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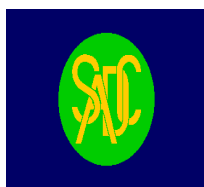
**OPENING OF THE EPA NEGOTIATIONS WITH SOUTHERN AFRICAN  
DEVELOPMENT COMMUNITY ON 8 JULY 2004  
(JOINT ROADMAP, JOINT PRESS RELEASE, JOINT REPORT OF THE 1<sup>ST</sup>  
MINISTERIAL NEGOTIATING SESSION)**

***REMARKS:***

EPA negotiations with the SADC Group were launched in Windhoek, Namibia on 8 July. On that occasion, EC Commissioners Danuta Hübner and Poul Nielson met with Ministers from Angola, Botswana, Lesotho, Mozambique, Namibia, Swaziland and Tanzania and with Botswana's Trade Minister acting as SADC coordinator. The meeting was successful as it allowed both sides to adopt a Joint Roadmap, which presents the objectives, principles, structures and sequencing of the negotiations.

A first negotiating session at ministerial level also took place, during which the SADC side put the emphasis on a number of trade-related issues, notably the simplification of rules of origin. The EC used that opportunity to insist on the necessary clarification of the region's trade regimes, which is made very complex by the existence of a number of overlapping trade arrangements, and reiterated its availability to help the region in its own regional integration efforts. A joint press conference was also organised.

The relevant documents are attached for information.



**SADC – EC JOINT ROAD MAP**

**FOR THE**

**ECONOMIC PARTNERSHIP AGREEMENT NEGOTIATIONS**

**ECONOMIC PARTNERSHIP AGREEMENT NEGOTIATIONS BETWEEN  
THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY  
AND THE EUROPEAN COMMUNITY**

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**SADC-EC JOINT ROADMAP**

**I. INTRODUCTION**

1. Negotiations on an Economic Partnership Agreement (EPA) between the European Community (EC) and the ACP (Africa, Caribbean, Pacific) countries were launched in Brussels on 27 September 2002. The Cotonou Agreement provides for the legal basis of the negotiations, which are expected to end in December 2007 with the new agreements coming into force by 1 January 2008.
2. The first phase of these negotiations took place at the all-ACP – EC level. During this initial phase, the ACP Council of Ministers and the EC Commissioners for Trade and for Development and Humanitarian Aid adopted a Joint Declaration and a Joint Report on the outcome of that phase as of October 2003, which will serve as points of reference and provide the guidance for EPA negotiations at the regional level. The negotiations are now into their second phase, which is conducted with individual regions of the ACP Group.
3. The countries, which have decided to negotiate an EPA with the EC under the Southern African Development Community (SADC) configuration, are Angola, Botswana, Lesotho, Mozambique, Namibia, Swaziland and Tanzania. South Africa will participate in an observatory and supportive capacity. SADC – EC EPA negotiations were officially launched on 8<sup>th</sup> July 2004 in Windhoek, Namibia.

**II. OBJECTIVES AND PRINCIPLES**

4. Based on the Cotonou Agreement and the outcome of the first phase negotiations, both sides agree that the overall objectives of the SADC-EC EPA will be sustainable development of SADC countries, their smooth and gradual integration into the global

economy, and to contribute to the eradication of poverty. More specifically, the SADC - EC EPA will promote sustained growth, contribute to enhancing the production and supply capacity of the SADC countries, foster the structural transformation of the SADC economies and their diversification and support regional integration initiatives in the SADC region.

## 5. **Negotiation Principles**

The following principles should guide the SADC – EC EPA negotiations:

### • ***Instrument for Development***

The SADC – EC EPA needs to contribute to the interlinked objectives of sustainable development, poverty eradication and the smooth integration of ACP countries into the world economy. To achieve this, the SADC – EC EPA must take account of the specific economic, social, environmental and structural constraints of the countries and regions concerned, as well as of their capacity to adapt their economies to the EPA process. It further needs to take account of the development policy objectives of SADC as set out in its Regional Indicative Strategic Development Plan (RISDP).

### • ***Regional Integration Processes***

The SADC – EC EPA will be based on regional integration initiatives of the SADC countries. The negotiations will therefore be designed and sequenced so as to complement and support the regional integration process and programmes, the harmonisation of regional rules and the consolidation of the SADC regional market.

### • ***WTO Compatibility***

The SADC – EC EPA shall be compatible with WTO rules and principles then prevailing taking into account of the evolutionary nature of relevant WTO rules, in particular in the context of the Doha Development Agenda.

### • ***Preservation of the Cotonou Trade Acquis***

The SADC – EC EPA will preserve and improve the current ACP and EBA preferences into the EU market for SADC exports, and all SADC EPA Member States should be better off following EPA negotiations.

### • ***Special and Differential Treatment***

Both sides concur that, under the SADC – EC EPA, special and differential treatment should be provided to all SADC countries, taking into account the particular needs of Least Developed Countries (LDCs) and situations of particular vulnerability, such as small, single commodity, landlocked, drought prone economies and countries emerging from conflict.

### • ***Sustainability***

The SADC – EC EPA will have significant implications for the socio-economic fabric of SADC EPA Member States. The positive impact of the SADC – EC EPA needs to be maximized and its adjustment costs minimized so that it is economically and socially sustainable.

- ***Legitimacy and Transparency***

The SADC -EC EPA will have to establish its legitimacy in all the parties to the agreement through its contribution to sustainable development. It is therefore essential that the negotiation process be paralleled by concerted efforts, within SADC and EU Member States, to generate the involvement of all relevant stakeholders in the negotiation process, and public support for the negotiations and their outcome.

- ***Resources and Support for Adjustment***

For SADC EPA Member States, implementation of the EPA will require adjustments in particular to maintain adequate fiscal revenues and to upgrade productive structures, human resources and institutional capacity. Resources will be needed to assist the SADC EPA Member States in meeting these EPA-related adjustment costs.

### **III. ORGANIZATION OF THE NEGOTIATIONS**

6. The SADC – EC EPA negotiations will be conducted through a three-tier structure comprising Ministerial, Senior Officials and technical levels.

#### **Organization of the SADC EPA Member States**

7. Botswana's Minister of Trade and Industry has been designated to lead the negotiations for SADC at Ministerial level. A Chief Negotiator will lead the negotiations at Senior Official level and the EPA Unit of the SADC Secretariat at the technical level.

#### **Organization of the EC**

8. The organization of the EC follows the structures and procedures as determined by the Treaty establishing the European Community. The European Commission will negotiate on behalf of the EC, represented by the Commissioner for Trade at Ministerial level, and a Senior Official of DG Trade at senior official level and by the DG Trade Unit responsible for SADC – EC EPA coordination at the technical level.

#### **Regional Preparatory Task Force**

9. Both parties agree to establish a SADC – EC Regional Preparatory Task Force (RPTF) in order to enforce the strategic link between EPA negotiations and development cooperation. The RPTF shall support the implementation of the provisions of the Cotonou Agreement on the complementarity of trade and economic cooperation and development support. The RPTF will not constitute an element of the negotiating structure but will contribute to the efficient delivery of support to the SADC region in its preparation, negotiation and implementation of the SADC – EC EPA.
10. The SADC Membership of the RPTF will comprise representatives of the regional and national authorizing officers, and relevant experts of the SADC Secretariat and Member States. The EC membership of the RPTF will include officials from DG Trade, DG Development, EuropeAid Cooperation Office and from the EC Delegation in Botswana.

#### **Link to other EPA Negotiations**

11. A close link should be maintained during the entire negotiation process between the SADC – EC and other EPA negotiations, in particular the ESA – EC EPA negotiations, with a view to supporting ongoing regional integration efforts and to uphold existing trade ties within the whole Southern African region.

#### **Venues of Meetings**

12. The venues for the negotiations will alternate between Brussels and the SADC EPA Region.

#### **IV. INDICATIVE SCHEDULE OF SADC – EC EPA NEGOTIATIONS**

13. The SADC – EC EPA negotiations will be sequenced in three stages:

Stage I	-	Setting of Priorities and Preparations for Negotiations
Stage II	-	Substantive Negotiations
Stage III	-	Finalization

##### Stage I - Setting of Priorities and Preparations for Negotiations

##### Timeline: July - December 2004

14. In preparation for the SADC – EC EPA negotiations, representatives from the SADC EPA Member States, together with representatives from the SADC Secretariat, will be invited to attend an orientation seminar of one week in Brussels, outlining the operations and functions of the EU, its integration process and trade policy.
15. Technical meetings should prepare for the first meeting of the senior officials that will take place in November 2004. Preparations should entail a clarification of the general framework for the negotiations and focus on the definition of a tentative list of priorities based on the regional integration objectives and a preliminary timetable for the negotiations.
16. Regarding the clarification of the general framework, the starting point for the discussions will be the joint report of the first phase of the EPA negotiations. However, all the issues of interest can be addressed: the development dimension of the SADC – EC EPA including transitional and asymmetrical arrangements for its implementation and the introduction of a special safeguard clause for the SADC countries; the SADC – EC EPA as an instrument for regional integration; WTO compatibility; the identification of adjustment costs and supply side measures; etc.
17. Regarding a tentative list of priorities, their identification and sequencing in the negotiations should be based on the regional integration agenda of the SADC. Priority should be given to identifying the regional priorities to strengthen and build upon the existing regional integration process and, on that basis, to identifying areas and sectors at both the national and regional level in which the capacity should be built. Priority issues may include the steps which need to be taken to integrate the region (both intra and inter

regionally); the establishment of a list of sensitive import sectors; the introduction of safeguard measures; the improvement of existing market access to the EC, notably in agriculture and fisheries; rules of origin; SPS Measures and technical regulations and standards and how to deal with them in the regional context vis-à-vis the EC; trade in services; trade related issues; legal issues.

18. During this initial stage the RPTF will be established and will meet to discuss how to organise its future work.

### **Stage II - Substantive Negotiations**

**Timeline: January 2005 – June 2007**

19. In this stage, substantive negotiations will take place covering all issues relevant for the SADC – EC EPA.
20. Preparations for this stage of the negotiations will be carried out during a meeting at senior officials' level in November 2004, which should reach a common understanding on the general framework for the negotiations, determine a tentative list of priority issues, and agree on the sequencing of the negotiations and of Joint SADC – EC Ministerial Sessions.
21. By the end of 2005, a common understanding should have been reached on the broad outline of the future SADC – EC EPA, and by the end of the stage, an agreement reached on the substance of the SADC – EC EPA.

### **Stage III - Finalization**

**Timeline: July – December 2007**

22. During this stage, the SADC – EC EPA will be finalised. The parties will also use this stage to enact any necessary legislation to allow the EPA to come into force in January 2008.