

**From:** B NEWTON [REDACTED]  
**Sent:** 11 April 2013 11:55  
**To:** [REDACTED]  
**Subject:** Fw: AMS

Dear [REDACTED]

Thanks for your time on Tuesday. It was helpful to get a view . I am getting more convinced that the Developmental angle is a crucial element of any hope we may have to structure some benefit for EPA EBA countries in the CMO trilogue discussions. For your interets I am forwarding an e-mail I have just sent to Brussels attempting to galvanise some action there. We also agreed on Tuesday afternoon to respond with some vigour (i hope to the Ciolos letter of 18th March . It contains some statements which must be challenged and since it as written on behalf of the 3 Commissioners concerned ,the Development and Trade dimensions of our arguments and the need for Policy cohesion are automatically covered but in an unhelpful and unconvincing manner

I do therfore think that a meeting with your DFID colleague would be worthwhile to explore how we might get our message across to HMG and the EU.I am unavailable next Wednesday but otherwise the diary looks free.

Regards

Barry

----- Forwarded Message -----

**From:** B NEWTON [REDACTED]

**To:** [REDACTED]

**Cc:** [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Sent:** Thursday, 11 April 2013, 11:42

**Subject:** AMS

Dear [REDACTED]

You mentioned that the Bureau might be about to examine the AMS issue and would use the analysis I sent you a while ago of the situation reported by DG Devco at January. As we discussed it might be worth getting another update but I would not expect any new data to change the overall picture to any significant degree

I have now managed to confirm the status of Mozambique ,Malawi and Zambia regarding the method of disbursement and have revised the analysis to reflect this. This is attached and as you will see it now confirms the 7/11 split between Budgetary support and Project based delivery systems. I have shown this distinction in the lower part of the tables which supports my contention that the countries who are required to suffer from the enormous bureaucracy of Project type delivery are suffering badly from the seriously delayed allocation of the support. Even these data do not take any account of whether the original sugar industry Action Plan programmes have been adhered to or whether as I suspect some diversion has taken place to favoured EU projects which should have been financed by normal EDF support

It is notable that of the Total of 1.245Bn Euros promised only 40% had been disbursed by January 2013 . Even the most efficiently organised interface experienced by Mauritius had only achieved 63% by January and the scale of the Mauritius allocation in the averages conceals the fact that the 11 countries suffering the project based system had only received 20% of their allocations. Furthermore although the total programme allocates 68% of the overall budget for 2006/13 to the countries receiving budgetary support , these countries received 84% of the cash paid . However even their receipts fall well short of the promises made when Commissioner Mandelson promised us finance to "anticipate not merely cushion the effects of Reform"

Yet the Commissioners in their latest letter of 18th March (which was signed by Ciolos but speaks also for the Devco Commissioner) state that SP countries "have been accorded substantial financial assistance for restructuring to be able to cope with more competitive market conditions". This implies that we have had the money and have somehow failed to use it effectively. It is frankly an outrageous distortion which must be challenged as it denies our contention that we need more time to adjust before the floodgates are opened to allow the huge quantity of out of quota beet sugar untrammelled access to the EU food market with the consequent inevitable damage to ACP/LDC suppliers and which will make a mockery of the trade and development benefits forecast in the EPA's.

The EU's persistent PR on the AMS seems to have persuaded many that the simple apparent allocation of 1.24Bn Euros funds resolved the problem of the 2005 Reform . I think we really must urgently find a way of drawing attention to the reality . I know nobody wants to use it but the fact that 2 Bn Euros of adjustment aid (delivered on time I understand) was made to the DOMs producing 250k tonnes in geographic and socio economic conditions very similar to many ACP

supplies is a stark message of where we sit in the EU's set of priorities. Unless we force ourselves into the limelight somehow we will be neither understood nor respected.

Kind Regards

Barry