



REPORT ON THE 13th ROUND OF NEGOTIATIONS BETWEEN THE EUROPEAN UNION AND FIVE EASTERN AND SOUTHERN AFRICA (ESA5) STATES FOR THE DEEPENING OF THE CURRENTLY IMPLEMENTED ECONOMIC PARTNERSHIP AGREEMENT

18 - 22 March 2024 in Moroni, Comoros

Summary:

The European Union (EU) and the five Eastern and Southern African (ESA5) States (Comoros, Madagascar, Mauritius, Seychelles, and Zimbabwe), which are currently implementing the Economic Partnership Agreement (EPA), met in Moroni, Comoros, and via videoconference from 18 to 22 March 2024 for the 13th negotiating round of the EPA deepening (at technical level).¹

The 13th round focused on all open thematic areas², namely Fisheries and Aquaculture (F&A), Technical Barriers to Trade (TBT), Customs and Trade Facilitation (C&TF), Rules of Origin (RoO), Intellectual Property Rights (IPR) and Geographical Indications (GIs), Trade in Services, Investment Liberalization and Digital Trade (TiSIL&DT), Competition (COMP), Transparency in Public Procurement (TiPP), Trade and Sustainable Development (TSD), Economic and Development Cooperation (EDC), and Dispute Settlement and Institutional Provisions (DS&IP).

The **F&A** and **TBT** chapters were provisionally closed, and compromise proposals were exchanged for three additional chapters (**C&TF**, **COMP**, and **TiPP**), potentially allowing for a provisional conclusion soon after the round. Good progress was made on the legal texts of **RoO**, **IPR**, **TiSIL&DT**, **TSD**, and **EDC**.

On **RoO**, product-specific rules for various agricultural and processed agricultural products were agreed. On **IPR**, the section on trademarks was concluded, and further advancements were made in the enforcement section. On **GIs**, an agreement was reached on several provisions, and constructive discussions were held on an ESA5 proposal to protect EU GIs at the level of protection of the envisaged EPA after a transitional period. On **TiSIL&DT**, progress was made on provisions on trade in services, the facilitation of investment and trade in services, and digital trade.

On **TSD**, both Parties increased their understanding of each other's positions, and acknowledged progress in some areas, while ESA5 maintained their position to condition the level of ambition on receiving adequate financial assistance from the EU. On **EDC**, a consensus was reached on a common text of General Provisions to be validated by the Parties. On the identification of almost all sectoral areas of cooperation, an agreement was reached while both Parties will consult on the optimal structure of this part. Additionally, ESA5 welcomed a mapping exercise proposed by the EU to be conducted by a consultant to match relevant ESA5 projects with relevant EU technical assistance programs. On **DS&IP**, further discussions are required on provisions related to the TSD chapter and institutional aspects of civil society involvement.

¹ The negotiations were launched (at the initiative of ESA5) at political level on 2 October 2019 in Mauritius.

² The chapters on Sanitary and Phytosanitary (SPS) measures and Partnership in Agriculture as well as the Protocol on Mutual Administrative Assistance in Customs Matters have already been provisionally concluded.

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A date of the 14th round of EU-ESA5 negotiations is subject to each Party's assessment of the progress achieved, including in the intersessional discussions.

Details:

Fisheries and Aquaculture

The Parties reached an agreement on the last outstanding issues concerning the chapter's structure, its relation to other chapters, and the definition of fisheries-related cooperation areas. This allowed for a provisional closure of the chapter.

Technical Barriers to Trade

The chapter was provisionally closed. The outcome is a highly comprehensive chapter, encompassing provisions on technical regulations, standards, conformity assessment, transparency, marking and labelling, as well as consultation and cooperation.

Customs and Trade Facilitation

The EU tabled a compromise proposal for the only outstanding article on pre-shipment inspections, which could allow the provisional conclusion of this chapter before the next round.

Rules of Origin

The Parties continued discussions on the few outstanding product specific rules (PSR) for agricultural and processed agricultural goods as well as on textiles products and on the outstanding provisions of Protocol 1 related to tolerance, cumulation, and derogations.

Intellectual Property Rights and Geographical Indications

The Parties continued their constructive discussions and concluded the trademarks section. Thus, all sections on individual IPRs, as outlined in the original EU proposal, are provisionally closed. Furthermore, the enforcement section has been concluded, except a single issue regarding precautionary measures.

On GIs, the Parties reached an agreement on several provisions and engaged in constructive discussions on an ESA5 proposal to protect EU GIs at the level of protection of the envisaged EPA after a transitional period. Further work and discussion are necessary on this proposal, as well as on several other issues.

Trade in Services, Investment Liberalization, and Digital Trade

Both Parties continued their text-based discussions on the parts related to Temporary Presence of Natural Persons for Business Purposes, Facilitation of Investment and Trade in Services, as well as the Digital Trade Title and made progress by reaching a common understanding on most provisions discussed. The Parties will consult internally on various provisions, as recorded in the merged text, and revert at the next round.

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Competition

The Parties continued their deliberations on the legal texts relating to State Owned Enterprises (SOEs) and Competition Policy. On SOEs, progress was made on the scope, technical assistance, and other development-related flexibilities. On Competition Policy, common ground was found on public services as well as technical assistance and capacity building. The EU presented a package covering few outstanding issues under both above mentioned sections with a view of their provisional conclusion after the round. Subsidies section was not addressed during this round.

Transparency in Public Procurement

Significant progress was made, with one paragraph pending on information provided to suppliers after resolution of tenders, for which ESA5 put forward a language proposal to be further discussed. Both Parties still need to discuss the content of country annexes presenting the scope of application of transparency rules.

Trade and Sustainable Development

Both Parties discussed and increased their understanding of each other's positions on several labour and environment-related provisions. They also converged on other aspects, moving the negotiation forward. Discussions also covered matters related to climate change, biological diversity, and forest management, as well as marine resources.

ESA5 maintained concerns about their potential difficulties in implementing legally binding TSD commitments and continued to condition the level of ambition in provisions of the TSD chapter to receiving adequate development cooperation support. The EU took note of those concerns (being looked at under EDC), while underlining the need for a high level of ambition in the TSD chapter.

Economic and Development Cooperation

The round allowed for significant progress, particularly with the revision of all sectoral areas of cooperation. Additionally, amendments were made for the pending issues in the General Provisions, leading to a consensus on a common text that both Parties need to validate by 15 April 2024. ESA5 also welcomed the EU's proposed mapping exercise, which would be conducted jointly with the support of a consultant to ensure a comprehensive overview of all technical assistance programs and support tools available.

In the General provisions part, the EU agreed on the establishment of a Joint Development Committee, while rejecting a specific earmarking of regional Sub-Saharan Africa funds for EPA implementation. The EU emphasized the availability of other funding sources within the NDICI and under Global Gateway. Additionally, the EU stressed the importance of ESA5 being fully informed about existing instruments, submitting high-quality project proposals, and engaging with international development financial institutions. To this end, the EU proposed the inclusion of three additional paragraphs to reaffirm its commitment to providing further assistance to ESA5 in comprehending and mobilizing existing cooperation and partnership tools. Both Parties expressed their comfort with the proposed text but needed to confirm it with their capitals.

In the part on areas of cooperation, the EU agreed to integrate new areas proposed by ESA5, after jointly agreed small technical modifications. Both Parties will consult internally on the optimal structure of this sectoral part. Given that certain trade-related chapters are still being negotiated, the coherence check may be performed after these chapters have been provisionally closed.

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On the mapping exercise, the EU proposed an expert mission to map all existing relevant tools and programmes available to support any technical assistance requests raised by ESA5 for the implementation of the deepened EPA. This exercise, to be done in collaboration with ESA5, is intended to provide a comprehensive overview and baseline to assist the Joint Development Committee. ESA5 welcomed this initiative and agreed to appoint a contact point for each country to follow the consultancy work.

Dispute Settlement and Institutional Provisions

On Dispute Settlement, the text has been agreed except for the provisions on transparency (documents to be disclosed to the public, hearings open to the public and the possibility for interested parties to make submissions in connection with disputes) and dispute settlement provisions related to the TSD chapter. On Institutional Provisions, the main remaining divergence relates to the dedicated mechanisms of civil society involvement in monitoring the EPA implementation, given ESA5 concerns about existing national structures for consultations of non-state actors. Further discussion is needed to find a common ground.