EU-SADC Economic Partnership Agreement

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EU-SADC EPA
Where are we now?

- Four main issues:
  1. Implementation of IEPA
  2. Outstanding Tariff issues
  3. Concerns presented by Angola, Namibia, SA
  4. Services and investment negotiations
Cotonou Partnership Agreement, Ch 4,
Trade in Services:

"The Parties… agree on the objective of extending under the economic partnership agreements, ….. their partnership to encompass the liberalisation of services…"
EU-SA Trade, Development and Cooperation Agreement (TDCA):

(Art 30) Further Liberalisation of supply of services

"The Parties will endeavour to extend the scope of the Agreement with a view to further liberalising trade in services between the Parties." The objective shall be subject to a first examination at the latest five years after the entry into force of the Agreement (2000). (Note: The revision of the trade and trade related issues chapters was moved to the EU-SADC EPA process upon SA’s inclusion in the group in 2007. The revision of the other chapters in the TDCA was concluded at the end of 2007)

Other relevant articles in the TDCA: (Art 63) Services cooperation, (Art 52) Investment promotion and protection
**EU-SADC EPA, Trade in Services and investment**

**Legal framework**

**EU-SADC Interim EPA, Art 67** *(Note: In this respect the SADC EPA negotiating group currently consists of Botswana, Lesotho, Mozambique and Swaziland)*

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<tr>
<th>I.a)</th>
<th>Trade in Services</th>
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<td>Negotiations to be completed by 31 Dec 2008 on:</td>
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<td>1.</td>
<td>Liberalisation schedule for one service sector;</td>
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<td>2.</td>
<td>Commitment to a standstill for all services sectors (GATS: V.1.b (ii));</td>
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<td>3.</td>
<td>Agreement to negotiate progressive liberalisation within three years.</td>
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<th>I.b)</th>
<th>Cooperation in Services</th>
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<td>II.a)</td>
<td>Investment</td>
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EU-SADC EPA, Trade in Services and Investment, First round of negotiations 19-23 May

- Discussions focused on clarification of a number of issues

- Proposal from the EU: "Establishment, Trade in Services and E-commerce"
  
  (Note: The text covers the establishment phase of investment.)

- Standstill: GATS V.1.b (ii): "prohibition of new or more discriminative measures, either at the entry into force of that agreement or on the basis of a reasonable time-frame,..."

- Development cooperation (next slide)
The principal legal Framework for Development Cooperation remains the ACP-EU Partnership Agreement signed in Cotonou. E.g. Art 21 (Investment and private sector development), Art 23 Economic sector development, Section 3 Regional Cooperation and Integration.

Translated into programmes through the European Development Fund (EDF):
- Regional Indicative Programmes;
- National Indicative Programmes;
- and all-ACP programmes.
EU-SADC EPA, Trade in Services and Investment Development Cooperation

Examples of relevant development cooperation assistance to date:

- SADC EPA-Facility (€6.5m)
- SADC Customs Modernisation programme (€18m)
- Economic integration support programme to SACU (€6m)
- Support to (SADC) Trade in Services (€1.1m)
- Support to SADC Finance and Investment Protocol (€13m, latest phase)
- National programmes
EU-SADC EPA, Trade in Services and Investment Development Cooperation

Forthcoming (EDF10 2008-2013):

- SADC Regional Indicative Programme (€116m): Draft proposal for SADC EPA Assistance Needs completed under RPTF
- National Indicative Programmes: (http://ec.europa.eu/development/how/iqsg/documents_library_en.cfm#rsp10)

Sources with EPA-related funding available at present, e.g.:

- SADC EPA Facility, managed by SADC EPA Unit, SADC Secretariat
EU-SADC EPA Negotiations

Next steps

- 2-4 July: Next round of negotiations

Before that:

- Possible feed-back on Concerns presented by Angola, Namibia, and SA
- Likely: EU-SACU exchange of offers for agricultural and processed agricultural products
Thank you!