlock climate investments, taxing of fossil fuel profits and financial transactions to raise climate funds and an international tax on carbon emissions from shipping, amongst others.

In this regard, we fully support the **Bridgetown Initiative** to address the immediate needs of countries facing debt distress and liquidity challenges, including re-channelling at least \$100 billion of unused Special Drawing Rights through the IMF and multilateral development banks, a large-scale SDG Stimulus package to reach \$500 billion annually to invest in the Sustainable Development Goals (SDGs) and mobilisation of more than \$ 1.5 trillion per year of private sector investment in the green transformation.

Honourable Members of the JPA, Ladies and Gentlemen,

Because of a relatively high GNI per capita, some of the vulnerable countries do not even qualify for grants and concessional finance and climate fund and this adversely affects their capacity to finance their adaptability, build their economic resilience and transition to a green economy. In this regard, the international community, including the EU, as a trusted partner, should support the Multi Vulnerability Index(MVI) which is being discussed at the UN that would serve as a vital tool to help small island developing states as well as other vulnerable nations gain access to concessional financing that they would require to build their economic resilience, improve their long term national planning and service their debts.

Honourable Members,

Oceans play an important role in our lives, especially in terms of trade, and economic development particularly with regard to the blue economy. Our members, in particular, the Small Islands Developing States from our four continents, depend on the oceans which represent huge potential for future sustainable development and economic growth. The attainment of SDG 14 goal on ocean governance is important. In this regard, we welcome the historic agreement on the High Seas adopted last week.

Of particular importance to us now is the need to work together to fight Illegal, Unreported and Unregulated fishing and address the longstanding issue of fisheries subsidies which contribute to excess fishing capacities, which in turn, may lead to IUU fishing.

Honourable Members, Ladies and Gentlemen,

The OACPS attaches great importance to private sector engagement as drivers of economic development. The OACPS, cognizant of the challenges brought about by Covid-19 and Brexit, has undertaken to revise our Private Sector Development (PSD) Strategy developed by the OACPS Business Forum which also has the mandate for its implementation in conjunction with the OACPS Private Sector. However, to successfully fulfill its mission, the Business Forum requires institutional support to implement the many activities on its agenda.

The Revised PSD Strategy reflects our shared belief that Women's Economic Empowerment is of critical importance to the sustainable

economic development of the OACPS which, with the European Union, is together implementing programs such as the Women Entrepreneurship for Africa (WE4A) as well as the ACP-EU Informal Economy Programme which are designed to increase and support the active participation of women in the formal economy. Further evidence of our focus of women's economic advancement, is the fact that the theme of this year's OACPS Webinar on June 26 in celebration of World MSME Day, was entitled "Women Entrepreneurs, A Driving Force in the Sustainable Economic and Social Development of OACPS Countries". We must support such initiatives and programs.

Co-Presidents Honourable Members

The new European Union regulations on social and environmental standards including CBAM, Corporate Social Responsibility, Due Diligence; Deforestation-free imports have the risk to severely disrupt access of our products into the EU. We need to ensure that implementation of these new rules be accompanied by technical assistance, capacity building and sufficient time to allow us to adjust and comply. We therefore call upon the EU to work closely with the OACPS to put in place urgently dedicated Accompanying Measures to support OACPS producers, exporters and national authorities to make the necessary industrial and trade adjustment, and allow them to domesticate and comply with the new EU Regulations, whose WTO compatibility need also to be addressed. The implementation of such a dedicated programme will ensure continued market access under the Economic Partnership Agreement (EPAs), Generalised Scheme of Preferences (GSP), GSP+ and Everything But Arms (EBA).

The high hope we had in the EPAs as development instruments which were expected to be trade-driven, have unfortunately not delivered on its stated objectives. This may be attributed to the non-availability of adequate resources to build our supply and value chains. The recent move by the EU to link trade with social and environmental conditionalities may further complicate an already difficult situation. We need dedicated additional resources and investment to add value to our raw materials and to build and improve connectivity, especially for remote Small Island Developing States, LDCS and LLDS in order to take advantage of the market access opportunities provided by the EPAs.

Co-Presidents Honourable Parliamentarians

Finally, it would be remiss on my part, if I were not to raise the important issue of the continued delay in the signing of the Post-Cotonou Partnership Agreement. The Cotonou Agreement, like its successor, the SAMOA Agreement, provides the legal and Institutional basis for the operation of Joint Parliamentary Assembly. It is quite unfortunate and regrettable that if nothing is done, there will be a legal vacuum because of the failure of one of the partners to sign the Post-Cotonou Agreement.

It is to be recalled that negotiations of the Post-Cotonou Agreement started in 2018, the negotiations were concluded in December 2020, the new agreement was initialed in April 2021. And today, more than 2 years after initialing, we have failed to sign the Agreement because of no fault of the OACPS.

The OACPS is committed to the OACPS-EU Partnership and values its relationship with the EU, and that is why it has made a number of concessions to accommodate the EU. We have also agreed to four successive decisions for the adoption/extension of the transitional measures in order to allow the Joint Institutions to function.

This delay affects the credibility of our relations. I therefore take this opportunity to appeal to the European Council to resolve this issue as soon as possible. Otherwise, one of the consequences of the continued delay is that the JPA will not be able to meet because of the legal vacuum. As Parliamentarians, I would urge you to appeal to the European Council to do whatever is possible to put an end to this stalemate which has lasted for far too long.

Co-Presidents, Honourable Members, Ladies and Gentlemen,

By nature, I am an optimist, I am convinced that, given the goodwill on both sides and in recognition of our strong commitment to our Partnership, the EU will find a solution by the time the OACPS Council of Ministers meets in mid July 2023. Time is of the essence. Let us work together to make our Partnership a model of cooperation during this challenging time.

I thank you for your kind attention.