

EPA Negotiations

4th ESA-EC Ministerial Meeting

Brussels, 12th November 2007

Joint Conclusions

- 1) Ministers from the Eastern and Southern Africa region (ESA) and Commissioners from the European Union met in Brussels on 12th November 2007. The ESA delegation was led by Honourable Felix Mutati, Minister of Commerce, Trade and Industry of Zambia, and included Ministers from countries in the region. The EU Commissioner for Trade Peter Mandelson and the EU Commissioner for Development Louis Michel represented the EU.
- 2) The main purpose of the meeting was to take stock of EPA negotiations in view of impending expiry of the trade regime set out in the Cotonou Partnership Agreement and to provide political guidance for the next steps in the negotiation process.
- 3) The Parties reaffirmed their commitment to conclude a comprehensive EPA as tool for sustainable development and the promotion of regional integration.
- 4) They noted that, within the very short time remaining until 31 December 2007, it was not realistic to conclude a comprehensive EPA. They, therefore, agreed to work towards a Interim Agreement of an EPA that will comprise trade in goods, development cooperation, fisheries and any other sectors on which negotiations would have been concluded. The interim will comprise a number of rendezvous clauses for the continuation of the negotiations beyond December 2007.
- 5) They decided to conclude the negotiations of a comprehensive EPA by the end of December 2008 which will replace the Interim Agreement.
- 6) The Interim Agreement will be applied provisionally from 1 January 2008. In this respect, the Parties will put in place the necessary regulations and procedures, including the adoption of transitional arrangements by the EC, in order to avoid any trade disruption.

Trade in Goods

7. Ministers concluded that:
 - (a) ESA countries or subgroups who have agreed on a tariff liberalization schedule compatible with article XXIV of GATT will benefit fully from the Interim Agreement that will be applied provisionally from 1 Jan 2008
 - (b) Signatory ESA countries or subgroups which are in the process of finalization of their tariff schedules will benefit from provisions in the fisheries section of this Interim Agreement as from 1st January 2008.
 - (c) ESA countries which are at present not in a position to conclude a WTO compatible trading arrangement, will, as appropriate, benefit from such existing arrangements, as EBA for LDCs and GSP for non LDCs.

- (d) Flexibility would be applied for LDCs in terms of the interpretation of 'substantially all trade' and 'transitional period' on case by case basis provided that good reason is given for such flexibility and that, in the view of both sides, WTO compatibility will be reasonably assured.
- (e) Work will continue on the revised Cotonou rules of origin (Cotonou Plus) to be applicable in the Interim Agreement with a view to finding a solution on the issue of automatic derogation for canned tuna and tuna loins. A new regional Protocol on rules of origin will be negotiated in the context of the full EPA.
- (f) Technical experts are mandated to continue to work on the conditions for Market access for sugar for the ESA group taking note of the proposals already submitted.
- (g) Work should continue on trade defense measures for the EU market, including outermost regions, with a view to finding common agreement on outstanding issues in the Interim Agreement.

Development Cooperation

8 Ministers agreed that:

- a) Signatory ESA countries/ subgroups which are in the process of finalization of their tariff schedules will benefit from provisions in the development cooperation chapter of the Interim Agreement as from 1st January 2008.
- b) The EU would contribute towards the necessary resources to finance adjustment costs and to reinforce regional integration for the ESA States.
- c) The EU would contribute to the provision of additional resources necessary to meet the development needs for EPA implementation and adjustment costs.
- d) The generic development matrix would be annexed to the Interim Agreement and reference would be made to a joint costed matrix to be developed.
- e) Work on the development benchmarks would continue after December 2007.

Other issues

- 9 The Ministers also agreed that the Interim Agreement should provide for Dispute Settlement provisions independent of the WTO Dispute Settlement System except where in the case of multilateral Anti-Dumping and Safeguard Measures for WTO members.
- 10 The Interim Agreement should provide for accession of any ESA State to the market access provisions on the same conditions when such State is ready.

- 11 The Ministers mandated the technical teams to work on outstanding issues on institutional and final matters, including on the definition of Parties.

Way Forward/ Built-in Agenda

12. On the way forward, the parties agree to:
- a) Finalize the text of the Interim Agreement by the technical negotiators;
 - b) Complete analysis and verification of the market access schedules submitted by ESA countries or subgroups with a view to facilitating implementation of the Interim Agreement;
 - c) Prepare for the initialing and signing of the Interim Agreement as soon as possible but no later than 23 November 2007 to enable the EC to incorporate the names of the countries or subgroups into the annex of the regulation currently under preparation; and
 - d) Continue with negotiation on outstanding areas as per the joint agreed roadmap.