

CARIFORUM-EU EPA and the Book trade

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So far a lot of discussion on the CARIFORUM-European Union (EU) Economic Partnership Agreement (the EPA) has been held regarding food and agriculture and other high profile issues. This paper discusses the EPA and the book trade from an English-speaking perspective.

As we know the Caribbean is diverse in many ways – it is fragmented: separated by sea. It is at varying levels of development – legally, technologically and economically. It has existed historically under different colonial powers. It is multi-ethnic, multi-lingual and multi-religious. On one hand we have problems relating to each other despite advances in information and communication technologies. And on the other hand the resulting cultural diversity has given rise to a pool of immense talent. We see this in our authors, artistes, poets, musicians etc. – all of whom contribute to the cultural industries in the region.

Cultural industries “refer to industries which combine the creation, production and commercialization of creative contents which are intangible and cultural in nature. The contents are typically protected by intellectual property rights or copyright and they can take the form of a good or a service” (UNESCO Global Alliance for Cultural Diversity 2006).

The scope of cultural industries include books, newspapers and magazines, records, radio, television, cinema, audiovisual products and services, photography, art reproductions and advertising. These products can be in print or digital format. Copyright and intellectual

property rights are crucial aspects of cultural industries (Cultural Industries: A Challenge for the Future of Culture 1982).

The aspect of cultural industries that that we are addressing today is the book. The book has been around for a long time: paper was invented in China in the year 105 and wide distribution of books was made possible with the invention of the printing press in by Johannes Gutenberg in 1450 (Cope and Phillips 2006, ix).

In the light of today's new technologies, one may expect that the book would disappear, however, it is found that more books than ever before are being published with 206 000 new titles from Europe and 172 000 from the US, in 2005 (Goldfarb 2008).

In terms of the book trade – according to the Creative Economy Report 2008, the total world exports were valued in US dollars at 8.7 billion in 1996 and went up to 12.9 billion in 2005. Total world imports were valued at 8.5 billion in 1996 and this went up to 13.8 billion in 2005. Due to intermittent and under-reporting the breakdown for the Caribbean and especially for most individual countries left the statistics meaningless (UNCTAD and UNDP 2008).

So how does the Economic Partnership Agreement (EPA) assist the CARIFORUM countries to take advantage of this growing market. CARIFORUM countries comprises of the 15 English-speaking CARICOM member states and the Dominican Republic, a total of about 25 million people in 13 small island states and 3 mainland countries.

Actually EPAs are being signed with the 6 groups that constitute the African-Caribbean-Pacific group of countries – the ACP. This is needed so that we do not fall under the strict World Trade Organisation (WTO) rules for trade liberalization or the General System of Preferences which it is said will affect our current terms of trade negatively. The

EPA is a *reciprocal* free trade agreement which is supposed to be WTO-compliant. It replaces the *non-reciprocal preferential* trade regimes which governed Caribbean-Europe trade for the past 30 years. The EU comprises the political union of 27 countries and the CARIFORUM is made up of the 15 separate states of CARICOM and the Dominican Republic.

In this time of trade liberalization under the WTO rules, an EPA allows WTO-compatible preferential treatment between the signatory entities. EPAs are being proposed between the 6 sections of the ACP countries and the EU. In December 2007, the CARIFORUM countries were the first to initial the agreement with plans to sign off on it in July 2008.

Developing countries can benefit from liberalisation in the long run, but only if they have the right economic capacity and infrastructure (Department for International Development) so it appears that negotiations it will be a level playing field between a lion and a rabbit. A major change from previous agreements is the inclusion of reciprocity arrangements.

Girvan (2008) has called for more time to renegotiate the EPA. He states that in signing, CARIFORUM countries get market access for goods and services in the EU and mostly *promises* of development support. This support is not clearly defined nor are deadlines indicated. Previous funding for development from the EU was both inadequate and late. Also, in time CARIFORUM markets for goods and services will be open to the EU countries. The agreement calls for binding commitments on various CARIFORUM policies as well (Girvan 2008).

Relevant to the cultural industries, the EPA provides for intellectual property (IP) protection that goes beyond the relevant Trade Related Intellectual Property Rights (TRIPS) agreement in the WTO. They have the potential to:

- alter the entire landscape of international intellectual property by short-circuiting developing countries attempts to ensure full consideration of development-appropriate standards in multilateral agreements at the World Trade Organization (WTO), the World Intellectual Property Organization (WIPO) and other fora;
- impose further intellectual property obligations on countries that are unprepared for them, at a time when many have barely begun to fully consider the impact of implementing the TRIPS obligation

We do not have a perspective on how these agreements will affect future policy directions of our own systems.

However, the inclusion of IP provisions in the EPAs is not required to comply with WTO rules (The Centre for International Law 2007). Other analysis indicate that for well-established IPRs like copyright, trademarks, or patents, the Agreement contains no detailed provisions. Rather, reference is made to adherence to/compliance with the main relevant international conventions, either in the form of a firm commitment or in the form of a best-endeavour clause (European Commission: Directorate General for Trade 2008).

The EU-CARIFORUM EPA is pushing proposals that are identical across the region ignoring differences between and within the countries in the region. It does not appear to extend existing exceptions and limitations to digital content but introduces protection for “non-original databases” (it is unclear what this means). It introduces obligations to protect

Digital Rights Management and Technological Protection Management which does not allow *traditional public interest* exceptions. That is to say, for example, it could be more difficult for students and academics to access educational materials across the Internet – thus limiting our technological development.

Regarding the trade in goods, CARICOM countries have had duty free, vat free, quota free import and export access for books to the European market since 1975 under the Lomé accords. So the EPA may not have much effect on this aspect of the book trade in general as it appears that market access does not equate to market presence for though it has been possible for our publishers to export to the UK, very little of this has happened. Maybe two or three of the 25 or so publishers in English-speaking Caribbean may have a distribution agent based in the UK but certainly no publisher has set up business there. So despite the niche markets for consumer type books to the several million persons of the Caribbean Diaspora who reside in the EU, our companies have not reached the level of business organization to take advantage of this. Almost nothing is exported the EU countries (apart from the UK) as the linguistic, economic and cultural barriers prove to deter not only us but publishers within the EU itself (Jaikaransingh, pers. comm.).

On the other hand, mainly because of the English Language and the British-based education system in the former colonies, the UK commands the market within the Caribbean for academic books. Some UK booksellers designate local booksellers as agents and it is only through this middleman can the library get those titles.

What makes the EPA very different is in the reciprocity aspect of the agreement. This opens the CARIFORUM market for EU publishers to set up business locally and with the

“National treatment” clause there is no protection which can be afforded to “protect” our publishing houses – mere infant industries.

As a result of market access to services based on the General Agreement for Trade in Services (GATS) and reciprocity clauses, the International Federation of Library Associations and Institutions (IFLA) stated that libraries and educational services have to find out if these services are included in the ones which are to be liberalized (IFLA 2001). It would mean that a company from another country can set up business here in the region and compete with the public library or with the institutes of higher education. It may mean that government subsidies to libraries may be reduced or stopped and “privatized libraries” will have to pay for themselves. As outrageous as that seems over 14 countries including the US, the UK and Japan have agreed to this under WTO rules.

We will not discuss here the implications for regional integration or the reduction in important government revenue resulting from the proposed decreased tariffs. Will we be getting a general sales tax in the future?

What of the opportunities afforded by the EPA?

More information is needed in terms of an understanding of the *real* opportunities and not just theoretical ones. For example, can local entrepreneurs venture into Internet services such as “Publishing on Demand” which calls for use of advanced photocopying technology and binding equipment? Or are authors to continue to do as I had to do in order to get my book published; take up an offer from a US publisher when no regional publishers would support a niche market item.

What of a simple online bookselling service specializing in the wealth of Caribbean books produced in the region? It can use the successful business model for e-commerce – Internet access, order placement, order tracking, title & price availability, payment and delivery? Sounds simple...but.....

Can the region's telecommunication infrastructure support such business? Since we are unsure when we can have Internet speeds like Internet 2 where a movie can be downloaded in minutes and seconds we may not be able to compete. So far our fastest speeds are below the lowest available in the EU.

In the Caribbean, we have the talent, the individual expertise but not the resources, the professional networking nor the marketing capabilities of the developed countries.

The binding commitments (including those on IP) made in this agreement means that they will apply in all future agreements. The CARICOM is due to negotiate the Caribbean-Canada Trade Agreement (CARIB-CAN) in 2011 and the Caribbean Basin Trade Agreement with the US in the next few years. This issue can be a major concern, as according to the South Centre, it is the United States, and not the EU, which represent the region's main trading partner – including the book trade (54.6% of the region's exports and 38% of imports). The EU is the region's second main trading partner (11.2% of the exports and 5.8% of imports) (South Centre: Trade for Development Programme 2008).

There have been calls – local and international - for our negotiators to get assistance from appropriate sources as well as have public discussion. The agreement itself is 140 pages long with Protocols (240 pages), Annexes and appendices (over 1100 pages). It is written in trade and legal jargon. There are a myriad of documents and opinions which support and oppose the current agreement initialed in December 2007 by CARIFORUM states. The

current deadline set for signing is July 2008. There are concerns that after signing there may be limited scope to modify the contents as they are legally binding. Countries will have to comply or face sanctions. We do not have the resources or the cohesion to manage extensive negotiations/arbitration at a later stage.

The EPA puts trade liberalization on the front burner and development takes second place. If the EPA does deter development and growth in the region, our future in all areas including our level of food security and not just those we discuss today, will deteriorate.

In accordance with the ACS's aim to develop dialogue and have concerted political action among the various regions that constitute it, this is an opportune time for the ACS Trade Development and External Economic Relations Committee as well as the Forum of Trade Promotion Organisations to play leading roles in assisting member states, including civil society who will be most affected, to evaluate the rules, principles and concepts that govern multilateral trade and economic integration agreements. Compromises made in the EPA will affect all further trade agreements and, moreover, the quality of our lives as well.

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