

BOX: Need for an interim trade regime: the example of Kenya

Already early on in the process of negotiations, critics called on the EU to take a realistic stance regarding the deadline of the EPA negotiations. The EU is persisting with the 2007 deadline and has repeatedly argued that if the deadline fails to be met, trade preferences for ACP countries will fall back to the GSP regime. According to extensive research by NGOs such as Oxfam International and the Third World Network, the best solution would be to fall back on the GSP+ trade regime, which offers almost the same trade advantages as the current ACP regime. However, not all ACP countries qualify for GSP+, so serious setbacks are still a threat.

On behalf of all countries forming the ESA group, Kenyan Trade minister Kituyi has launched an appeal to Trade Commissioner Mandelson to guarantee preferential access if the EPA negotiations are to be concluded in time. An alternative regime of trade preferences, such as for example GSP+, is needed. Otherwise the consequences for Kenyan horticulture would be disastrous and an entire sector that offers employment to thousands of Kenyans would be destroyed.

According to the Flower Council & Fresh Produce Exporters Association of Kenya, "If no agreement is reached by the end of the year, the horticultural export produce will be liable for duties and taxation between 5 and 11%".