



The EU-SADC EPA: monitoring of the agreement and its impact

Johannesburg, 16 October 2017

EU Trade Commissioner Cecilia Malmström

High Level Dialogue with SADC Civil Society Organisations

Many thanks to Ms Mbele for passing me the floor, to Mr Gouws for hosting us in the premises of the Industrial Development Corporation, and to all people in the South African authorities and in the SADC Secretariat that have made this event possible.

Honourable Minister Davies and the Deputy Permanent Secretary Ms Wats, representing the SADC EPA States,

Distinguished guests, ladies and gentlemen,

I'm delighted with the group of people we have here today on occasion of the celebration of the 1st anniversary of the entry into application of the Economic Partnership Agreement between the EU and the Southern African Development Community.

We have organisations dealing with the environment, labour and social rights...

... groups representing companies involved with trade with the EU...

...and you all came here from six different SADC countries to discuss how the Economic Partnership Agreement, or EPA, is likely to impact the region, your country and the life of the people living there.

You have already heard this morning about the EPA, its key features and what we aim to achieve with the agreement. I am here now not to talk about trade policy or to give you an overview of the EPA. I am here to talk about people and listen.

I and the EU are strongly convinced that trade policy and EPAs, indeed, are not about abstract growth figures. They are about people and how people can benefit from the rules in place.

Trade is not about politicians like me posing for photos as we sign or discuss a treaty. It's about improving people's lives, in the SADC region and in Europe.

And I am fully conscious that civil society here in the region, in South Africa in particular, has a lot to teach us Europeans – civil society here has been and still is a force for good, with civil rights movements having played a crucial role in the recent history of your countries.

This is why I'm delighted to have you all here, specifically for three reasons.

First, I support an open approach to trade policy that brings the full range of views on an issue together. Today's meeting is a reflection of that approach.

Since the beginning of my mandate as trade commissioner for the EU, I've made openness and transparency the absolute priority for all EU trade initiatives and policies. Under my

direct instructions, the October 2015 EU Communication "Trade for All: towards a more responsible trade and investment policy" clearly indicates that policymaking needs to be transparent, inclusive and the debate based on facts.

On the EU side, as a matter of principle, all stakeholders - including social partners, NGOs, business representatives and all other types of non-state actors – can channel their opinions to EU representatives in the context of regular civil society and citizens' dialogues. And, once a free trade agreement with a partner is concluded, by participating in any body the agreement creates.

In addition, just recently on 13 September 2017, the European Commission issued a new trade package including a Communication titled "A balanced and progressive" trade policy. This policy paper, which outlines the EU's trade priorities for the next couple of years to come, suggests that the EU as a whole – as a joint responsibility of all EU Institutions, all EU Member States and all national Parliaments - delivers effective agreements through a negotiating process that is accountable, transparent and inclusive.

In this context, the Commission has decided to create an advisory group on EU trade negotiations, consisting of representatives of a wide and balanced group of stakeholders, ranging from trade unions, employers' organisations, consumer groups and other NGOs. They will provide policy makers with high quality advice on areas subject to trade negotiations.



I understand some forms of interaction between your governments and civil society organisations in your country have already taken place, and I strongly encourage you to continue in this direction. As I said above, we Europeans can only learn from you, what you have done and what you are still doing.

The second reason I am happy to meet you here today is that – as you understood from what I said before – I do not believe a trade agreement can deliver real benefits to people if it is not implemented with the involvement of stakeholders in all partner countries.

You would certainly concur with me that only by monitoring the operation and the impact of the EPA we can ensure that:

- the agreement is properly implemented, which in turn would ensure that...
- the objectives of this agreement are achieved, and...
- the benefits for the people, in particular the most vulnerable groups, are maximised.

The above is the EU-SADC EPA word-for-word, in which all Parties to the agreement...

...not only undertook to continuously monitor the agreement...
...but also to do it through appropriate mechanisms and timing...
...within their respective participative processes and institutions.

As you have heard this morning, the EU-SADC EPA, like all the other trade agreements concluded by the EU, includes a Chapter fully dedicated to trade and sustainable development.

This Chapter contains a comprehensive set of binding provisions, which are anchored in multilateral standards, notably International Labour Organisation conventions and Multilateral Environmental Agreements. This is aimed at ensuring that trade and investment favour sustainable development rather than undermine it.

The institutional structure of this Chapter, in the eyes of the EU, is designed to be inclusive, through platforms where civil society plays a crucial role. As a matter of principle, the EU always includes such structures in its agreements.

At domestic level, there are often Domestic Advisory Groups. They are mechanisms for each Party to the agreement to request and receive inputs from representatives of its civil society

on any matter concerning the implementation of the Trade and Sustainable Development Chapters. The relevant provisions ensure a balanced representation of economic, social and environmental interests. This follows the three-pillar concept of sustainable development.

In addition, the Trade and Sustainable Development Chapters also typically establish a dedicated platform for joint dialogue of civil society organisations sides. This platform is managed and chaired by civil society, which sets the agenda and discusses all sustainable development aspects under the trade agreement in question. Civil society then proposes recommendations to the Parties of the agreement.

In the light of the above, you can understand why I am determined to build on the provisions of the EU-SADC EPA that enable and even require us to be inclusive and seek systematically the involvement of civil society.

For this reason, I have instructed my team to give utmost priority to seek agreement with other SADC EPA States on a joint platform like this. Pending this agreement, nothing prevents us from going ahead with meetings like the one we have today.

The third reason I'm happy with today's meeting is that we are here to talk about how we can ensure – all together – that the EU-SADC EPA delivers real benefits to the people it is intended to help, both in the SADC countries as well as in the EU.

The objective today is to hear from you...

...what are the challenges that have prevented or might prevent in the future the EPA to deliver concrete benefits to the different stakeholders...

...what needs to be done to eliminate or reduce those risks...

...and what can be done to maximise the positive impact.

We all have a common goal: create prosperity for people in Southern Africa and in Europe.

Trade is a vital component in any successful development strategy. Whether in Africa, China, India, or Brazil, exports have been decisive in reducing poverty over the last four decades. Southern Africa is no exception.

EPAs like the one concluded between the EU and 6 SADC States create new opportunities for workers, consumers and entrepreneurs. That will help us rebuild struggling communities across our continents.

What we are asking you to do this afternoon is to launch a reflection on how the provisions included in the EPA can help creating these opportunities.

But our reflection cannot stop there. Because even the most die-hard free trader must acknowledge that trade agreements give us other questions to answer – in one word: sustainable development.

It is important to assess whether there are risks as regards labour and social rights, and in terms of environmental protection, and how these risks can be eliminated or mitigated.

We need companies, environmental campaigners, trade unions and human rights advocates to be closely involved in the monitoring of the EPA.

We need your input and ideas on how to make the implementation of the agreement and our cooperation on sustainable development stronger and more effective.

If we do all of those things, the EU-SADC EPA have strong changes of becoming a landmark deal for people on both sides.

I have high expectations not only on the results of the discussion you will have in a few minutes, but mainly on the process that the meeting today is aimed at triggering.

I have given instructions to take note of the conclusions and recommendations stemming from your discussion this afternoon, with the purpose of assessing them carefully afterwards and discuss them between the EU and all the SADC EPA Parties.

I have also given instructions to organise this kind of meetings every year, and next year in the presence also of EU civil society organisations so that we can successfully create a joint platform for stakeholder involvement.

Thank you for your attention and your willingness to support our work today.

I look forward to some questions and to the discussion.