



## **REPORT ON THE 5<sup>th</sup> 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 (EPA)**

**19-23 July 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 19 to 23 July 2021 to hold the fifth negotiating round for the deepening of this agreement, following the launch of the negotiations on 2 October 2019 in Mauritius.

All partners were prepared and coordinated for this round that included six issues, namely technical barriers to trade (TBT), rules of origin (RoO), trade in services, investment liberalisation and digital trade (TiSIL&DT), intellectual property rights (IPR), public procurement (PP) and means of implementation (MoI), which is the re-labelled “economic and development cooperation” chapter.

The meeting was held in a positive and constructive atmosphere. Progress was made on TBT and RoO whereas on TiSIL&DT the parties stressed their commonalities and differences, which will allow substantial textual discussions when the ESA partners will have completed their internal consultations. This first discussion on IPR showed both sides’ engagement to negotiate including on geographical indications. On PP, both sides agreed to consult further and to share their results of consultations before the next round. As for the MoI, the EU presented its approach and both parties agreed to launch technical discussions on the specific needs of each country for implementing the Agreement.

### **Technical Barriers to Trade (TBT)**

Both parties had a constructive exchange of views on their respective policies, notably on conformity assessment procedures. Progress was made on some of the remaining articles, notably on conformity assessment procedures. Other issues discussed included technical regulation and equivalence of technical regulations. Cooperation and technical assistance will be discussed in the wider context of the negotiations on the Means of Implementation (ex - Economic and Development Cooperation) chapter.

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## **Rules of Origin (RoO)**

Both sides discussed a number of chapters of product specific rules for which the proposals were the same on substance and agreed those chapters. Moreover, the EU further provided detailed explanations of its proposal for the product specific rules for other sectors, including for textiles.

The Parties exchanged their views on a number of provisions belonging to general requirements and origin procedures, such as tolerance, insufficient operations, accounting segregation and proof of origin.

## **Trade in Services, Investment Liberalisation and Digital Trade (TiSIL&DT)**

The Parties had a constructive discussion on issues relating to investment, services, and digital trade, including the new EU proposal on the facilitation of investment and of trade in services (FITS) and on capital movements. The Parties stressed the commonalities and differences between their respective approaches. For next steps, the ESA States will discuss internally investment-related issues, including the classification of non-services sectors and the EU's proposal on FITS and capital movements. The Parties stand ready to negotiate investment liberalisation, trade in services, and digital trade simultaneously once the ESA States have finalised their internal deliberations.

## **Intellectual Property Rights (IPR)**

The first round of discussions on IPR took place in a constructive and amical atmosphere. The EU and ESA partners exchanged preliminary views on their respective general approach and in particular with regard to protection of geographical indications (GIs). The parties agreed on the importance to widen and broaden the Agreement to cover intellectual property rights and the value of GIs for regional development. There is full engagement on both sides to take IPR, notably GIs negotiations forward.

## **Public Procurement (PP)**

Both parties presented their text on public procurement and had an initial exchange of views. The ESA side emphasized that discussions on this chapter should focus on transparency as already agreed and provided for in the joint scoping paper. The EU indicated that its proposal is based on the WTO Government Procurement Agreement (GPA), which it considers be the international reference on Public Procurement transparency. Both sides agreed to consult further on the proposals and share the results of this consultation by the end of October 2021.

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## Means of Implementation (Moi)

This meeting was the second negotiation session on the “EDC”/“Moi” Chapter. Parties agreed that given the short delay on the receipt of the EU proposal, it was premature to discuss on the detailed text and that the meeting would serve to have a better understanding of the EU proposal.

EU presented the approach and text of the draft proposal and illustrated the potential coverage and linkages to the programming process. The EU suggested “Means of Implementation” as new title of the document. It explained the importance to align to the Post-Cotonou framework, to frame support around the existing partnership framework, and to ensure a more pragmatic and “fit for purpose” text that focuses on the specific needs for the implementation of the agreement provisions. ESA requested additional information for a deeper understanding on the programming process with a view to better assess the links between the EPA and the programming. ESA shared some first reactions on the EU draft proposal and approach and engaged to submit further substantial comments. In parallel, parties agreed to launch technical discussions at country level to assess the specific needs for the implementation of the Agreement in each country context.