

REPORT ON THE 4th ROUND OF NEGOTIATIONS BETWEEN THE EUROPEAN UNION AND FIVE EASTERN AND SOUTHERN AFRICA (ESA) COUNTRIES FOR THE DEEPENING OF THE CURRENTLY IMPLEMENTED ECONOMIC PARTNERSHIP AGREEMENT
13-16 APRIL 2021

The European Union (EU) and the five Eastern and Southern African countries (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe) implementing the interim Economic Partnership Agreement (EPA) met virtually via video-conference from 13 to 16 April 2021 to hold the fourth negotiating round for the deepening of this agreement, following the launch of the negotiations on 2 October 2019 in Mauritius.

All partners were well prepared and coordinated for this round that included six issues, thus confirming once again their willingness and commitment to move forward in these negotiations despite the difficult situation due to the COVID-19 pandemic and the technical constraints of a virtual meeting.

The meeting was held in a positive and constructive atmosphere and allowed the partners, to conclude the mutual and administrative assistance protocol and to make small but steady progress on five issues, namely customs and trade facilitation (C&TF), sanitary and phytosanitary issues (SPS), rules of origin (ROO), trade and sustainable development (TSD) and trade in services, investment liberalisation and digital trade (S, IL&DT). In addition, the issue of economic and development cooperation (EDC) was discussed for the first time and allowed a common understanding of positions and expectations by both sides. Furthermore, both sides recognised the importance of this chapter in this deepening process and agreed with the principle that beyond the economic scope, the EPA must contribute to sustainable development of the ESA countries.

This round was ended by the first, in this process, meeting of senior officials, who took stock of the progress on all above issues in addition to the two issues discussed in previous rounds, namely agriculture and technical barriers to trade (TBT) and agreed on the way forward.

Customs and Trade Facilitation (C&TF)

Discussions were constructive with further exchanges of information on outstanding issues. Six articles remain outstanding, including those related to institutional provisions and capacity building, which will need to be discussed in due course, in the framework of the relevant chapters.

Mutual Administrative Assistance Protocol (MAA)

The Protocol has been provisionally concluded.

Sanitary and phytosanitary issues (SPS)

The Parties made additional progress by finalising articles on regionalisation and on equivalence. The Parties re-confirmed that cooperation and technical assistance would be of

utmost importance for the full implementation of the ambitious SPS chapter they are working on and agreed to organise an intermediary meeting dedicated to this issue.

Rules of Origin (ROO)

Both sides presented in detail their proposals for product specific rules and replied to clarification questions. The Parties made additional progress on a number of provisions of the protocol on rules of origin. The Parties continued exchanging their views on origin procedures, in particular, with regard to the self-certification of origin.

Trade and Sustainable Development (TSD)

The group had the first discussion based on a joint bracketed text. The discussions focused on the objectives, the scope, the right to regulate and levels of protection, labour standards, environmental standards, biodiversity, forest management, marine resource management, institutional transparency and dispute settlement provisions, among others. Both sides referred to their priorities and clarified their positions. Convergence on many issues was observed.

The EU aimed for a high ambition and the need for strong commitments on TSD, which should build on the Post-Cotonou Agreement TSD references. ESA5 underlined that TSD should be of a collaborative nature, whereby both sides would need to work together towards the implementation of the Sustainable Development Goals. In this respect, it was important to consider the difficulties of implementing the commitments to be undertaken in an ambitious TSD chapter. ESA5, therefore, linked the level of ambition to adequate financial and technical support.

The Parties will now work to produce an updated text, which will reflect the many points of convergence.

Trade in Services, Investment Liberalisation, Digital trade (S, IL&DT).

A constructive textual discussion took place on issues relating to investment, services, and digital trade. The EU presented a general outline of their forthcoming proposal on the facilitation of investment and of trade in services. Both sides stressed commonalities and differences between their respective approaches. Regarding the ESA regional integration, ESA5 explained the importance of their regional and continental configurations in this respect, including reciprocity in the former area.

As for next steps, the ESA5 States agreed to send their written comments on the EU's proposal two months-time ahead of the next round of negotiations.

Economic and Development Cooperation (EDC)

The first discussion on this chapter served to establish a common understanding of positions and expectations by both sides. ESA5 briefly presented their proposal and the EU shared some first reactions, presented the orientations and priorities of the ongoing programming process at national and regional levels and briefly presented the linkages of EPAs to the African Continental Free Trade Area (AfCFTA) process.

Both sides recognized the EDC importance in this deepening process and agreed with the principle that beyond the economic scope, the EPA must contribute to sustainable development of the countries. The EU confirmed its readiness to mobilise support for the implementation of the deepened EPA within the framework of its strategic partnerships with ESA5 countries. The EU presented the preliminary identified priorities under the on-going programming process and showed alignment to a certain extent with the themes presented in the ESA5's proposal.

ESA5 welcomed the presentations of the programming priorities and emphasised the need to create clear linkages between the EPA and the financial support to be provided by the EU. The EU reassured ESA5 that these linkages would be found and developed with the appropriate provisions in the text and in alignment with EU cooperation and strategic partnership with the countries concerned.

The EU committed to share comments on ESA5's proposal and to the extent possible a counterproposal in view of the future negotiation round.