

EU-SADC Economic Partnership Agreement

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EU perspective on EPAs

- Overall current position on EPAs
- EC basis for EU-SADC EPA negotiations
- Comments on current state of play in EU-SADC EPA negotiations

Overall current position on EPAs

Mandelson 11 September, 2007:

- Deadline is an external reality
- EC committed to successful negotiation
- Unprecedented market access offer on the table
- Significant changes to rules of origin offered
- Caribbean, Pacific, Central Africa closest to finalisation
- SADC potentially promising

EC basis for EU-SADC EPA negotiations

- EU response to SADC Framework proposal (Feb 2007)
- Key features: SA welcome in EPA, but with differentiation
- Market access:
 - SACU based on TDCA (further liberalisation, BLNS sensitivities)
 - Special consideration to LDCs, however, need sufficient liberalisation to comply with WTO Art XXIV
 - DFQF – EU offer to all ACPs April 2007 (transition sugar and rice)

EC basis for EU-SADC EPA negotiations

- New generation issues – step-by-step approach, with broader upfront commitments for SA
- Rules of Origin – improvement on Cotonou rules

Comments on current state of play in EU-SADC EPA negotiations

- Good progress, some way to go
- Texts on Trade facilitation, Sanitary-Phyto-Sanitary (SPS) and Technical Barriers to Trade (TBT) almost finalised
- Rules of Origin proposal positively received, to be studied further
- Market access:
 - SACU: reasonable retrofitting, level and scope of offensive interests under negotiation
 - Angola, Mozambique and Tanzania still outstanding

Comments on current state of play in EU-SADC EPA negotiations

- Meaningful inclusion of services, IPR, competition, investment, competition policy, public procurement remains a challenge
- Development Cooperation – Successful RPTF 13.9. Draft outline for support programme in six relevant areas, provisional cost estimate(€77m) (EDF10, and other donors)

Conclusion

- EU-SADC EPA represents: a) unprecedented access to EU; b) simplification and convergence of existing regimes; c) improved ROO; d) development cooperation to support implementation
- Provisional application from 1.1.2008 is possible, pending ratification, if agreement is reached by about mid-November 2007
- If not, the only legal alternatives are:
 - GSP for Botswana, Namibia and Swaziland
 - EBA for LDCs
 - TDCA for South Africa
- Whatever the outcome, the preferable solution for the EU is only one: an ambitious EPA which would deliver its development benefits and consolidate regional integration

THANK YOU
VERY
MUCH!

*Delegation of the European
Commission to South
Africa*