



Fact sheet on the interim Economic Partnership Agreements\*

## EASTERN AND SOUTHERN AFRICA

January 2012

### 1. Interim EPA – State of Play

The Eastern and Southern Africa (ESA) is a diverse EPA group including Indian Ocean islands (Comoros, Madagascar, Mauritius and Seychelles), countries from the Horn of Africa (Djibouti, Ethiopia, Eritrea and Sudan) and land-locked countries of Southern Africa (Malawi, Zambia and Zimbabwe). The original ESA group at the start of the EPA negotiating process also included the Eastern African Community (EAC) states of Burundi, Kenya, Rwanda, Tanzania and Uganda. However, in 2007 they agreed a separate interim EPA based around the newly formed EAC customs union.

At the end of 2007, 6 ESA States (Comoros, Madagascar, Mauritius, Seychelles, Zambia and Zimbabwe) concluded an interim EPA with the EU. The agreement was signed by four countries (Madagascar, Mauritius, Seychelles and Zimbabwe) in August 2009 in Mauritius. This deal is a stepping stone towards a full EPA and remains open to other countries willing to join at a later stage.

### 2. Main features of the interim EPA

- A market-access deal with Comoros, Madagascar, Mauritius, Seychelles, Zambia and Zimbabwe.
- Other agreed chapters such as rules of origin, development cooperation, fisheries, trade defence and dispute settlement mechanisms.

#### EU - ESA Trade in Goods

In 2010 total EU imports from the whole ESA group reached around €2.88bn, or 0.2 % of all EU imports, including mainly processed tuna, coffee, cane sugar, textiles, tobacco, cut flowers and ferro-alloys. The imports from ESA countries that initialled the interim EPA represented around 70 % of the EU imports from the ESA region.

EU exports to ESA, comprised mainly of machinery, vehicles, pharmaceutical products and chemicals and they reached about €3.99bn the same year.

#### Goods liberalised

The interim EPA offers duty free quota free access for all imports from ESA as of 1<sup>st</sup> January 2008, with some transition remaining for sugar. ESA will liberalise its market to EU imports in line with the individual schedules annexed to the interim EPA.

\* This fact sheet describes the content of the interim Economic Partnership Agreements. It does not in any way replace or interpret the provisions of these agreements.

ESA States decided their own schedules to liberalise trade with the EU as set out below:

Country	Liberalisation of EU imports	Country	Liberalisation of EU imports
Comoros	81%	Seychelles	98%
Madagascar	81%	Zambia	80%
Mauritius	96%	Zimbabwe	80%

### ***Goods excluded from liberalisation***

The ESA countries were not in position to table a common regional market access offer and each country presented an individual offer based on its specificities.

The ESA countries decided to exclude the following EU imports from liberalisation:

Country	Main Exclusions From Liberalisation
Comoros	Meat, milk, vegetables, flour, tobacco, motor vehicles
Madagascar	Meat, milk and cheese, fisheries, vegetables, cereals, oils and fats, edible preparations, sugar, cocoa, beverages, tobacco, chemicals, plastic and paper articles, textiles, metal articles, furniture
Mauritius	Live animals and meat, edible products of animal origin, fats, edible preparations and beverages, chemicals, plastics and rubber articles of leather and fur skins, iron & steel and consumer electronic goods
Seychelles	Meat, fisheries, beverages, tobacco, leather articles, glass and ceramics products and vehicles
Zambia	Meat, milk and cheese, vegetables, cereals, oils and fats, edible preparations, sugar, chemicals, plastics and rubber articles, scratch cards, textiles, ceramic products, articles of base metal, machinery, vehicles, furniture
Zimbabwe	Products of animal origin, cereals, beverages paper, plastics and rubber, textiles and clothing, footwear, glass and ceramics, consumer electronic and vehicles

### **3. State of play of comprehensive regional EPA negotiations**

Negotiations of a comprehensive EPA resumed at the beginning of 2008 with all ESA countries including those which did not join the interim EPA (Djibouti, Ethiopia, Eritrea, Malawi and Sudan). The shared objective of the EU and ESA region in these negotiations is to conclude an agreement at regional level, which supports sustainable development and fosters regional integration.

The interim EPA contains a rendezvous clause providing for continued negotiations on trade in services, investment, agriculture, rules of origin, Sanitary and Phytosanitary (SPS) provisions and Technical Barriers to Trade (TBT), customs and trade facilitation and trade-related rules. All these issues are currently under discussion.

Since the beginning of the negotiations in 2008, ESA has identified various "**outstanding issues**" that it wished to re-open in the framework of the full EPA discussions. These include,

among others, the trade coverage of the agreement, export taxes, agricultural safeguards and rules of origin.

Negotiations on **Sanitary and Phytosanitary Standards and Technical Barriers to Trade** as well as those on **trade facilitation** have been finalised. Significant progress has also been made in the areas of Agriculture and Services.

With regards to **trade-related issues**, including sustainable development and competition, the discussions so far have been very constructive. ESA proposes prioritising the above areas and engaging in detailed negotiations of intellectual property rights and government procurement only at a later stage.

Finally, both sides acknowledge importance of the **development cooperation** provisions. The current EPA chapter is broadly agreed, with ESA wanting to strengthen the language in relation to availability of additional funds from EU Member States. On the EU side it is clear that the support under the 10<sup>th</sup> European Development Fund is already available and should be given due attention. The EU side also explained that its Member States are eager to support ESA States in their trade efforts and that specific needs could be identified in the framework of the EU Aid for Trade initiative.

For the latest state of play, please see:

[http://ec.europa.eu/trade/wider-agenda/development/economic-partnerships/negotiations-and-agreements/#\\_esa](http://ec.europa.eu/trade/wider-agenda/development/economic-partnerships/negotiations-and-agreements/#_esa)