



PROGRESS & STATUS OF ESA-EC EPA NEGOTIATIONS

LUSAKA June 2007

COMESA SECRETARIAT

WHY ESA CONFIGURATION

- HAPPY FAMILY APPROACH (COMESA, SADC, IOC, EAC, IGAD)
- ADVANTAGES
 - COUNTRIES FACE SAME CHALLENGES
 - SUPPORTS CONVERGENCE OF RECS (use of regional programs as basis for EPA positions)
 - PULLING RESOURCES FOR NEGOTIATION (RNF)
 - NEG VEHICLE TO USE WITH OTHER REGIONS (INDIA, US, CHINA etc) IN FUTURE (RNF)
- DISADVANTAGES
 - Infancy - new experience,





BACKGROUND

- EPA Negotiations were launched in Feb 2004.
- MS lead the negotiation through the RNF which defines the regional negotiating positions.
- Actual negotiations are conducted at Ambassadorial and Ministerial levels
- Three phases namely priority setting, substantive negotiations and finalisation.
- Currently, substantive negotiations are taking place on the basis of text prepared by ESA and submitted to EC.
- Main areas under negotiations include development co-operation, market access, services, agriculture, fisheries and trade-related issues. So far negotiations have covered all areas except services.



STATUS – EC/ESA MINISTERS MEETING

- The main purpose of the 28 Feb was
 - to take stock of EPA negotiations
 - to provide political impetus and guidance for the next steps in the negotiation process.
- Main conclusions by both parties;
 - the negotiations are behind schedule
 - gave fresh political impetus so as to keep the agreed timetable
 - necessary measures to avoid any disruption to ESA –EU trade come 2007 Dec.
- Parties affirmed their commitment to conclude the negotiations on time.



Meeting AGREED- OBJECTIVES OF EPAS

- Development of ESA region, gradual integration into global economy, and eradication of poverty.
- Address the supply side constraints increase the production and supply capacity of the countries;
- Structural transformation and competitiveness of ESA economies, diversification-value addition;
- Support regional integration enlarge their markets
- Improving predictability and transparency of trade policies,
- Address specific economic, social, environmental and structural constraints of the countries and the region.



1- Agreement on DEVELOPMENT

- **COMPREHENSIVE TREATMENT OF DEV**
 - Stand alone chapter and cross cutting
- **MOBILISE ADDITIONAL RESOURCES**
 - specifically to address EPA requirements.
 - From EU MS and other donors.
 - Aid for Trade - substantial part for ACP countries,
- **DELIVERY MECHANISMS**
 - Use own mechanisms like COMESA Fund
 - Predictability and sustainability in resources
 - Improve on delivery under 10th EDF RIP for EPA.
- **Development matrix is joint ESA/EC effort**



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MARKET ACCESS {DJT}

- EC offer on full market access.
- FLEXIBILITY/ASYMMETRY FOR ESA
 - transition periods and product coverage
 - Phased tariff dismantlement
 - sensitive products
 - Trade remedies
 - Periodic reviews
- SIMPLIFIED ROO
- CAPACITY BUILDING FOR SPS & TBT



3. Trade related issues

- Currently the region is developing negotiating positions in various areas such as **trade facilitation, IPR, investments, competition policy.**
- ESA mandate on TRI stresses need for necessary capacity building, promoting effectively functioning regional market and support to existing ESA policies/reforms
- The focus of the EC is on rule making.
- Parties agreed to transparency in public procurement ESA has refused to include public procurement under EPAs



4; AGRICULTURE

- The ESA Group presented positions to the EC. Key issues include;
 - food security,
 - Safeguarding/guaranteeing the benefits from commodity protocols,
 - situation of NFIC and commodities.
 - maintain/implement regional preferences among ESA countries and its link with the CET.
 - Competitiveness of agric



6 Services & Fisheries

- ESA WORKING ON ITS POSITIONS BASED ON THE EMERGING REGIONAL TIS FRAMEWORK
- The EC is ready to offer access for services including on mode IV in respect of cross-border movement of persons.
- FISHERIES – there is a joint text in place



WAY FORWARD

- In 2007 strategy is to focus on
 - defining jointly EPA accompanying measures and the necessary resources for the financing of EPA related adjustment costs and implementation EPA,
 - to begin substantial negotiations
 - on development cooperation chapter and
 - Trade in goods
 - Use the draft text by ESA and EC proposals to expedite negotiations.
 - Next ministers meeting before October 2007
- Finalise a joint report within a month.



A SYNOPSIS OF CURRENT POSITION

- Focus on two areas development and trade in goods
- On trade in goods - draft joint text in place incl. on SPS, TBT, safeguards, [rules of origin] & sensitive products list ready
- On development - draft joint text in place incl. joint matrix as work in progress & now working on accompanying measures
- On fisheries draft joint text in place
- On agriculture - limited progress
- On trade related issues - limited progress
- On services - no progress
- On final institutional & legal provisions - limited

THANK YOU

