

Economic Partnership Agreement between the EU and the ESA EPA Group

1. Interim EPA – State of Play

Eastern and Southern Africa (ESA) is a diverse EPA group including Indian Ocean islands (Comoros, Madagascar, Mauritius and Seychelles), countries of the Horn of Africa (Djibouti, Ethiopia, Eritrea and Sudan) and some 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, six states in the ESA region (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 and is provisionally applied since 14th of May 2012. In January 2013, the European Parliament gave its consent to the agreement. This deal remains open to other countries willing to join at a later stage.

EU - ESA Trade in Goods

In 2010 total EU imports from the whole ESA group reached around €2.9bn, 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 almost €4bn the same year.

2. Main features of the interim EPA

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

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Goods liberalised

The interim EPA offers duty free quota free access for all imports from ESA as of 1st January 2008¹. ESA will liberalise its market to EU imports in line with the individual schedules annexed to the interim EPA.

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
Madagascar	81%	Seychelles	98%
Mauritius	96%	Zimbabwe	80%

Goods excluded from liberalisation

The ESA countries were not in a 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
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
Zimbabwe	Products of animal origin, cereals, beverages paper, plastics and rubber, textiles and clothing, footwear, glass and ceramics, consumer electronic and vehicles

¹ Limited transitional arrangements exist for sugar until 2015

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 (Comoros, Djibouti, Ethiopia, Eritrea, Malawi, Sudan and Zambia). 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 rendez-vous clause providing for continued negotiations on trade in services, investment, agriculture, rules of origin, sanitary and phytosanitary provisions and technical barriers to trade, customs and trade facilitation and trade-related rules. All these issues are subject to further discussions.

The last negotiating round for a comprehensive EPA took place at the end of 2011, and to date none of the ESA countries that remained outside the EPA in 2007 have submitted any goods or services offer.

4. Development cooperation

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 10th 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/policy/countries-and-regions/regions/esa/>