



Committee on Regional Trade Agreements

FACTUAL PRESENTATION

ECONOMIC PARTNERSHIP AGREEMENT BETWEEN THE EUROPEAN UNION AND SADC STATES
(GOODS)

Report by the Secretariat

This report, prepared for the consideration of the Economic Partnership Agreement between the European Union and SADC States (Botswana, Lesotho, Mozambique, Namibia, South Africa and Eswatini), has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The factual presentation reproduces as closely as possible the terminology used in the Agreement and in the comments provided and does not imply official endorsement or acceptance by the Secretariat of such terminology. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671) and thus does not imply any value judgement by the Secretariat regarding the contents of the Agreement.

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Key Facts

Parties to the Agreement: The European Union, Botswana, Lesotho, Mozambique, Namibia, South Africa and Eswatini

Date of Signature: 10 June 2016

Date of Entry into Force:

Provisional application between Botswana, Lesotho, Namibia, South Africa and Eswatini on the one hand and the EU on the other hand as from 10 October 2016 and for Mozambique from 4 February 2018

Date of Notification: 3 April 2017; and 12 February 2018

Full implementation: 1 January 2025

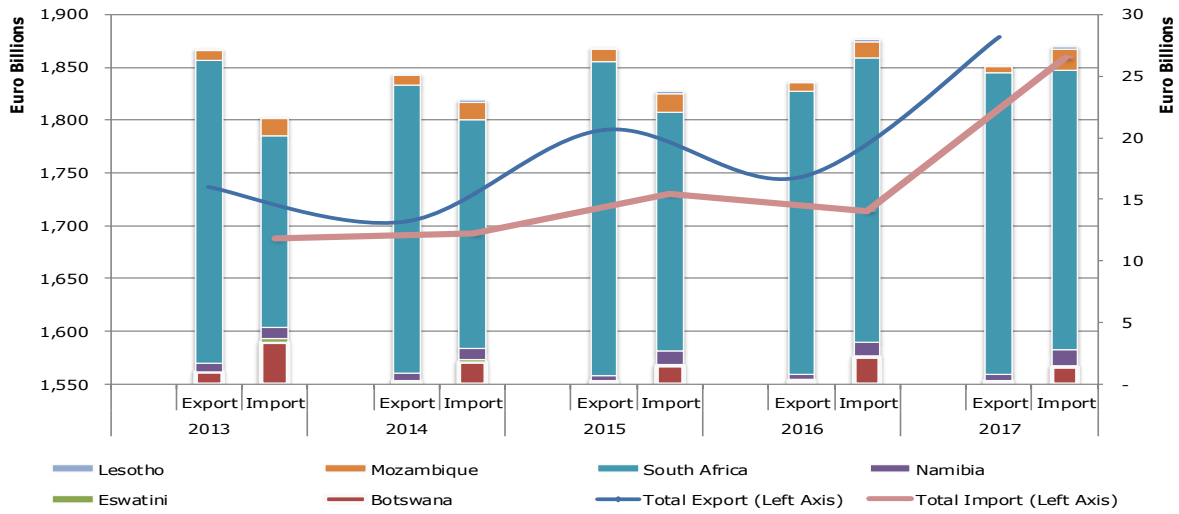
1 TRADE ENVIRONMENT

1.1. The Economic Partnership Agreement (hereinafter "the Agreement") between the European Union and its member States, and the SADC EPA States, was signed on 10 June 2016 by the EU, Botswana, Lesotho, Namibia, South Africa and Eswatini and on 19 June between the EU and Mozambique. The Agreement has been provisionally applied between the EU and Botswana, Lesotho, Namibia, South Africa and Eswatini from 10 October 2016 and between the EU and Mozambique from 4 February 2018.

1.2. The economies of the Parties are considerably different in terms of size and share of global trade. With a GDP in 2017 of 15,300 billion Euros (USD 17,308 billion), the EU was the world's second largest trader of merchandise (excluding intra-EU trade). Among the SADC EPA States, South Africa has the largest economy with a GDP of USD 349,299 million and in 2017 was the world's 25th largest exporter and 23rd largest importer of merchandise, followed by Botswana with a GDP of USD 17,168 million and ranked 76th and 96th for exports and imports respectively, Namibia with a GDP of USD 12,687 million and ranked 88th and 86th for exports and imports respectively, and Mozambique with a GDP of US\$12,681 million, and ranking 86th and 90th for exports and imports respectively. The economies of Eswatini and Lesotho are considerably smaller, with Eswatini having a GDP of US\$4,491 million and Lesotho US\$2,768 million in 2017; their rankings in exports and imports were respectively 109th and 133rd for Eswatini and 124th and 126th for Lesotho.

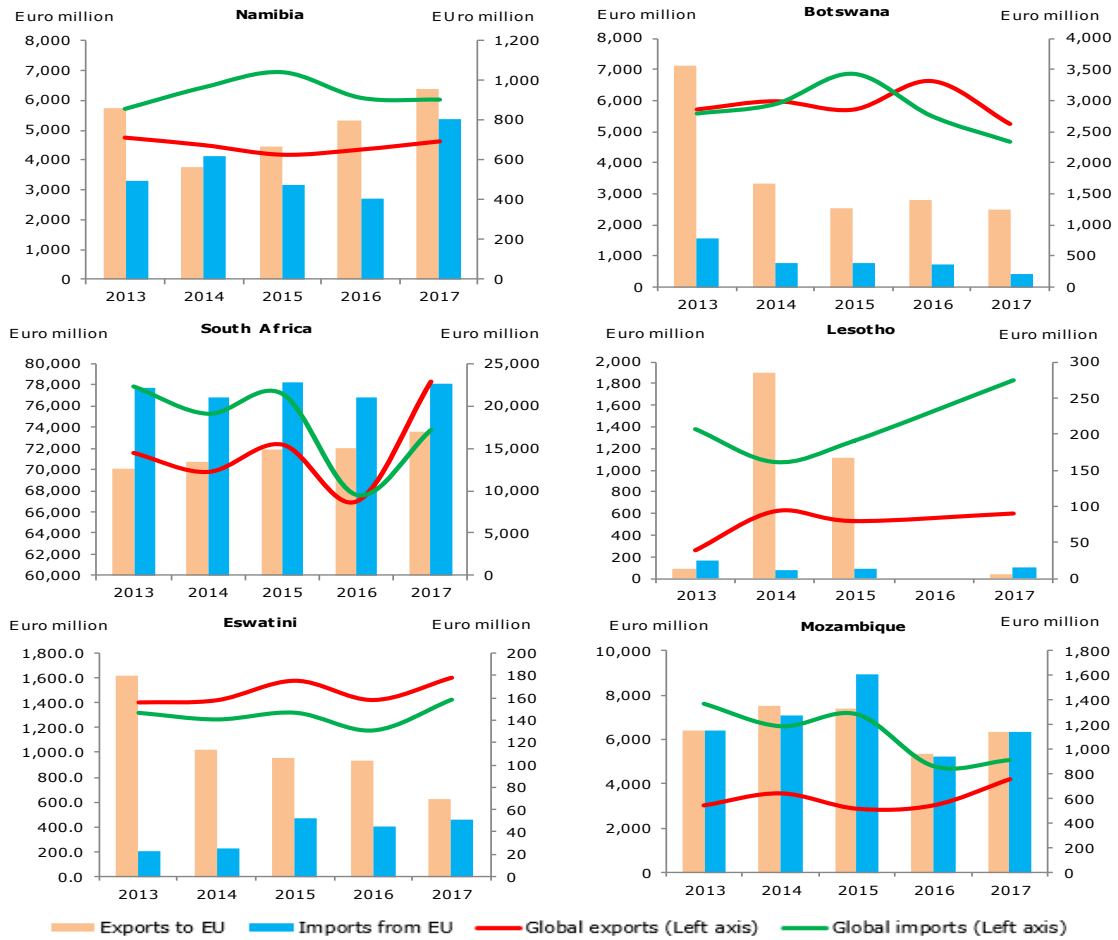
1.3. Charts 1.1 and 1.2 below show the Parties bilateral and global trade in goods during the period 2013-2017. Globally the EU has run a trade deficit during this period, although the magnitude of the deficit has varied. In its trade with the SADC EPA States, its largest trading partner is South Africa with which it has had a trade surplus for most of the period. Its trade deficits with Botswana and Eswatini declined for much of the period, while its deficit with Lesotho, Namibia and Mozambique increased.

Chart 1.1 EU: Merchandise trade with world and SADC, 2013-2017



Source: UNSD, Comtrade database.

Chart 1.2 SADC (Botswana, Eswatini, Lesotho, Namibia, South Africa, Mozambique): Trade with EU and with world, 2013-2017

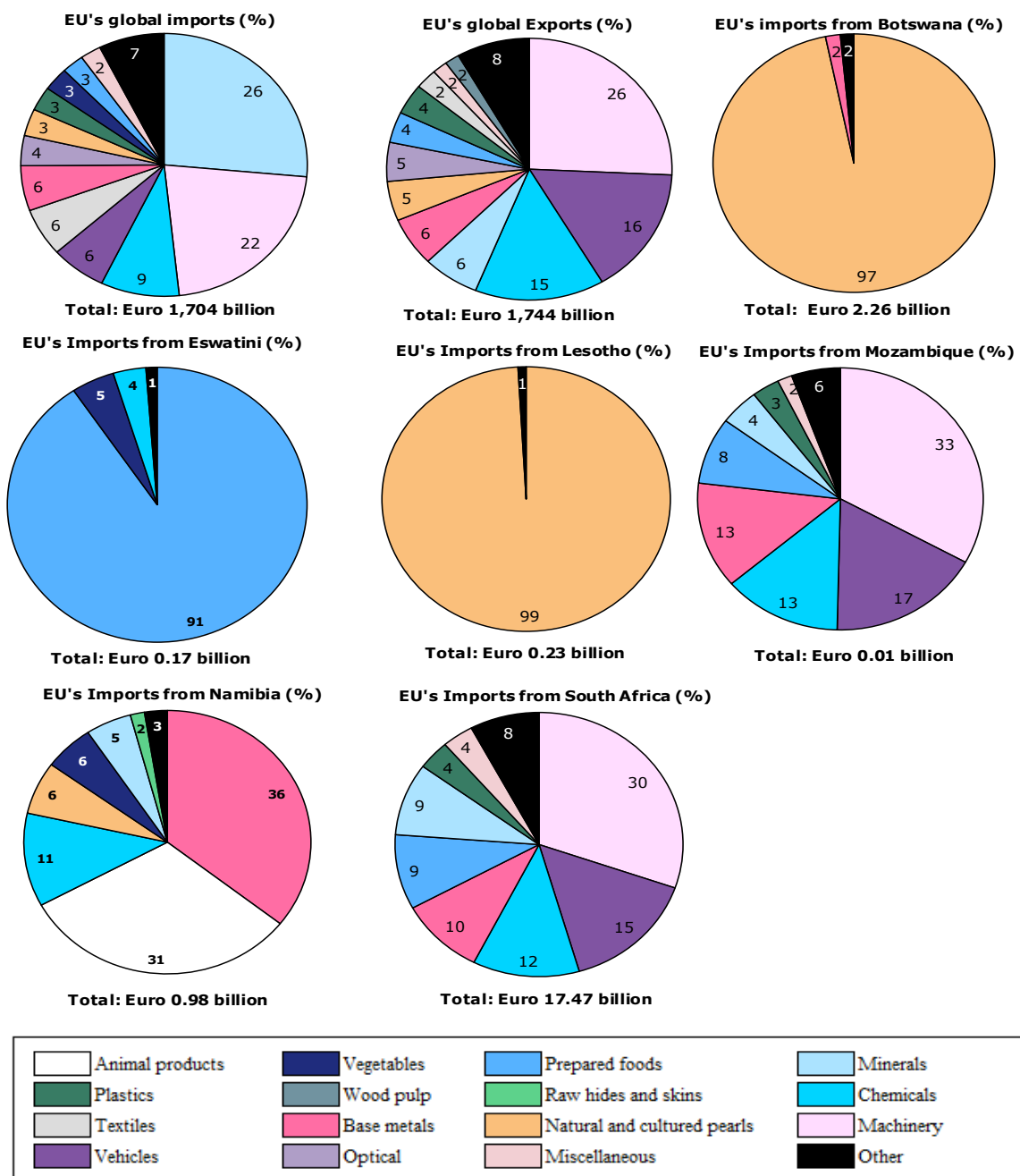


Note: Lesotho: data not available for 2016. Exchange rates used for USD into euro were: 0.753 (2013), 0.753730737 (2014), 0.901658962 (2015), 0.904035128 (2016) and 0.887397421 (2017).

Source: UNSD, Comtrade database; and ITC, TradeMap.

1.4. Charts 1.3 and 1.4 shows the product composition of the Parties' global and bilateral trade by broad HS Section during the period 2013-2015. Of the EU's three largest global imports (minerals, machinery and chemicals which during this period accounted for 57.2% of total imports), machinery and chemicals are key imports from South Africa and Mozambique (accounting for 42% and 46% respectively of its imports from these partners). Chemicals also make up the third largest import category (11% of total imports) from Namibia after base metals and animal products. The EU's imports from Eswatini are almost entirely dominated by prepared foods, while imports from Botswana and Lesotho are dominated by precious metals and stones (Chart 1.3).

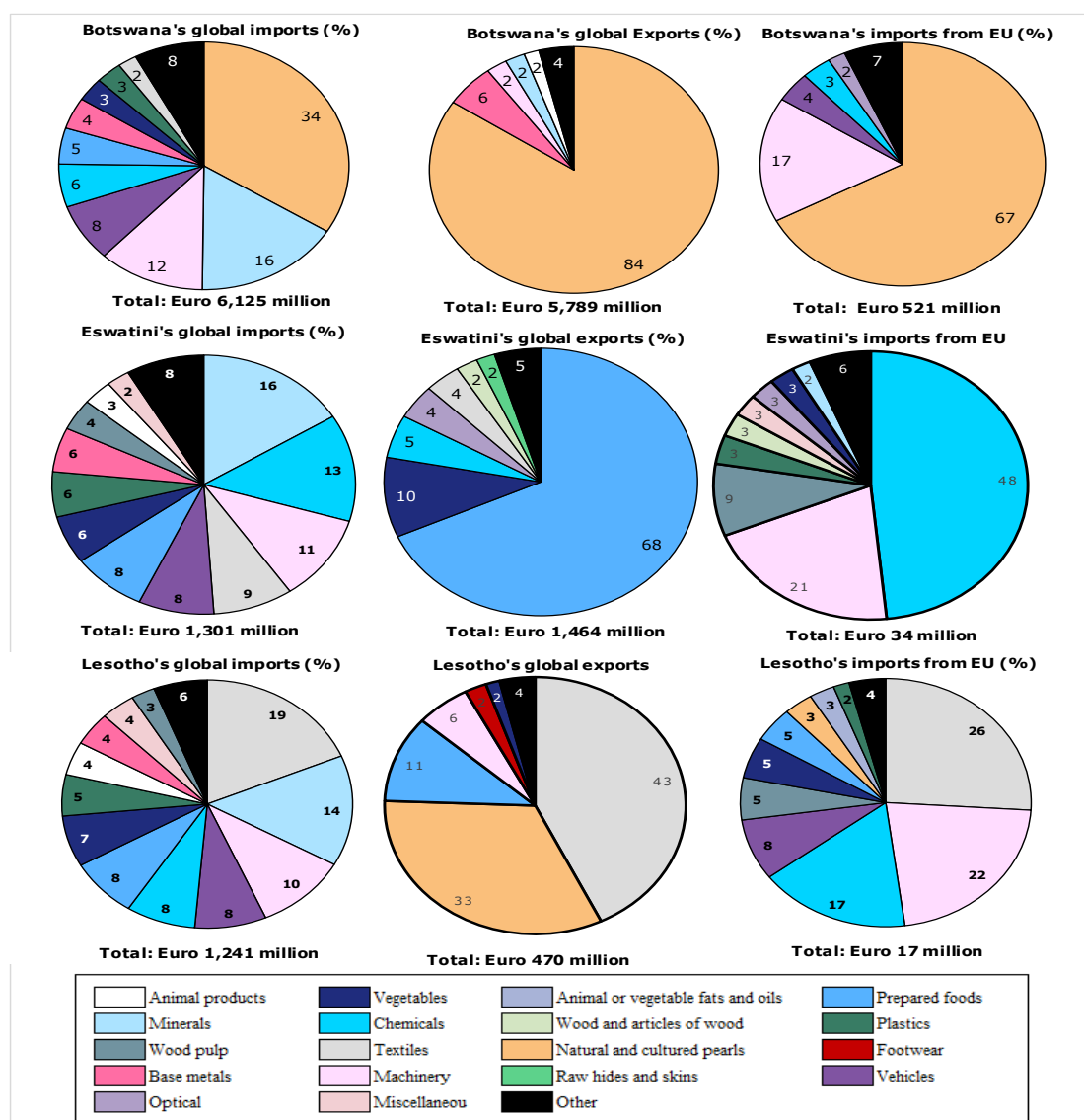
Chart 1.3 EU-SADC: Product composition of merchandise trade, annual average (2013-2015)



Source: EuroStat.

1.5. With regard to imports by the SADC States, there are greater similarities in their global and bilateral import structure. Of Botswana's three main imports of precious metals and stones, minerals and machinery (which accounted during 2013-2015 for 62% of its global imports, precious metals and stones, and machinery accounted for 87% of its imports from the EU. Of Eswatini's top four imports (minerals, chemicals, machinery and textiles, which together made up 49% of its global imports in this period), chemicals and machinery made up 69% of its imports from the EU. Of Lesotho's three largest imports of textiles, minerals and machinery, which accounted for 43% of total imports during this period, textiles and machinery accounted for 48% of its imports from the EU. Of Mozambique's three main imports, minerals, vegetable products, and prepared foods, which accounted for almost 84% of its global imports during this period, these three import categories accounted for almost 80% of its imports from the EU. Namibia's three largest imports of vehicles, machinery and minerals (60% of global imports) were also its three largest imports from the EU in this period (71%). Finally, with regard to imports by South Africa, of its four largest global imports of machinery, minerals, vehicles and chemicals, which accounted for 64.5% in this period, machinery, vehicles and chemicals are also its largest imports from the EU (accounting for 56.5% of imports).

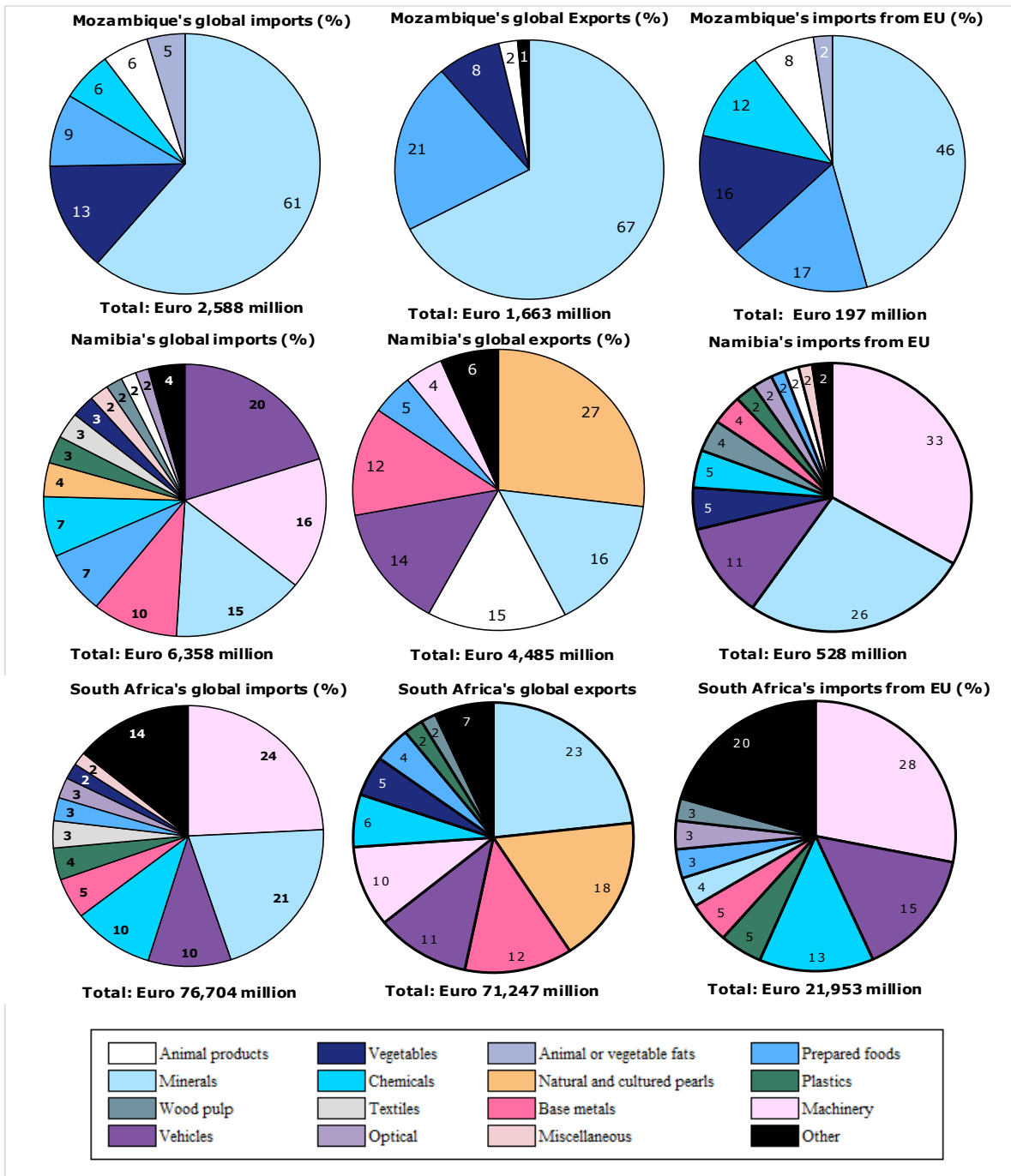
Chart 1.4(a) SADC-EU: Product composition of merchandise trade, annual average (2013-2015)



Note: Exchange rates for USD into euro: 0.753 (2013), 0.753730737 (2014), and 0.901658962 (2015).

Source: UNSD, Comtrade and ITC, TradeMap.

Chart 1.4(b) SADC-EU: Product composition of merchandise trade, annual average (2013-2015)



Note: To convert USD into Euro, the exchange rates used are 0.753 (2013), 0.753730737 (2014), 0.901658962 (2015).

Source: UNSD, Comtrade and ITC, Trade Map.

2 CHARACTERISTIC ELEMENTS OF THE AGREEMENT

2.1 Background Information

2.1. The Agreement was signed by the Parties on 10 June 2016 and provisionally applied since 10 October 2016 between the EU and Botswana, Namibia, Lesotho, South Africa and Swaziland, and since 4 February 2018 between the EU and Mozambique. It was notified to the WTO on 3 April 2017 under Article XXIV:7 of the GATT 1994 and its Understanding; provisional application of the Agreement between Mozambique and the EU was notified under Article XXIV:7 of the GATT 1994 and its Understanding on 9 February 2018.¹ The text of the Agreement along with its Annexes is available on the Parties' Websites:

EU: <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2016:250:0003:2120:EN:PDF>

South Africa: http://www.thedti.gov.za/trade_investment/trade.jsp

Lesotho: <http://www.lesothotraderportal.org.ls/?r=site/display&id=13>

2.2. The Agreement contains six Parts (with a total of 16 Chapters), six annexes and four protocols, all of which form an integral part of the Agreement (Box 2.1).

Box 2.1 Structure of the Agreement

Preamble	
Part I	Sustainable Development and other areas of cooperation
Chapter I	General Provisions
Chapter II	Trade and Sustainable Development
Chapter III	Areas of cooperation
Part II	Trade and Trade Related Matters
Chapter I	Trade in goods
Chapter II	Trade defence instruments
Chapter III	Non-tariff measures
Chapter IV	Customs and Trade Facilitation
Chapter V	Technical Barriers to Trade
Chapter VI	Sanitary and Phytosanitary Measures
Chapter VII	Agriculture
Chapter VIII	Current payments and capital movements
Chapter IX	Trade in services and investment
Part III	Dispute Avoidance and Settlement
Chapter I	Objective and Scope
Chapter II	Consultations and mediation
Chapter III	Dispute Settlement procedures
Chapter IV	Common Provisions
Part IV	General Exceptions
Part V	Institutional Provisions
Part VI	General and Final Provisions
Annexes	

¹ WTO document WT/REG381/N/1, dated 4 April 2017 and WT/REG381/N/1/Add.1 dated 12 February 2018.

Annex I	Customs Duties of the EU on Products Originating in the SADC EPA States
Annex II	Customs Duties of SACU on Products Originating in the EU
Annex III	Customs Duties of Mozambique on Products Originating in the EU
Annex IV	Agricultural Safeguards
Annex V	BLNS Transitional Safeguards
Annex VI	SPS Priority Products and Sectors
Protocols	
Protocol 1	Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation
Protocol 2	Mutual Administrative Assistance in Customs Matters
Protocol 3	Geographical Indications and Trade in Wines and Spirits
Protocol 4	Concerning the Relationship between the TDCA and this Agreement

Source: The Agreement.

2.3. The Agreement shall apply on the one hand, to the territories in which the Treaty on the European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU) are applied and under the conditions laid down therein, and on the other hand to the territories of the SADC EPA States (Article 115). The Parties to the Agreement are the SADC EPA States (Botswana, Eswatini, Lesotho, Namibia, Mozambique and South Africa) and the European Union and its Member States. In certain sections, notably those referring to customs duties, bilateral and agricultural safeguards, references are made to SACU, the Southern African Customs Union, which includes Botswana, Eswatini, Lesotho, Namibia, and South Africa) (Article 104).

2.4. The objectives of the Agreement, according to Chapter 1 include: to contribute to the reduction and eradication of poverty through the establishment of a trade partnership that is consistent with the objective of sustainable development, the millennium development goals and the Cotonou Agreement; to promote regional integration, economic cooperation and good governance to establish an effective, predictable and transparent regulatory framework for trade and investment between the Parties and among the SADC EPA States; promote the gradual integration of the SADC EPA States into the world economy according to their political choices and development priorities; support the conditions for increasing investment and private sector initiatives and enhancing supply capacity, competitiveness and growth in the SADC EPA States; and strengthen existing relations between the Parties on the basis of solidarity and mutual interest. The Parties agree that the Agreement shall enhance commercial and economic relations, consolidate the implementation of the Protocol on Trade in the SADC (SADC Trade Protocol) and the SACU Agreement, support trade between the Parties through the progressive but asymmetrical trade liberalization under the Agreement, and reinforce, broaden and deepen cooperation in all areas relevant to trade.

2.5. The Agreement aims to build on the Cotonou Agreement, the Trade, Development and Cooperation Agreement (TDCA) between the EU and South Africa and previous ACP-EU agreements in regional cooperation and integration, as well as economic and trade cooperation. It shall be implemented in a complementary and mutually reinforcing manner with respect to the Cotonou and TDCA agreements, subject to Articles 110 (Relations with the Cotonou Agreement) and 111 (Relations with the TDCA) (see Section 4.7 below). The Parties agree to cooperate to implement the Agreement in a manner that is consistent with the development policies and regional integration programmes in which the SADC EPA States are or may be involved and to fulfil their commitments and obligations and facilitate the capacity of the SADC EPA States to implement the Agreement (Article 2).

2.6. The Parties recognize that regional integration is an integral element of their partnership and reaffirm the importance of regional and sub-regional integration among the SADC EPA States to achieve greater economic opportunities, enhanced political stability and to foster the effective integration of development countries into the world economy. In particular, they support integration under the SACU and SADC Agreements, and the Constitutive Act of the African Union adopted on 11 July 2000, and the development policies and political objectives related to such processes. They aim to implement the Agreement in a mutually supportive manner through these instruments, taking

into account the respective levels of development, needs, geographical realities and sustainable development strategies (Article 3). Through Article 4 of the Agreement, they undertake to continuously monitor the operation and impact of the Agreement through appropriate mechanisms, to ensure that its objectives are achieved, that it is properly implemented and the benefits for their people, particularly the most vulnerable groups, are maximized. They will consult each other promptly over any issue concerning the implementation of the Agreement.

2.7. Under Article 116 the Parties agree to review the Agreement no later than 5 years after its entry into force. The review will be without prejudice to instances of adjustments, review or revisions otherwise provided for in the Agreement. In addition, any Party may submit proposals for amendments to the Agreement to the Joint Council for consideration and adoption. Once adopted by the Joint Council, any amendments must be submitted to the Parties for ratification or acceptance according to their respective constitutional or internal legal requirements.

3 PROVISIONS ON TRADE IN GOODS

3.1. Part II of the Agreement deals with trade and trade related matters and Chapter I with trade in goods. The Parties state in Article 20 that the Agreement establishes a free trade area between them, in conformity with GATT 1994 and in particular with Article XXIV. The Agreement respects the principles of asymmetry, commensurate to the specific needs and capacity constraints of the SADC EPA States, in terms of levels and timing of commitments (Article 20).

3.1 Import duties and charges, and quantitative restrictions

3.1.1 General provisions

3.2. No new customs duties shall be introduced or increased for products subject to liberalization under the Agreement, from its entry into force.² The exceptions are tariff preferences expressed as a margin of preference of the applied MFN duty, which can be raised (or reduced) if the MFN tariff is increased (or reduced) as long as the margin of preference indicated in the Party's Schedule is maintained; products excluded from tariff reduction commitments in the Schedules of the Parties. Article 109 however permits the EU to maintain tariffs for goods under heading 1701 destined for the French overseas departments from Botswana, Lesotho, Mozambique, Namibia and Eswatini for a period of ten years, which can be extended for another ten years unless otherwise agreed (Annex I, Part III).

3.3. The basic duty to which the tariff reduction commitments apply is the MFN rate of duty applied at the date of entry into force of the Agreement (2018 for Mozambique and 2016 for the other Parties). In cases where tariff reductions start later than at entry into force of the Agreement, the base rate shall be either the MFN applied rate at entry into force of the Agreement or the MFN applied rate when the Party starts to implement tariff reductions, whichever is lower. If a preference is expressed as a percentage of the applied MFN, the applied preference may increase or decrease, depending on the MFN rate (Article 23.7). If the tariff preference is (partially) expressed as a fixed rate duty, the applied preference is either the customs duty calculated on the basis of the basic duty (the applied MFN rate at entry into force) or the applied MFN rate at the moment of liberalization if the latter is lower (Article 23.8).

3.4. Following entry into force of the Agreement, if a Party were to increase or reduce its applied MFN rate of duty, the tariff preference that is to be applied under the Agreement to the other Parties will be simultaneously increased or reduced, as long as the margin of preference in accordance with the Party's Schedule is maintained; if the tariff preference is expressed as a fixed rate of duty, the reduced MFN rate of duty shall apply to the other Parties as long as it is lower than the fixed rate of duty indicated in the Party's Schedule.

² The Agreement defines customs duty as including any duty or charge of any kind imposed on or in connection with the importation of goods, including any form of surtax or surcharge, but shall not include any internal taxes or other internal charges imposed in accordance with Article 40 of the Agreement (National treatment on internal taxes and regulation), duties imposed in accordance with Chapter II of Part II (trade defence) or fees or other charges imposed in accordance with Article 27 (fees and charges other than import or export duties) (Article 23).

3.5. Under Article 28, there is an MFN clause which requires that if the EU negotiates any new agreements which provides better preferences to a third party, the EU shall provide the same treatment to the SADC EPA States. If the EU becomes a party to a preferential trade agreement with a third party after the signature of the Agreement, which provides better treatment to the third party than granted to South Africa under the Agreement, the EU and South Africa shall hold consultations to decide whether and how to extend the more favourable treatment to South Africa.

3.6. If the SADC EPA States individually or collectively become party to a preferential trade agreement with any major trading economy after the signature of the Agreement, which grants the major trading economy a more favourable treatment than that the SADC EPA States extend to the EU, and upon request by the EU, the SADC EPA States will extend the same more favourable treatment to the EU.³ If a SADC EPA State demonstrates that as a result of a preferential trade agreement with a major trading economy, it receives substantially more favourable treatment overall than that offered by the EU, the Parties shall consult and jointly decide how best to implement this provision. However, they shall not extend to the EU treatment provided as a result of preferential trade agreements with the African, Caribbean and Pacific Group or other African countries or regions. However, the provisions of Article 28 shall not be construed to oblige the Parties to extend reciprocally any preferential treatment applicable as a result of the EU or any SADC EPA State being party to a preferential trade agreement with third parties on the date of signature of the Agreement.

3.7. All fees and charges other than import and export duties and taxes within the scope of Article 40 (which covers guarantees national treatment on internal taxation and regulation), imposed on or in connection with importation or exportation, shall not exceed the cost of services rendered and shall not represent an indirect protection for domestic products or a tax on imports or exports for fiscal purposes (Article 27).⁴

3.8. Article 39 permits the use of quantitative restrictions by the Parties as long as they are applied in conformity with the WTO Agreement.

3.1.2 Liberalization of trade and tariff lines

3.9. The EU's liberalization schedule is different with regards to Botswana, Eswatini, Lesotho, Namibia and Mozambique (Table 3.1a) from that with South Africa (Table 3.1b). In 2016, 25% of the EU's tariff was duty free for imports from MFN sources.⁵ These lines accounted for the majority of its average annual imports during 2013-2015 from Botswana (98.7% of total EU imports), Lesotho (99.3%), and 42.9% of imports from Namibia, 15.7% from Mozambique and only 1.7% from Eswatini. Following entry into force of the Agreement, the EU liberalized a further 6,910 tariff lines, which accounted for 73.4% of the tariff and between 0.7% and 76.8% of EU imports from these SADC EPA States during 2013-2015. The EU liberalizes its minimum entry price system for imports of fruit and vegetables under 28 lines for all SADC EPA States except South Africa. Following full implementation of the Agreement (in 2016) 153 tariff lines (1.6%) in the EU tariff will remain subject to duty for imports from these SADC EPA States. These lines corresponded to imports ranging from zero to 77% of EU imports. The level of liberalization for these SADC EPA States was, in 2019,

³ A major trading economy is described in the Article 28 as "any developed country or any country accounting for a share of world merchandise exports above 1% in the year before the entry into force of the agreement [with a third party] or any group of countries acting individually, collectively or through an economic integration agreement accounting collectively for a share of world merchandise exports above 1.5% in the year before the entry into force of the agreement [with the third party]."

⁴ The provisions in Article 27 extend to fees and charges imposed by Governmental authorities in connection with importation and exportation including those related to consular transactions, such as consular invoices and certificates, quantitative restrictions, licensing, exchange control, statistical services, documents, documentation and certification, analysis and inspection and quarantine, sanitation and fumigation.

⁵ In 2016 the EU's tariff consisted of 9,414 lines at the eight-digit level (HS 2012 nomenclature). Of these lines 8,406 (82.9%) were subject to *ad valorem* rates of duty. Of the remaining 1,008 lines, 662 had specific rates of duty, 216 compound rates and 102 lines had mixed rates of duty. A further 28 lines were subject to a seasonal entry price system for fruit and vegetables. These imports are subject to a specific and *ad-valorem* duty if their price is lower than the minimum entry price set out by the EU authorities. The *ad-valorem* component can vary with the season, while the specific duty component depends on the difference between the import price and the reference entry price.

equivalent to that provided under the EU's Everything But Arms programme which is available for least developed country beneficiaries.⁶

Table 3.1a EU – Botswana, Eswatini, Lesotho, Namibia and Mozambique: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period	Number of lines	% of total lines in EU's tariff schedule	Value of EU's imports ^a (in million euro)	% of EU's total imports
2016 (MFN)	2,351	25.0	2,224.8	98.7
2016	6,910	73.4	29.3	1.3
Remain dutiable	153	1.6	0.0	0.0
TOTAL	9,414	100.0	2,254.1	100.0
Eswatini (2013-2015)				
2016 (MFN)	2,351	25.0	2.9	1.7
2016	6,910	73.4	36.0	21.2
Remain dutiable	153	1.6	130.6	77.1
TOTAL	9,414	100.0	169.5	100.0
Namibia (2013-2015)				
2016 (MFN)	2,351	25.0	227.7	99.3
2016	6,910	73.4	1.6	0.7
Remain dutiable	153	1.6	0.0	0.0
TOTAL	9,414	100.0	229.4	100.0
Namibia (2013-2015)				
2016 (MFN)	2,351	25.0	367.9	42.9
2016	6,910	73.4	490.0	57.1
Remain dutiable	153	1.6	0.0	0.0
TOTAL	9,414	100.0	857.9	100.0
Namibia (2013-2015)				
2016 (MFN)	2,351	25.0	213.3	15.7
2016	6,910	73.4	1,043.2	76.8
Remain dutiable	153	1.6	102.3	7.5
TOTAL	9,414	100.0	1,358.9	100.0

a Import coverage is from HS chapters 1-97.

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Tariff lines under the Excluded category reflect the MFN 2016 duties. This process is in accordance with the methodology applied by the Secretariat across all FPs where it aims to assess the margins of preference in reference to the MFN duties as of entry into force. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by EU and WTO-IDB database.

3.10. With regard to trade with South Africa, around 55.1% of imports into the EU already entered duty free under MFN tariffs. The EU eliminated tariffs on 6,624 lines (70.4% of the tariff) upon entry into force of the Agreement in 2016. These lines corresponded to 38.9% of imports from South Africa during 2013-2015. However, under the Trade, Development and Cooperation Agreement (TDCA) between the EU and South Africa, the EU had committed to eliminate tariffs on 91.3% of its imports from South Africa by 2010. This corresponded to 89.9% of the EU's average annual imports from South Africa during 1997-1999.⁷ Further tariff elimination under the Agreement is envisaged in 2021 (1 line, corresponding to 0.4% of imports from South Africa) and in 2025 (37 lines, corresponding to 0.1% of imports from South Africa). Once the Agreement is fully implemented 401 lines (4.3% of the tariff) will remain subject to duties for imports from South Africa, corresponding

⁶ See table 3.5 in the EU's most recent Trade Policy Review (WTO document WT/TPR/S/395) which shows the level of liberalization under the EBA and the EPA in 2019.

⁷ WTO document WT/REG113.3, 29 August 2012. The TDCA envisaged that 8.7% of the EU's tariff would remain subject to duties for imports from South Africa at the end of implementation in 2010. The shares in this factual presentation and that for the EU-SADC EPA are not strictly comparable due to changes in HS nomenclatures.

to 5.5% of imports during 2013-2015. These include the 28 lines under the EU's entry price system, which will continue to apply for imports from South Africa. Three tariff lines relating to jams, jellies and marmalades are only partially liberalized for imports from South Africa, and for consistency are treated as not liberalized.

Table 3.1b EU – South Africa: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period	Number of lines	% of total lines in EU's tariff schedule	Value of EU's imports ^a from South Africa (2013-2015) in million Euro	% of EU's total imports from South Africa (2013-2015)
2016 (MFN)	2,351	25.0	9,257.1	55.1
2016	6,624	70.4	6,545.0	38.9
2021	1	0.0	61.4	0.4
2025	37	0.4	13.6	0.1
Remain dutiable	401 ⁸	4.3	932.2	5.5
TOTAL	9,414	100.0	16,809.3	100.0

a Import coverage is from HS chapters 1-97.

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Tariff lines under the Excluded category reflect the MFN 2016 duties. This process is in accordance with the methodology applied by the Secretariat across all FPs where it aims to assess the margins of preference in reference to the MFN duties as of entry into force. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by EU and WTO-IDB database.

3.11. Tables 3.2a and 3.2b show tariff liberalization by the SADC EPA States. Table 3.3a shows tariff liberalization by the SACU States (Botswana, Eswatini, Lesotho, Namibia and South Africa). In 2016 4,140 lines (55.5% of the tariff) in the SACU tariff were duty free for imports from MFN sources.⁹ These lines accounted for the majority of imports from the EU during 2013-2015, ranging from 59% of imports for South Africa, 71.2% for Namibia (2012-2014), 80.2% for Lesotho (2011-2012), 80.4% for Eswatini, to 90.9% for Botswana. Following entry into force of the Agreement a further 28.6% of the tariff was liberalized, accounting for 6.3% of imports for Botswana, 15.2% for Eswatini, 16.6% for Lesotho, 7.3% for Namibia and 22% for South Africa. In 2017 a further 95 lines were liberalized, but under which imports from the EU were negligible. Further liberalization is to take place in 2021 (4 lines), and 2025 (51 lines). At the end of liberalization 1,037 lines or 13.9% of the tariff will remain dutiable for imports from the EU, accounting for 2.8% of imports by Botswana, 4.4% for Eswatini, 3.3% for Lesotho, and 18.9% for South Africa.

Table 3.2a SADC (Botswana, Eswatini, Lesotho, Namibia, South Africa) - EU: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period	Number of lines	% of total lines in SADC's tariff schedule	Value of SADC's imports ^a from EU in million Euro	% of SADC's total imports from EU
2016 (MFN)	4,140	55.5	473.5	90.9
2016	2,132	28.6	32.9	6.3
2017	95	1.3	0.0	0.0
2021	4	0.1	0.0	0.0
2025	51	0.7	0.0	0.0
Remain dutiable	1,037	13.9	14.6	2.8
TOTAL	7,459	100.0	521.0	100.0

⁸ Three tariff lines (2007.99.39, 2007.99.50, 2007.99.97) have multiple staging categories in the EU's Schedule for South Africa with a part of the product being excluded; these tariff lines are considered as remaining dutiable.

⁹ In 2016 the SACU tariff consisted of 7,459 lines at the eight-digit level (HS 2012 nomenclature). Of these 7,162 lines (96%) were subject to *ad valorem* rates of duty. Of the remaining 297 lines, 166 had specific rates of duty, and 110 had mixed rates of duty; 20 lines did not have duties.

Duty phase-out period	Number of lines	% of total lines in SADC's tariff schedule	Value of SADC's imports ^a from EU in million Euro	% of SADC's total imports from EU
2016 (MFN)	4,140	55.5	293.1	80.4
2016	2,132	28.6	55.3	15.2
2017	95	1.3	0.0	0.0
2021	4	0.1	0.0	0.0
2025	51	0.7	0.0	0.0
Remain dutiable	1,037	13.9	16.2	4.4
TOTAL	7,459	100.0	364.6	100.0
2016 (MFN)	4,140	55.5	3.6	80.2
2016	2,132	28.6	0.7	16.6
2017	95	1.3	0.0	0.0
2021	4	0.1	0.0	0.0
2025	51	0.7	0.0	0.0
Remain dutiable	1,037	13.9	0.1	3.3
TOTAL	7,459	100.0	4.5	100.0
2016 (MFN)	4,140	55.5	274.1	71.2
2016	2,132	28.6	28.0	7.3
2017	95	1.3	0.1	0.0
2021	4	0.1	0.0	0.0
2025	51	0.7	0.1	0.0
Remain dutiable	1,037	13.9	82.8	21.5
TOTAL	7,459	100.0	385.1	100.0
2016 (MFN)	4,140	55.5	10,746.0	59.1
2016	2,132	28.6	4,006.7	22.0
2017	95	1.3	1.9	0.0
2021	4	0.1	0.6	0.0
2025	51	0.7	0.9	0.0
Remain dutiable	1,037	13.9	3,428.9	18.9
TOTAL	7,459	100.0	18,185.0	100.0

a Import coverage is from HS chapters 1-97.

* Botswana, Eswatini, Lesotho, Namibia, South Africa (SACU Countries).

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Tariff lines under the Excluded category reflect the MFN 2016 duties. This process is in accordance with the methodology applied by the Secretariat across all FPs where it aims to assess the margins of preference in reference to the MFN duties as of entry into force. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by authorities, WTO-IDB database and UNSD Comtrade.

3.12. With regard to Mozambique's tariff liberalization, the Secretariat did not receive any data and was therefore unable to calculate its liberalization commitments. Mozambique provided the information in Table 3.2b below which shows that in 2017 225 tariff lines were duty free on an MFN basis and under which almost 30% of imports from the EU entered during 2013-15.¹⁰ When the Agreement entered into force Mozambique liberalized a further 229 lines (3% of the tariff) in 2018, corresponding to 32% of its imports from the EU during 2013-15. Further liberalization is expected in 2023 (1,653 lines) under which almost 38% of Mozambique's imports during 2013-15 entered

¹⁰ In 2018, according to the MFN tariff schedule for Mozambique available in WTO-IDB, the tariff consisted of 5,551 lines at the eight-digit level (HS 2017 nomenclature). All tariff lines were subject to *ad valorem* rates of duty.

from the EU, and in 2028 (2,150 lines). Following implementation 3,408 lines (44.5% of the tariff) will remain subject to duty for imports from the EU.

Table 3.2b SADC (Mozambique) – EU: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period	Number of lines	% of total lines in Mozambique's tariff schedule	Value of Mozambique's imports from EU in million euro (2013-2015)	% of Mozambique's total imports from the EU
2017 (MFN)	225	2.9	660.7	29.7
2018	229	3.0	719.1	32.4
2023	1,653	21.6	842.7	37.9
2028	2,150	28.0	0.0	0.0
Remain dutiable	3,408	44.5	0.0	0.0
TOTAL	7,665	100	2,222.5	100.0

Source: Information provided by the Mozambique authorities.

3.1.3 Liberalization schedule

3.1.3.1 European Union

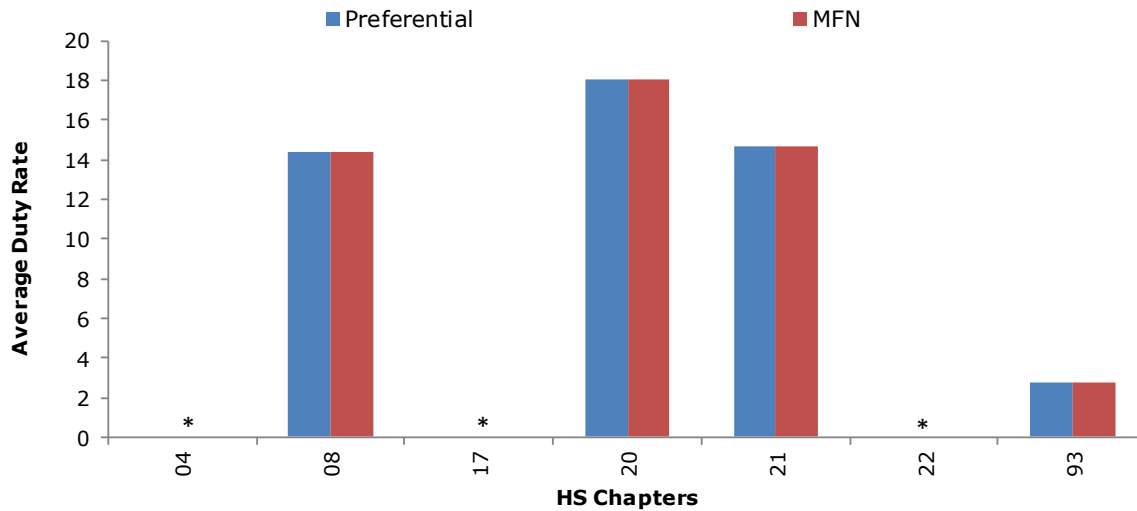
3.13. Tables 3.3a-b show tariff elimination under the Agreement by the EU by broad HS Section. With regard to trade with Botswana, Eswatini, Lesotho, Namibia and Mozambique, once tariff liberalization is implemented, dutiable tariff lines will remain only in Sections I (9 lines), II (1 line), III (125 lines) and XIX (18 lines) with average tariffs ranging from 2.7% in Section XIX to 18% in Section IV. These HS Sections correspond to HS Chapters 4, 8, 17, 20-22 and 93 and as Chart 3.1 shows, the MFN applied and preferential average rates for the lines remaining subject to duties are the same suggesting no further liberalization of these lines on a preferential basis. Chapters 4, 17 and 22 contain specific rates of duty for which *ad valorem* equivalents are not available.

Table 3.3a EU - Botswana, Eswatini, Lesotho, Namibia and Mozambique: Tariff elimination under the Agreement, by HS Section

HS Section	MFN average %	Total Number of lines	Duty-free lines under the MFN 2016	Number of duty-free lines under the Agreement (2016)	Number of lines remaining dutiable	Avg. Final Tariff (Dutiable) %
I	9.8	931	107	815	9	
II	5.6	557	142	414	1	14.4
III	5.9	128	23	105		
IV	14.1	840	94	621	125	18.0
V	0.8	234	170	64		
VI	4.2	1,168	303	865		
VII	4.6	301	62	239		
VIII	3.1	130	45	85		
IX	2.4	213	99	114		
X	0.0	195	195			
XI	8.0	1,159	39	1,120		
XII	8.2	106	2	104		
XIII	4.0	240	33	207		
XIV	0.6	56	45	11		
XV	1.8	953	500	453		
XVI	2.3	1,375	307	1,068		
XVII	4.9	269	30	239		
XVIII	2.5	322	89	233		
XIX	2.2	22	4		18	2.7
XX	2.6	208	55	153		
XXI	0.0	7	7			
TOTAL	5.1	9,414	2,351	6,910	153	12.7

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by EU and WTO-IDB database.

Chart 3.1 EU-Botswana, Eswatini, Lesotho, Mozambique and Namibia: Average of dutiable rates, by HS Chapter

* Specific rates only.

Note: Based on the HS 2012 nomenclature. Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included.

Source: WTO estimates based on data provided by EU.

3.14. With regard to trade with South Africa, the majority of tariffs (6,624 lines) were liberalized in 2016 upon entry into force of the Agreement. Once the Agreement is fully implemented in 2025 tariffs will remain in HS Sections I, II, IV and VI, with average tariffs on dutiable products ranging from 7.6% in HS Section VI to 12.8% in Section IV. Chart 3.3 shows duties remaining by HS Chapter. Average preferential tariffs in most Chapters are equivalent to average applied MFN tariffs with the exception of Chapters 13, 17-19, 21, 29 and 38 which have lower average preferential duties, showing that additional market access is provided for these Chapters. Average duties remaining range from 5% for HS 76 to 19.2% for HS 11. Chapters 4, 16, 22 and 23 contain specific rates of duty for which *ad valorem* equivalents are not available.

Table 3.3b EU-South Africa: Tariff elimination under the Agreement, by HS Section

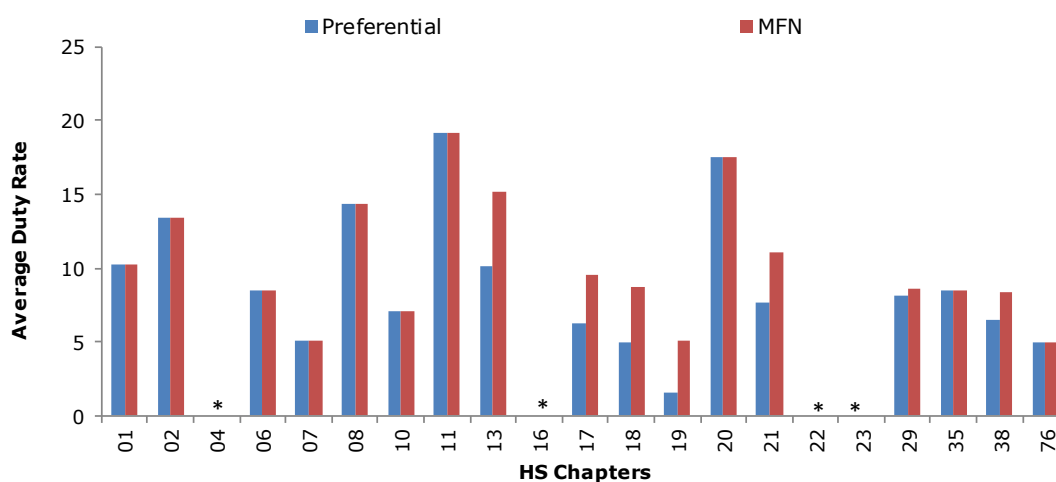
HS Section	MFN average %	Total Number of lines	Duty-free lines under the MFN 2016	Number of duty-free lines under the Agreement			Number of lines remaining dutiable	Avg. Final Tariff (Dutiable) %
				2016	2021	2025		
I	9.8	931	107	756	1	23	44	12.2
II	5.6	557	142	347			68	9.6
III	5.9	128	23	105				
IV	14.1	840	94	467		14	265	12.8
V	0.8	234	170	64				
VI	4.2	1,168	303	846			19	7.6
VII	4.6	301	62	239				
VIII	3.1	130	45	85				
IX	2.4	213	99	114				
X	0.0	195	195					
XI	8.0	1,159	39	1,120				
XII	8.2	106	2	104				
XIII	4.0	240	33	207				
XIV	0.6	56	45	11				
XV	1.8	953	500	448				

HS Section	MFN average %	Total Number of lines	Duty-free lines under the MFN 2016	Number of duty-free lines under the Agreement			Number of lines remaining dutiable	Avg. Final Tariff (Dutiable) %
				2016	2021	2025		
XVI	2.3	1,375	307	1,068				
XVII	4.9	269	30	239				
XVIII	2.5	322	89	233				
XIX	2.2	22	4	18				
XX	2.6	208	55	153				
XXI	0.0	7	7					
TOTAL	5.1	9,414	2,351	6,624	1	37	401	11.8

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by EU and WTO-IDB database.

Chart 3.2 EU-South Africa: Average of dutiable rates, by HS Chapter



* Specific rates only.

Note: Based on the HS 2012 nomenclature. Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included.

Source: WTO estimates based on data provided by EU.

3.1.3.2 SADC EPA States

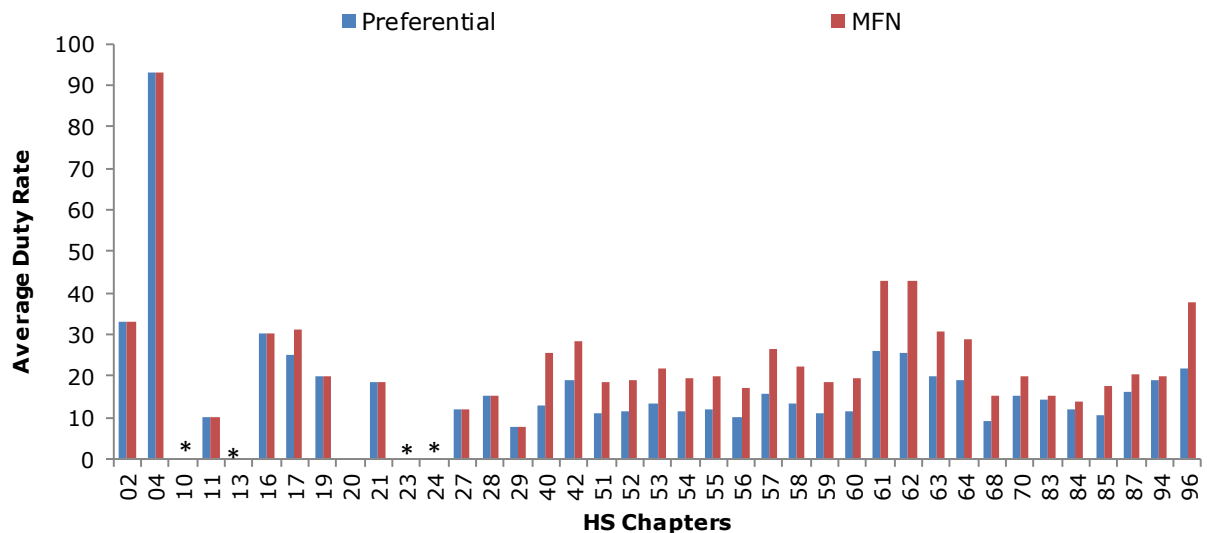
3.15. Table 3.4a shows tariff liberalization by SACU according to broad HS Section. The majority of tariff liberalization (2,132 lines) took place in 2016 when the Agreement entered into force. Once the Agreement is fully implemented in 2025, tariffs will remain for imports from the EU for most HS Sections (except HS III, IX, X, XIV, XVIII, XIX and XXI). Average tariffs of duties remaining range from 10% in HS Section II to 25.6% in Section IV. Chart 3.3 shows, that for the HS Chapters in which duties will remain once the Agreement is fully implemented, additional liberalization on a preferential basis has been provided for imports from the EU mainly for industrial Chapters with MFN and preferential average duties the same in many agricultural chapters such as HS 2, 4, 10, 16, 19, and 21.

Table 3.4a SACU (Botswana, Eswatini, Lesotho, Namibia and South Africa) - EU: Tariff elimination under the Agreement, by HS Section

HS Section	MFN average %	Total Number of lines	Duty-free lines under the MFN 2016	Number of duty-free lines under the Agreement				Number of lines remaining dutiable	Avg. Final Tariff (Dutiable) %
				2016	2017	2021	2025		
I	13.8	465	276	34	39	4	46	66	53.5
II	6.8	415	187	216				12	10.0
III	7.5	69	17	52					
IV	16.3	419	84	236	56		5	38	25.6
V	1.7	189	156	18				15	12.1
VI	2.1	1,167	977	185				5	12.1
VII	7.4	477	222	231				24	13.0
VIII	11.1	92	42	27				23	19.2
IX	7.3	113	60	53					
X	3.6	201	149	52					
XI	22.5	987	175	100				712	17.1
XII	21.0	82	15	36				31	19.0
XIII	7.4	218	89	124				5	12.6
XIV	4.3	60	47	13					
XV	5.5	763	458	302				3	14.3
XVI	3.8	1,048	769	267				12	11.8
XVII	9.8	248	119	43				86	16.0
XVIII	0.3	215	210	5					
XIX	13.4	66	7	59					
XX	10.3	158	74	79				5	21.4
XXI	0.0	7	7						
TOTAL	8.5	7,459	4,140	2,132	95	4	51	1,037	19.2

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by Authorities and WTO-IDB database.

Chart 3.3 SACU (Botswana, Eswatini, Lesotho, Namibia and South Africa) - EU: Average of dutiable rates, by HS Chapter

* Specific rates only.

Note: Based on the HS 2012 nomenclature. Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included.

Source: WTO estimates based on data provided by Authorities.

3.16. No data was provided to the WTO Secretariat by Mozambique. Table 3.4b below includes information provided by Mozambique and shows tariff liberalization by HS Section during the transition period up to 2028. At the end of implementation, the average final tariff for lines remaining subject to duty will range from 4.1% in HS Section V (mineral products) to 20% in Section XIX (arms and ammunition). The overall average tariff will be 11.7%. No information is available on tariff liberalization by HS Chapter.

Table 3.4b SADC (Mozambique) - EU: Tariff elimination under the Agreement, by HS Section

HS Section	MFN average %	Total Number of lines	Duty-free lines under the MFN 2017	Number of duty-free lines under the Agreement			Number of lines remaining dutiable	Avg. Final Tariff (Dutiable) %
				2018	2023	2028		
I	18.04	457	18	19	25	34	361	18.98
II	13.98	490	42	42	80	97	229	15.86
III	10.35	50					50	10.35
IV	16.41	290	6	6	42	52	184	16.45
V	4.01	172	1	1	3	7	160	4.10
VI	4.71	1,200	106	106	111	177	700	5.36
VII	7.87	333	4	4	101	191	33	9.37
VIII	10.83	106		3	34	34	35	7.13
IX	8.56	191			69	80	42	7.91
X	7.58	261	7	7	78	116	53	4.66
XI	16.36	957	2	2	175	214	564	17.59
XII	17.50	56	1	1	1	1	52	17.11
XIII	9.61	154	1	1	9	10	133	9.71
XIV	12.45	53					53	12.45
XV	7.77	738	1	1	170	204	362	6.87
XVI	6.88	1,414	28	28	568	706	84	6.48
XVII	8.59	195	1	1	15	34	144	9.47
XVIII	9.80	381	3	3	165	185	25	8.70
XIX	20.00	18					18	20.00
XX	16.21	142	4	4	7	8	119	18.60
XXI	17.50	7					7	17.50
TOTAL	11.67	7,665	225	229	1,653	2,150	3,408	11.65

Source: Information provided by the Mozambique authorities.

3.1.4 Tariff rate quotas

3.17. The EU maintains tariff rate quotas under the Agreement for imports from South Africa of skimmed milk powder, butter, frozen strawberries, sugar, white crystalline powder, citrus jams, canned fruit, canned tropical fruit, frozen orange juice, apple juice, active yeast, wine and ethanol. The TRQs are applied on a first-come, first-served basis, and for a number of products, the quantities under quota entering at preferential rates are to increase annually (Annex 2).

3.18. The TRQs that were applied for imports from South Africa under the EU-South Africa TDCA have continued under the equivalent conditions under the Agreement from the date of provisional application until the conditions of Article 113(6) were met. Once these conditions were met at the end of October 2016, the TRQs under the Agreement entered into force on 1 November 2016.

3.19. SACU grants the EU TRQs under the Agreement for cheese, pig fat, butter, wheat and meslin, barley, cereal based food preparations, pork, ice cream and mortadella bologna. Pending the establishment of a TRQ management system at SACU level, the TRQs are apportioned amongst SACU States based on historical trade as specified under each TRQ. The TRQs are managed on a first-come first-served basis at country level, except for Namibia. On 1 September each year, any unused TRQ allocation is made available to each SACU member according to a predefined share.

3.20. The Parties agree, that at the request of either Party, they shall review the administration of the TRQs, including with regard to their effectiveness in ensuring quota fill. They may make recommendations to adjust the operation of the TRQs in the light of the review.

3.2 Rules of origin

3.21. Rules of origin are laid down in Protocol 1 of the Agreement (Article 22). Products meeting the following requirements will qualify as originating under the Agreement and have preferential access: (a) products wholly obtained in the EU or the SADC EPA States; and (b) products obtained in the EU or the SADC EPA States which have not been wholly obtained there but have undergone sufficient working or processing in the Parties (as defined in Annex II to the Protocol) within the meaning of Article 8 of the Protocol. According to Annex II to the Protocol sufficient working or processing refers either to a change in tariff classification at the chapter or heading level, or if the value of non-originating materials used in the production of a good do not exceed between 15% to 50% of the ex-works price of the product. In some cases, either one rule or the other may be used to determine sufficient working or processing. Protocol 1 foresees bilateral cumulation, by which materials originating in the EU (a SADC EPA State) shall be considered as originating in a SADC EPA State (EU) when incorporated into a product obtained in that SADC EPA State (EU) provided the working or processing goes beyond what is described in Article 9(1) of the Protocol as insufficient processing.

3.22. The Agreement permits diagonal cumulation under certain conditions described in Article 4 of Protocol 1. Materials originating or working or processing in a SADC EPA State, the EU, other ACP EPA States or in the Overseas Countries or Territories (OCTs), shall be considered as materials, or working or processing, originating in the SADC EPA State (or the EU) where the materials are incorporated into a product obtained there provided that the working or processing goes beyond what is described in Article 9(1) of the Protocol as insufficient processing.

3.23. If the product obtained does not go beyond the operations described in Article 9(1), the product shall be considered as originating in a SADC EPA State or the EU only when the value-added there exceeds the value of the materials used originating in any of the other countries or territories. The origin of the materials originating in the EU or the SADC EPA States shall be determined under the rules of origin of the Agreement; the origin of materials originating in other ACP EPA States or the OCTs shall be determined in accordance with the rules of origin of the EU's preferential arrangements with these States.

3.24. Diagonal cumulation shall only apply under certain conditions and excludes certain products.¹¹ For cumulation in a SADC EPA State, it may only be applied if (a) the SADC EPA States, other ACP States and OCTs have entered into an arrangement or agreement on administrative cooperation with each other, which ensures compliance with and correct implementation of Article 4 of Protocol 1 of the Agreement and includes a reference to the use of appropriate proofs of origin; and (b) the SACU Secretariat and the Ministry of Industry and Trade of Mozambique have provided the European Commission with the details of such arrangements or agreements. With regard to cumulation in the EU it may only be applied if (a) the EU, the other ACP EPA States and OCTs have entered into an arrangement or agreement on administrative cooperation with each other, which ensures compliance with and correct implementation of Article 4 of Protocol 1 and includes a reference to the use of appropriate proofs of origin; and (b) the European Commission has provided the SADC EPA States, through the SACU Secretariat and the Ministry of Industry and Trade of Mozambique with details of these arrangements or agreements. The EU applies cumulation since 1 October 2018.¹²

3.25. Non-originating materials which are imported by the EU at MFN duty free rates, shall be considered originating in SADC EPA States when incorporated into a product there and do not require

¹¹ Under Article 4.15 the following shall not be considered to originate in the SADC EPA States: materials under HS 1604 and 1605 (fish preparations) originating in the EPA Pacific States according to Article 6(6) of Protocol II of the Interim Partnership Agreement between the EU and the Pacific States or any future comprehensive EPA between these parties; and materials originating in South Africa but that do not have duty free and quota free access to the EU market under the Agreement. The following shall not be considered to originate in the EU: where the final product is exported to SACU, materials originating in non-SACU SADC States which do not enjoy duty free and quota free access to the SACU market under the SADC Protocol on Trade and materials originating in the other ACP EPA States and the OCTs, other than the non-SACU SADC States, which cannot be imported directly into SACU duty free and quota free; where the final product is exported to Mozambique, materials originating in OCTs or other ACP EPA States, which cannot be directly imported into Mozambique duty free and quota free.

¹² Official Journal C407, 12.11.2018, p 8. Viewed at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C:2018:407:FULL&from=NL>.

sufficient working or processing under Article 9(1).¹³ Materials originating in countries and territories which have duty free and quota free access to the EU market under the EU's Generalized System of Preferences (GSP) scheme, shall be considered as materials originating in a SADC EPA State when incorporated into a product obtained there provided they have undergone sufficient working or processing beyond that under Article 9(1); the origin of such materials shall be determined by the provisions of the GSP scheme.¹⁴ At the request of a SADC EPA State, cumulation may also be provided to materials originating in countries and territories that benefit from the EU's duty free and quota free treatment arrangement.¹⁵

3.26. Protocol 1 also has provisions relating to the unit of qualification (Article 10), accessories, spare parts and tools (Article 11), Sets (Article 12), and neutral elements (Article 13).

3.27. The principle of territoriality is recognized by Article 14 of Protocol 1 requiring that with the exception of Articles 3-6 (dealing with cumulation as above) of the Protocol the conditions for acquiring originating status must be fulfilled without interruption in a SADC EPA State or in the EU. Title IV deals with requirements for proof of origin, and procedures and conditions for the issue of a movement certificate (Articles 19-24). Exporters who make frequent shipments may be authorized by the authorities of the exporting country to make out origin declarations irrespective of the value of the products concerned (Article 25).

3.28. Title V of Protocol 1 describes arrangements for administrative cooperation. The Parties undertake to put into place the necessary national and regional arrangements required for the enforcement of the rules and procedures laid down in Protocol 1 including, where appropriate, the arrangements necessary for the application of bilateral and diagonal cumulation and cumulation from countries which benefited from duty free and quota free access to the EU market; and the administrative structures and systems necessary for appropriate management and control of the origin of products and compliance with other conditions in Protocol 1. Protocol 1 also outlines details for verification of proof of origin. Where disputes arise from verification procedures which cannot be settled between the customs authorities requesting verification and responsible for carrying out of the verification, or for questions on the interpretation of the Protocol, they shall be submitted to the Committee. Finally, under Article 43 a derogation for a period of five years from the Protocol may be adopted by the Committee where the development of existing industries or the creation of new ones in the SADC EPA States justifies them. According to the Parties no such derogations have been adopted.

3.29. The Joint Council shall examine annually or whenever the parties request, the application of the provisions of the Protocol and their economic effects with a view to making any necessary amendments or adaptations. Among other elements, it shall take into account the effects on the rules of origin of technological developments (Article 45).

3.3 Export duties and charges, and quantitative restrictions

3.30. The Parties commit under Article 26 to not impose new customs duties or taxes in connection with the exportation of goods, nor to increase those already applied in trade between the Parties from the date of entry into force of the Agreement [except as otherwise provided in the Agreement]. Notwithstanding this, in exceptional circumstance, where justified for specific revenue needs or where necessary for the protection of infant industries or the environment, or where essential for the prevention or relief of general or local shortages of foodstuffs or other products essential to

¹³ Materials which originate in countries in which they are subject to anti-dumping or countervailing duties at the time of importation; or classified in subheadings of the HS which include dutiable tariff lines at the eight-digit level are excluded from cumulation under this provision.

¹⁴ Such cumulation with materials from GSP beneficiaries shall not apply to materials originating in countries whose exports of these materials are subject to anti-dumping or countervailing measures, materials classified in sub-headings of the HS which include dutiable lines at the eight-digit level, tuna products under HS Chapters 3 and 16, covered by Articles 7 and 12 of Regulation (EU) No 978/2012 of the European Parliament and the Council of 25 October 2012, and materials covered by Articles 8, 22 and 29 of the same Regulation.

¹⁵ Exclusions from cumulation under this provision include: materials imported into the EU that are subject to anti-dumping or countervailing measures; materials that are not duty free at the eight-digit level; tuna under HS Chapters 3 and 16 and other items subject to the EU's generalized tariff preference scheme (Paragraph 1.2 of Article 6 of Protocol 1). The EU shall notify annually to the SACU Secretariat and the Ministry of Industry and Trade of Mozambique the list of materials and countries to which the provision applies (paragraph 5 of Article 6 of Protocol 1).

ensure food security, Botswana, Lesotho, Namibia, Mozambique and Eswatini may introduce, after consultation with the EU, temporary customs duties or taxes on or in connection with exports of goods, on a limited number of additional products. According to the Parties no such list has been agreed.

3.31. Also in exceptional circumstances, where the SADC EPA States can justify industrial development needs, they may introduce temporary customs duties or taxes imposed on or in connection with the exportation of a limited number of products to the EU. Any SADC EPA State wishing to impose such duties shall notify the EU of the duty and provide all the relevant information and motivations for imposing the duty and shall consult with the EU if the EU so requests. The temporary duties shall only be applied on a total number of eight products (at the HS6 level) or in the case of ores and concentrates at the HS4 level for each SADC EPA State at any given time and shall not be applied for a period exceeding 12 years in total. The period can be extended or reinstated for the same product in agreement with the EU. The following conditions are applied: (i) For the first six years of this period the SADC EPA State shall exempt from the application of the tax or duty, exports to the EU of an annual amount equal to the average volume of exports to the EU of the product over the three years preceding the date of introduction of the duty or tax. From the seventh year of application of the duty or tax, until the date of expiry, the SADC EPA State shall exempt from the application of the duty or tax, exports to the EU on an annual amount equal to 50% of the average volume of exports to the EU of the product over the three years preceding the date of introduction of the tax; and (ii) the export duties or taxes shall not exceed 10% of the *ad valorem* export value of the product.

3.32. Article 26 also states that any more favourable treatment granted for customs duties or taxes by the SADC EPA States to exports of any product destined for a major trading economy, shall, from the entry into force of the Agreement, be accorded to like products destined for the territory of the EU.¹⁶

3.33. Provisions to prevent circumvention through third parties of re-exports from the SADC EPA States to which duties do not apply include an examination of the matter by the Trade and Development Committee which may decide that the importer of the product concerned into the EU make a declaration that the imported products will be processed in the EU and not re-exported to third countries. If despite such declarations being operational for at least 90 days, a SADC EPA State continues to have doubts as to whether such circumvention continues, the matter may be raised in the Trade and Development Committee and if no solution is found within 30 days, the SADC EPA State may impose effective measures to prevent such circumvention; such measures should be the least trade-restrictive and exclude operators who have been proven not to have been involved in the circumvention and may include the retroactive application of export duties on the consignment exported from the EU to one or more third countries. According to the Parties the Joint Council has not yet had the opportunity to review the provisions of Article 26.

3.34. Article 39 permits the use of quantitative restrictions by the Parties as long as they are applied in conformity with the WTO Agreement.

3.4 Regulatory Provisions of the Agreement

3.4.1 Standards

3.35. The Agreement contains provisions on technical barriers to trade (Chapter V) and sanitary and phytosanitary measures (Chapter VI).

3.4.1.1 Sanitary and phytosanitary measures

3.36. Under Chapter VI, the Parties affirm their commitment to the rights and obligations provided under the WTO Agreement on the Application of Sanitary and Phytosanitary measures (WTO SPS Agreement), the International Plant Protection Convention (IPPC), the Codex Alimentarius

¹⁶ Major trading economy is defined in Article 28(6) of the Agreement as "any developed country or any country accounting for a share of world merchandise exports above 1% in the year before entry into force of the agreement (with any of the SADC EPA Parties), or any group of countries acting individually, collectively or through an economic integration agreement accounting collectively for a share of merchandise exports above 1.5% in the year before the entry into force of this agreement.

Commission and the World Organization for Animal Health (OIE). SPS measures are those defined in the WTO SPS Agreement and the definitions used in the WTO SPS Agreement and the international standard setting bodies above shall apply to the Chapter.

3.37. The Agreement's objectives on SPS provisions include: facilitating trade and investment in the SADC EPA States and between the Parties while ensuring that the measures adopted apply only to the extent necessary to protect human, animal or plant life or health in accordance with the provisions of the WTO SPS Agreement; cooperate to strengthen regional integration and in regard to cooperation between SADC EPA States on matters concerning SPS measures and address problems arising from SPS measures on agreed priority products and sectors listed in Annex VI, whilst giving due consideration to regional integration; promote collaboration aiming at recognition of appropriate levels of protection in SPS measures; and establish and enhance SADC EPA States' technical capacity to implement and monitor SPS measures, including promoting greater use of international standards and other SPS matters.

3.38. Under Article 63 the Parties reaffirm the principle of transparency in the application of SPS measures, in accordance with the WTO SPS Agreement. They recognize the importance of effective mechanisms for consultation, notification and exchange of information on SPS measures in accordance with the WTO Agreement. The importing Party shall inform the exporting Party of any changes in its SPS import requirements that may affect trade falling under the scope of the SPS Chapter and the Parties commit to establish mechanisms to exchange such information where appropriate. The Parties also agree to apply the principle of zoning or compartmentalisation when defining import conditions, taking into account international standards. Zones or compartments of defined SPS status may also be identified and proposed jointly by the Parties, on a case by case basis, wherever possible, in order to avoid disrupting trade.

3.39. The Parties agree to establish an early warning system, based on existing mechanisms where appropriate, to ensure that the SADC EPA States are informed in advance of new EU SPS measures that may affect SADC EPA exports to the EU. They also agree to collaborate in the further development of the epidemiological surveillance network on animal diseases and on plant health. They agree to exchange information on the occurrence of pests and diseases of known and immediate danger to the other Party (Article 64).

3.40. Specific cooperation, capacity building and technical assistance is identified in Article 67, under which the Parties agree to promote cooperation between their equivalent institutions; cooperate to facilitate regional harmonization of measures and the development of appropriate regulatory frameworks and policies within and between the SADC EPA States, thereby enhancing intra-regional trade and investment; and cooperate in a number of priority areas including building technical capacity in public and private sectors in SADC EPA States to enable SPS control, to maintain and expand market access opportunities and to ensure that the measures adopted do not become unnecessary barriers to trade while recognizing the Parties' rights to set their own appropriate levels of protection. The Parties will also cooperate to enhance technical capacity for implementing and monitoring SPS measures, including promoting greater use of international standards; to implement the WTO SPS Agreement, especially strengthening SADC EPA States notification procedures and enquiry points and other matters concerning relevant international standards setting bodies; capacity development for risk analysis, harmonization, compliance, testing, certification, residue monitoring, traceability and accreditation; and support for the participation of the SADC EPA States in relevant international standards setting bodies.

3.41. The Chapter also provides for consultations if either Party considers that the other Party has taken measures which may affect or have affected access to its market. The Parties shall exchange names and addresses of contact points with SPS expertise in order to facilitate communication and the exchange of information (Article 66). The Trade and Development Committee is charged with monitoring and reviewing implementation of the Chapter; advise and make recommendations to achieve the objectives of the Chapter through its implementation; provide a forum for discussion and exchange of information and cooperation; make recommendations for modifications to the Chapter as necessary and appropriate; review the list of priority products and sectors in Annex VI and the resulting priority areas for cooperation; enhance cooperation for the development, application and enforcement of SPS measures; and discuss any other relevant matters (Article 65). The respective SPS authorities shall be the competent authorities in the Parties for the

implementation of the measures referred to in Chapter VI. The Parties were to inform each other of their respective competent SPS authorities and any changes thereto.¹⁷

3.4.1.2 Technical barriers to trade

3.42. Chapter V deals with technical barriers to trade. The Parties affirm their rights and obligations under the WTO Agreement on Technical Barriers to Trade (WTO TBT Agreement), which shall underlie the activities of the Parties under Chapter V (Article 51). The provisions of the Chapter apply to standards, technical regulations and conformity assessment procedures, as defined in the WTO TBT Agreement insofar as they affect the trade covered by the Agreement. The definitions used by the WTO TBT Agreement shall apply to the Chapter (Article 53).

3.43. The Parties agree to cooperate to facilitate and increase trade in goods between them by identifying, preventing and eliminating unnecessary barriers to trade within the terms of the WTO TBT Agreement; to strengthen regional and specifically the SADC EPA States' integration and cooperation of matters concerning TBT measures; and establish and enhance the SADC EPA States' technical capacity on TBT matters (Article 52). They agree on the importance of collaboration between national and regional authorities on TBT matters, both in private and public sectors, to facilitate trade between the Parties and the overall process of regional integration (Article 54). They also reaffirm the principle of transparency in the application of, and recognize the importance of effective mechanisms for, consultation, notification and exchange of information on technical regulations and standards in accordance with, the WTO TBT Agreement. They agree to establish an early warning mechanism to ensure that the SADC EPA States are informed in advance of new EU measures that might affect SADC EPA exports to the EU and shall make optimal use of existing mechanisms and avoid unnecessary duplications to multilateral or unilateral mechanisms (Article 55).

3.44. Article 56 identifies mechanisms that are to be implemented among those supported by the WTO TBT Agreement and that are the most appropriate for particular priority issues or sectors. These mechanisms may include collaboration to increase mutual knowledge of respective systems of technical regulations, standards, metrology, accreditation and conformity assessment; information exchange to identify and implement appropriate mechanisms for particular issues or sectors; identifying and organizing sector-specific interventions on standards related procedures to facilitate understanding of and access to their respective markets; cooperation to support implementation of the rights and obligations under the WTO TBT Agreement; developing common views and approaches on technical regulatory practices; promoting harmonization wherever possible and in areas of mutual interest towards the use of international standards; undertaking to consider in due course, negotiating mutual recognition agreements in sectors of mutual interest; promoting collaboration between the Parties' organizations responsible for TBT related issues; and promoting the participation by SADC EPA States in international standard setting bodies.

3.45. The Trade and Development Committee shall monitor and review implementation of the Chapter; provide coordination and consultation on TBT matters; identify and review priority sectors and products and the resulting priority areas for cooperation; make recommendations for modifications of the Chapter if necessary and appropriate; and address any other issues agreed by the Parties in respect of the Chapter (Article 57).

3.46. Finally, the Parties recognize the importance of cooperating on technical regulations, standards, metrology, accreditation and conformity assessment in order to achieve the objectives of the Chapter. The Parties identify the following priority areas for cooperation: (a) establishing appropriate arrangements for sharing expertise, including appropriate training to ensure adequate and enduring technical competence of the relevant standardization and conformity assessment bodies of the SADC EPA States and mutual understanding between these bodies in the territories of the Parties; (b) capacity development in technical regulations, metrology, standards, accreditation and conformity assessment, including through upgrading or setting up laboratories and other equipment in the SADC EPA States; the Parties acknowledge the importance of strengthening

¹⁷ The competent authorities are: Directorate General For Food Health Safety (Directorate for International and Stakeholder relations) for the EU; Director of Veterinary Services in the Ministry of Agriculture, the Agricultural Research Services Department and Ministry of Health and Social Welfare for Eswatini; Department of Agriculture, Forestry and Fisheries, and Department of Health for South Africa; and Department of Agriculture and Food Security for Lesotho.

regional cooperation and the need to take into account priority products and sectors; (c) the development and adoption by the SADC EPA States of harmonized technical regulations, standards, metrology, accreditation and conformity assessment procedures based on relevant international standards; (d) support for participation by SADC EPA States in international standardization, accreditation and metrology activities; and (e) the development of TBT enquiry and notification points in the SADC EPA States (Article 58).

3.4.2 Safeguard mechanisms

3.47. In addition to global and bilateral safeguard provisions, the Agreement contains provisions on agricultural safeguards, food security safeguards, BELN (Botswana, Eswatini, Lesotho and Namibia) transitional safeguards, and infant industry safeguards.

3.4.2.1 Global safeguards

3.48. Article 33 governs the use of global or multilateral safeguards by the Parties. Subject to its provisions, nothing in the Agreement shall prevent a Party from adopting measures in accordance with Article XIX of the GATT 1994, the WTO Agreement on Safeguards, Article 5 of the WTO Agreement on Agriculture and any other relevant WTO Agreements (paragraph 1). These provisions shall not be subject to the dispute settlement provisions of the Agreement.

3.49. Nevertheless, in light of the overall development objectives of the Agreement and the size of the SADC EPA economies, the EU commits to exclude imports from any SADC EPA State from any measure taken pursuant to Article XIX of the GATT 1994, the WTO Agreement on Safeguards and Article 5 of the WTO Agreement on Agriculture. These provisions shall apply for five years from the date of entry into force of the Agreement and shall be reviewed by the Joint Council not later than 120 days before the end of this period, in light of the development needs of the SADC EPA States, with a view to determining their possible extension for a further period.

3.4.2.2 Bilateral safeguards

3.50. Notwithstanding the provisions on global safeguards, and after having examined alternative solutions, a Party or SACU, may apply safeguard measures of limited duration which derogate from their tariff liberalization commitments in the Agreement under certain conditions and procedures. Bilateral safeguards may be taken under Article 34 if, as a result of the Party's obligations under the Agreement, including tariff concessions, a product originating in one Party is being imported into the territory of the other Party or SACU, in such increased quantities and under such conditions as to cause or threaten to cause: (i) serious injury to the domestic industry producing like or directly competitive products in the territory of the importing Party or SACU; (ii) disturbances in the sector of the economy producing like or directly competitive products, particularly where these disturbances product major social problems, or difficulties which could result in serious deterioration in the economic situation of the importing Party or SACU; or (iii) disturbances in the markets of like or directly competitive agricultural products in the territory of the importing Party or SACU.

3.51. Any measure taken under these provisions shall not exceed what is necessary to remedy or prevent serious injury or disturbances. They shall take the form of one or more of the following: suspension of the further reduction of the rate of import duty for the product concerned, as provided for by the Agreement; increase in the customs duty on the product concerned up to a level which does not exceed the MFN applied rate at the time of taking the measure; or introduction of tariff quotas on the product.

3.52. Notwithstanding these provisions, where any product originating in any SADC EPA State (or in the EU) is being imported in such increased quantities and under such conditions as to cause or threaten to cause one of the situations under (i)-(iii) above to a like or directly competitive production sector of one or several of the EU's outermost regions (or any SADC EPA State or SACU), the EU (or the SADC EPA State or SACU) may take surveillance or safeguard measures limited to the region or regions concerned (or limited to the territory of the SADC EPA States or SACU) in accordance with the procedures described above.

3.53. Once imposed the safeguard measures shall only be maintained for the time necessary to prevent or remedy serious injury or disturbances as defined above. They shall not be applied for a

period exceeding two years. Where the circumstances warranting their imposition continue to exist, such measures may be extended for a further period of a maximum of two years. Safeguard measures by a SADC EPA State or SACU or by the EU to the territory of one or more of its outermost region, may be applied for a period not exceeding four years, and can be extended, where the circumstances so warrant, for a further period of four years. Safeguard measures taken for more than one year shall contain clear elements progressively leading to their elimination at the end of period and shall not be applied to the import of a product that has previously been subject to such a measure, within a period of at least one year from the expiry of the measure.

3.54. Where a Party or SACU believes that it is facing serious injury as described above, it shall refer the matter immediately to the Trade and Development Committee for examination. The Committee may make any recommendation needed to remedy the situation. If no recommendation is made or no other satisfactory solution has been reached within 30 days of the matter being referred to the Committee, the importing Party may adopt the appropriate measures to remedy the situation. In the selection of safeguard measures, priority must be given to those which least disturb the operation of the Agreement. If the MFN applied rate in effect the day immediately preceding the date of entry into force of the Agreement is lower than the MFN applied rate at the time of taking the measure, safeguard measures may exceed the MFN rate in effect the day immediately preceding the date of entry into force of the Agreement.¹⁸

3.55. Any safeguard measure taken under Article 34 shall be notified immediately to the Trade and Development Committee which shall hold periodic consultations particularly with a view to establishing a timetable for their abolition as soon as circumstances permit.

3.56. Provisional safeguard measures may be taken where delay would cause damage which would be difficult to repair for a maximum period of 180 days for the EU and 200 days for a SADC EPA State or SACU or for measures taken by the EU that are limited to the territory of one or more of its outermost regions. When taking the measure, the importing Party or SACU shall inform the other Party and immediately refer the matter to the Trade and Development Committee for examination. The duration of the provisional measure shall be counted as part of the initial period and any extension provided by Article 34 above. In taking such provisional measures, the interest of all parties involved shall be taken into account.

3.57. Bilateral safeguard provisions under the Agreement are not subject to the WTO's Dispute Settlement provisions.

3.4.2.3 Agricultural safeguards

3.58. Agricultural safeguard measures in the form of an import duty are permitted for a 12-year transition period from the date of entry into force of the Agreement. They may be taken if during any given 12-month period, the volume of imports into SACU of an agricultural product listed in Annex IV of the Agreement and originating in the EU, exceeds the reference quantity for the product indicated in the Annex (edible offals, processed cereals, meat preparations, UHT or long life milk, preserved cucumbers and olives, and chocolate) (see Table A2.1). The safeguard duty shall not exceed 25% of the current WTO bound tariff or 25 percentage points, whichever is higher and shall not exceed the prevailing MFN applied rate for the product concerned. The measure may be maintained for the remainder of the calendar year or five months, whichever is longer. It shall not be maintained or applied for the same good at the same time as a general bilateral safeguard measure in accordance with Article 34; a measure under Article XIX of the GATT 1994 and the WTO Agreement on Safeguards; or a special safeguard measure under Article 5 of the WTO Agreement on Agriculture.

3.59. With regard to procedures, SACU shall notify the EU in writing within 10 days after applying such a measure and shall provide relevant data concerning the measure. On request SACU shall consult the EU on the application of the measure and shall notify the Trade and Development Committee within 30 days of imposition of the measure. The implementation and operation of Article 35 may be the subject of discussion and review in the Trade Development Committee which may,

¹⁸ In such a case, SACU or the Party, shall supply information to the Trade and Development Committee, indicating that an increase in the duty up to the MFN applied rate at the time of entry into force of the Agreement is not sufficient and that a measure exceeding this duty is necessary to remedy or prevent the serious injury or disturbances.

on the request of either Party, review the reference quantities and agricultural products provided for in Article 35.

3.4.2.4 Food Security safeguards

3.60. In Article 36 the Parties acknowledge that the removal of barriers to trade envisaged by the Agreement may pose significant challenges to agricultural and food sector producers in the SADC EPA States and agree to consult with each other. Notwithstanding the provisions on bilateral safeguards in Article 34, the SADC EPA States may adopt safeguard measures if this is essential for the prevention or relief of critical general or local shortages of foodstuffs or other products to ensure food security of a SADC EPA State and where this situation gives rise or is likely to give rise to major difficulties for it.¹⁹ The measure is to be reviewed at least annually and shall be removed as soon as the circumstances leading to its adoption cease to exist. The Parties indicate that no such measures have been taken.

3.4.2.5 BELN Safeguards

3.61. Transitional safeguards may be taken by the BELN States (Botswana, Eswatini, Lesotho and Namibia) for a period of 12 years from the entry into force of the Agreement. The Parties acknowledge the sensitivity of the liberalized products listed in Annex V of the Agreement (the products concerned include frozen poultry; milk and cream; honey; some vegetables; cereal flours; chocolate; uncooked pasta; and some textiles products reproduced in Annex Table 2.2). Notwithstanding the provisions in Article 34 on bilateral safeguards, in the event that one of these products originating in the EU is being imported into the territory of a BELN State in such increased quantities as to cause or threaten to cause it serious injury, it may apply a transitional safeguard measure under the provisions of Article 37. The measure shall take the form of a duty up to a level that does not exceed the MFN applied rate at the time of taking the measure or introduce a duty-free tariff rate quota, provided that the level of the out of quota duty does not exceed the MFN applied rate at the time the measure is taken.

3.62. The BELN States shall notify the EU in writing 30 days before applying the measure, and provide all relevant information concerning the measure within 60 days of notification to the EU. Without prejudice to the transitional safeguard, the BELN State concerned and the EU shall, upon request of either Party, enter into consultations on the measure. Any safeguards taken under Article 37 shall be applied for a period not exceeding four years unless circumstances warrant their continuation, in which case they can be extended for a further period of not more than four years.

3.4.2.6 Infant industry safeguards

3.63. Notwithstanding the provisions on the use of bilateral safeguards, Botswana, Eswatini, Lesotho, Namibia and Mozambique may temporarily suspend further reductions in the rates of customs duties up to a level which does not exceed the applied MFN duty, where a product originating in the EU, as a result of the reduction of duties, is being imported into its territory in such increased quantities and under such conditions as to threaten the establishment of an infant industry, or cause or threaten to cause disturbances to an infant industry producing like or directly competitive products (Article 38). Safeguard measures under these provisions by a SADC EPA State which is also a SACU Member State shall be in the form of additional duties exclusively by the SADC EPA States invoking the provision. The measures taken under Article 38 may be applied up to eight years, and may be further extended by a decision of the Joint Council.

3.64. The procedures to be followed require the SADC EPA State taking the view that the circumstances above apply, to immediately refer the matter to the Trade and Development Committee for examination, along with all relevant information required for a thorough examination of the situation. The Trade and Development Committee may make any recommendation with a view to seeking an acceptable solution needed to remedy the circumstances which have arisen. If it makes no recommendations or no other satisfactory solution is reached within 30 days of the measure being referred to the Committee, the SADC EPA State may adopt measures in accordance with Article 38. Priority must be given to measures which least disturb the operation of the

¹⁹ The procedures to be followed are described in Section 3.4.2.2 above.

Agreement and any measure taken under this provision must be notified immediately to the Trade and Development Committee and shall be the subject of periodic consultations in the Committee.

3.65. In critical circumstances where delay would cause damage which would be difficult to repair, the SADC EPA State concerned may take measures on a provisional basis without complying with the procedures outlined above. Provisional measures may be taken for a maximum of 200 days and shall be counted as part of the overall period of eight years. In taking such provisional measures, the interests of all parties involved shall be taken into account. The importing SADC EPA State concerned shall inform the EU and immediately refer the matter to the Trade and Development Committee for examination of the provisional measure. Finally, SACU Member States shall have the right to recourse to Article 26 of the SACU Agreement.

3.4.2.7 Balance of payment safeguards

3.66. Where one or more Member States of the EU or a SADC EPA State is in serious balance of payments or external financial difficulties, or under threat thereof, it may take restrictive measures in accordance with the WTO Agreement and the Articles of Agreement of the IMF. The measures shall be of limited duration and may not go beyond that necessary to remedy the balance of payments situation. The Party taking such a measure shall inform the other Party immediately and submit to it as soon as possible, a timetable for eliminating the measure (Article 71).

3.4.2.8 Other safeguards

3.67. The Agreement permits the Parties to take safeguard measures with respect to payments and capital movements if in exceptional circumstances, payments and capital movements between the Parties cause or threaten to cause serious difficulties for the operation of monetary or exchange rate policy in one or more SADC EPA States or one or more Member States of the EU. The measures should be such that they are strictly necessary and for a period not exceeding six months. The Joint Council shall be informed of the adoption of any safeguard measure immediately, and a time schedule for its removal as soon as possible (Article 70).

3.4.3 Anti-dumping and countervailing measures

3.68. Chapter II covers trade defence instruments including anti-dumping and countervailing measures (Article 32) and Safeguards (Articles 33-38).

3.69. Under Article 32 the Parties maintain that their rights and obligations in respect of the application of anti-dumping or countervailing measures shall be governed by the relevant WTO Agreements. Article 32 shall not be subject to the dispute settlement provisions in the Agreement.

3.4.4 Subsidies and State-aid

3.70. Under Chapter VII (Cooperation on agriculture), the use of export subsidies on agricultural trade between the Parties is not permitted as of the entry into force of the Agreement. There are no other specific provisions on subsidies or State aid in the Agreement.

3.4.5 Customs-related procedures

3.71. The objectives of Chapter IV on customs and trade facilitation are to reinforce cooperation in this area with a view to ensuring that the relevant legislation and procedures, as well as the capacity of the customs authorities, fulfil the objectives of the effective control and promotion of trade facilitation; promote harmonization of customs legislation and procedures; ensure that legitimate public policy objectives (including those related to security and the prevention of fraud in this area) shall not be compromised in any way; and provide the necessary support for the SADC EPA States' customs administrations to effectively implement the Agreement (Article 41).

3.72. To ensure compliance with the Chapter and to respond to these objectives, the Parties shall (i) exchange information on customs legislation and procedures; (ii) develop joint initiatives on customs and trade facilitation and the strengthening of administrative capacity; (iii) exchange experience and best practices on combating corruption and fraud in matters relating to the Chapter; (iv) exchange experience and best practices on issues relating to import, export and transit

procedures and improving service to the business community; (v) exchange experience and best practice on facilitation transit; (vi) facilitate the exchange of experts between customs administrations; and (vii) promote coordination between all related agencies, internally and across borders. They agree to enhance cooperation to implement the World Customs Organization (WCO) Framework of Standards to Secure and Facilitate Global Trade, 2005. Such cooperation shall include initiatives to enable mutual recognition of the authorized economic operator status and exchange of information in advance to allow effective risk assessment and management for security purposes. They also agree to provide each other with mutual administrative assistance in customs matters in accordance with the provisions of Protocol 2 (Article 42).

3.73. Special provisions on administrative cooperation are provided under Article 30. The Parties underline their commitment to combat irregularities and fraud in customs related matters and agree to cooperate to ensure that the necessary institutional structures enable the responsible authorities to effectively respond to requests for assistance in a timely manner. Article 30 also allows for the temporary suspension of preferential treatment where there is a finding of a failure to provide administrative cooperation and/or irregularities or fraud.²⁰

3.74. Article 43 details the requirements of trade and customs legislation and procedures which shall, to the extent possible, be based on, *inter alia*, international instruments related to customs and trade²¹; the need to protect and facilitate trade and avoid unnecessary and discriminatory burdens on economic operators and to provide further facilitation for operators that meet high levels of compliance; the need for each Party to apply a single administrative document or electronic equivalent; application of modern customs techniques; transparency, efficiency and proportionality to reduce costs and increase predictability for economic operators; non-discrimination in terms of requirements and procedures for import, export and goods in transit subject to objective risk assessment needs; and adoption of systems that facilitate the import of goods through simplified customs procedures, including pre-arrival clearance.

3.75. The Parties agree that to improve working methods and to ensure transparency and efficiency of customs operations, they shall ensure that the highest standards of integrity be maintained through the application of anti-corruption measures in the field; take further steps towards the reduction, simplification and standardization of data in documentation required by customs and other related agencies; simplify requirements and formalities wherever possible, for the rapid release and clearance of goods; provide effective, prompt and non-discriminatory procedures enabling the right of appeal, against administrative actions by customs and other agencies, and rulings and decisions affecting import, export or goods in transit which shall be easily accessible, including to small and medium sized enterprises; and create an environment for the effective enforcement of legislative requirements (Article 43).

3.76. The Parties agree to ensure freedom of transit through their territories via the most convenient route, subject to non-discriminatory, proportionate and uniformly applied controls or requirements. Such treatment shall be no less favourable than that accorded to domestic goods, exports and imports and their movement. Other provisions on transit include the operation of bonded transport regimes that allow the transit of goods without payment of duties or other charges subject to the payment of an appropriate guarantee; the promotion and implementation of regional transit arrangements; the use of international standards and instruments relevant to transit; and coordination between all concerned agencies both internally and across borders (Article 44).

3.77. All customs legislation, procedures and fees and charges are to be made publicly available and as far as possible through electronic means. The Parties will consult, as far as possible, timely and regularly with trade representatives on legislative proposals and procedures related to customs and customs related issues; and introduce, where appropriate, new or amended legislation and procedures and their entry into force so as to allow traders to become prepared for complying with them. Relevant administrative notices are also to be made publicly available. Cooperation between

²⁰ The suspension shall not exceed six months and shall be limited to that necessary to protect the financial interests of the Party concerned, following examination of the matter by the Trade and Development Committee (paragraph 7 of Article 30).

²¹ Specifically, the Kyoto Convention on the Simplification and Harmonization of Customs Procedures, 1999, the substantive elements of the WCO Framework of Standards to Secure and Facilitate Global Trade, the International Convention on the Harmonized System and other international instruments and standards as applicable.

operators and relevant administrations is to be fostered through the use of instruments such as memoranda of understanding (Article 45).

3.78. Other provisions relate to customs valuation under which the Parties agree that the Agreement on Implementation of Article VII of the GATT 1994 shall govern customs valuation under the Agreement; the promotion of harmonization of customs standards at the regional level; and support to the SADC EPA States' customs administrations (Article 48). The SADC EPA States shall benefit from a transition period of eight years to meet the requirements under Articles 27 (fees and charges), 43 (customs legislation and procedures), 44 (facilitation of transit movements), and 45 (relations with business community), where the need for capacity building exists at the time of entry into force of the Agreement (Article 49).

3.79. A Special Committee on Customs and Trade Facilitation is created under Article 50 which shall, *inter alia*, monitor implementation and administration of the Chapter and Protocol I (which deals with rules of origin); provide a forum to consult and discuss issues relating to customs, procedures, rules of origin, valuation etc.; enhance cooperation on the development, application and enforcement of rules of origin and related customs procedures as well as capacity building and technical assistance; follow up on the implementation of the harmonization of customs standards at the regional level; and any other issues agreed by the Parties on the Chapter. The Committee shall report to the Trade and Development Committee.

3.4.6 Other regulations

3.5 Sector-Specific Provisions of the Agreement

3.80. Under Chapter VII, the Parties underline the importance of the agricultural sector to the SADC EPA States for food security, generating rural employment, increasing incomes of farming households, creating an inclusive rural economy and as a basis for wider industrialization and sustainable development, and to contribute to the objectives of the Agreement. As of the entry into force of the Agreement export subsidies on agricultural goods in trade between the Parties is not permitted. The Parties establish an agricultural partnership to facilitate an exchange of views on agriculture, including food security, development, regional value chains and integration. They shall determine the issues to be covered and operational rules by common agreement within the Trade and Development Committee.

3.6 Trade in services and investment

3.81. The Parties recognize the growing importance of trade in services and investment for the development of their economies and reaffirm their commitments regarding services under Articles 41-43 of the Cotonou Agreement and their respective rights and obligations under the GATS. They may extend the scope of the Agreement by negotiating trade in services. Such negotiations have already been started by Botswana, Lesotho, Mozambique and Eswatini (participating SADC EPA States) on the one hand and the EU on the other, and will continue. They shall be guided by the following principles: to cover definitions and principles for the liberalization of trade in services; to cover lists of commitments setting out the conditions application to the liberalization of trade in services per sector liberalized and as necessary, limitations on market access and national treatment as well as transition periods for liberalization; to address regulatory provisions supporting the liberalization of trade in services which shall meet the requirements of Article V of the GATS; liberalization of trade shall be reciprocal and asymmetric, taking into account the development needs of the participating SADC EPA States and may also result in the inclusion of provisions on cooperation and special and differential treatment; and negotiations shall build on the relevant provisions in existing applicable legal frameworks.

3.82. The Parties agree to cooperate to strengthen their regulatory frameworks and to support implementation of commitments from negotiations in accordance with their cooperation to develop trade in services. They recognize that trade capacity building can support the development of economic activities.

3.83. Parties that are not party to such an agreement on trade in services may negotiate their terms of entry to the agreement.

3.84. If any negotiated agreement on trade in services results in outcomes that prove to be incompatible with the future development of a SADC regional services framework, the Parties shall negotiate to bring the Agreement in line with the regional framework while ensuring a balance of benefits.

3.85. The Parties agree to cooperate in investment in accordance with their cooperation priorities, and may in future consider negotiating an agreement on investment in economic sectors other than services. If a Party that is not a party to such an agreement on investment wishes to join, it may negotiate its terms of entry to the agreement. As for services, however, if any such agreement were to result in outcomes that prove to be incompatible with the future development of a SADC regional investment framework, the Parties shall jointly endeavour to bring the Agreement in line with the regional framework while ensuring a balance of benefits (Article 74).

4 GENERAL PROVISIONS OF THE AGREEMENT

4.1 Transparency

4.1. In addition to the transparency provisions found in various Chapters of the Agreement, Article 106 on transparency requires that the Parties shall publish or make available their laws, regulations, procedures and administrative rulings of general application and any other commitments under an international agreement on any trade matter covered by the Agreement. The Parties shall also inform each other of any measures adopted after the entry into force of the Agreement. Such measures shall be considered to have been brought to the other Party's attention if made available by appropriate notification to the WTO; on the official, fee-free and publicly accessible website; or to the coordinator of the other Party. In addition, if the SADC EPA States have difficulty accessing such information notified through these channels by the EU, they may request the EU to provide such information to the relevant coordinator.

4.2. Nothing in the Agreement shall require the Parties to provide confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular public or private enterprises, except to the extent that it may be necessary to be disclosed in the context of a dispute settlement proceeding under the Agreement. Where such disclosure is considered necessary by the panel established under the dispute settlement provisions of the Agreement, the panel shall ensure that confidentiality is fully protected.

4.3. Other provisions related to transparency include Article 105 which requires the Parties to designate a coordinator for the exchange of information upon the entry into force of the Agreement. The designation of a coordinator is without prejudice to the specific designation of competent authorities under specific provisions in the Agreement. At the request of either Party, the coordinator of the other Party shall indicate the office or official responsible for any matter pertaining to the implementation of the Agreement and provide the required support to facilitate communication with the requesting Party. In addition, at the request of either Party, the other Party shall, to the extent legally possible, provide information and reply promptly to any question relating to an actual or proposed measure that may affect trade between the Parties.

4.2 Current payments and capital movements

4.4. Under Article 69, the Parties undertake to not impose restrictions on and to allow all payments for current transactions between their residents in freely convertible currency. This is subject to provisions of Articles 70 (safeguards in case of difficulties for the operation of monetary or exchange rate policy) and 71 (balance of payments difficulties). The Parties may take necessary measures to ensure that this provision is not used for transfers that are not compliant with a Party's laws and regulations.

4.3 Exceptions

4.5. Part IV of the Agreement deals with exceptions. Under Article 97, the Agreement provides for general exceptions which are the same as in GATT Article XX and under Article 98 for security exceptions which are the same as in GATT Article XXI.

4.6. In addition, Article 99 states that nothing under the Agreement or any arrangement adopted under it, shall be construed to prevent either Party from distinguishing, in the application of the relevant provision of their fiscal legislation, between taxpayers who are not in the same situation, in particular with regard to their place of residence or the place where their capital is invested. Furthermore, nothing in the Agreement or any arrangement adopted by it, shall be construed to prevent the adoption or enforcement of any measure aimed at preventing the avoidance or evasion of taxes pursuant to the tax provisions of agreements to avoid double taxation or other tax arrangements or domestic fiscal legislation. Nothing in the Agreement shall affect the rights and obligations of either Party under any tax convention. In the event of any inconsistency between the Agreement and any such convention, the convention shall prevail to the extent of the inconsistency.

4.4 Accession and Withdrawal

4.7. A third State or organization having competence for the matters covered by the Agreement may request accession to the Agreement. Following agreement by the Joint Council to consider such a request, the Parties and the State or organization requesting accession shall conduct negotiations on the terms of the accession. The Protocol of Accession shall be adopted by the Joint Council and submitted for ratification, acceptance or approval in accordance with the Parties' respective constitutional or internal legal requirements. The Parties shall review the effects of such accession on the Agreement and the Joint Council may decide on any transitional or amending measures as necessary. Nevertheless, they agree that in the case of a request from Angola to the Joint Council to accede to the Agreement, negotiations concerning the terms of accession should be conducted on the basis of the Agreement, taking into account the specific situation of Angola (Article 119).

4.8. In the case of applications by third parties to accede to the EU, during the negotiations, the EU shall provide the SADC EPA States with any relevant information. The SADC EPA States shall convey their concerns to the EU so the EU can take them fully into account. The SADC EPA States shall be notified by the EU of any accession to the EU. Any new Member State of the EU shall accede to the Agreement from the date of its accession to the EU through a clause in the act of accession. If there is no automatic accession clause in the act of accession to the EU, the EU Member State concerned shall accede to the Agreement by depositing an act of accession with the General Secretariat of the Council of the EU, which shall send certified copies to the SADC EPA States. The Parties shall review the effects of the accession of the new EU Member States on the Agreement and the Joint Council may decide on any transitional or amending measures as needed (Article 118).

4.9. The Agreement shall be valid indefinitely. Either Party may give written notice of its intention to denounce the Agreement, which shall take effect six months after such a notification (Article 114).

4.5 Institutional framework

4.10. A Joint SADC EPA States-EU Council (hereafter the Joint Council) is established to oversee and administer implementation of the Agreement (Article 100). It is composed of the relevant members of the Council of the EU and European Commission, and the relevant Ministers of the SADC EPA States or their representatives. Its functions include responsibility for the operation and implementation of the Agreement; examining any major issues of common interest and that affect bilateral trade; examining proposals and recommendations from the Parties for the review of the Agreement and making appropriate recommendations; monitoring economic and trade relations between the Parties; and monitoring and assessing the impact of the cooperation provisions of the Agreement on sustainable development and progress on all matters covered by the Agreement. The Joint Council also monitors the work of the Trade and Development Committee and performs any other duties under the Agreement (Article 101). It shall have the power to take decisions in respect of all matters covered by the Agreement (Article 102). Its decisions shall be taken by consensus and shall be binding on all Parties. For procedural matters and dispute settlement procedures the Joint Council shall adopt decisions and recommendations by mutual agreement between the Parties. It shall meet at regular intervals not to exceed two years and extraordinarily whenever circumstances so require, in agreement by the Parties. The first meeting of the Joint Council took place on 19 February 2019 in Cape Town.

4.11. The Trade and Development Committee (the Committee) is established under Article 103 to assist the Joint Council in the performance of its duties and shall report and be responsible to the Joint Council. It is composed of senior officials from the Parties and after the first meeting which is

to be co-chaired by the Parties, it shall be chaired alternately by a representative of each of the Parties for a period of one year. The Committee may establish any special technical groups to deal with specific matters falling within their competence. Its functions relate to both trade and development cooperation as specified in Article 103:7.

4.12. The Parties indicate that the Committee has met five times since the entry into provisional application of the Agreement and has not established any special technical groups. However, there are special committees on customs and trade facilitation and on GIs and trade in wines and spirits that have met twice, and the Agricultural Partnership which has met once.

4.6 Dispute settlement

4.13. Part III of the Agreement deals with dispute avoidance and settlement between the Parties concerning its interpretation and application, with a view to arrive at, where possible, a mutually agreed solution. Disputes involving collective action by SACU will be dealt with by SACU and the EU shall act against SACU as a whole. For disputes involving individual actions by a SADC EPA State, that State shall act individually and the EU shall act only against the specific State that it considers has infringed the relevant provisions of the Agreement (Article 75). While the dispute settlement provisions apply to the interpretation and application of the Agreement, the procedure set out in Article 98 of the Cotonou Agreement shall be applicable in the event of a dispute concerning the financing of development cooperation between the Parties (Article 76).

4.14. The Parties shall endeavour to resolve any dispute through consultations in good faith, with the aim of reaching an amicable solution. A request for consultations shall be made in writing to the other Party, copied to the Trade and Development Committee, identifying the measure at issue and provisions of the Agreement which it considers the measures violate. Consultations shall be held within 40 days of receipt of the request, and shall be deemed to be concluded within 60 days of receipt of the request unless both Parties agree to continue consultations. In urgent situations, including those relating to perishable or seasonal goods, these deadlines will be 15 and 30 days, respectively from date of receipt of the request. The Party may request an arbitration panel if consultations are not held in these timeframes, or if they have been concluded without a mutually agreed solution being reached. In the latter case, the Parties may, by agreement, seek recourse to a mediator (Article 77). The mediator will convene a meeting with the Parties no later than 30 days after being selected, receive their submissions no later than 15 days before the meeting and notify an opinion no later than 45 days after having been selected. The mediators' opinion, which is non-binding, may include a recommendation on how to resolve the dispute, consistent with the provisions of the Agreement (Article 78).

4.15. If any of these means do not lead to resolution of the dispute, the complaining Party may request the establishment of an arbitration panel in writing to the Party complained against and the Trade and Development Committee. The complaining Party shall identify the specific measures at issue and explain how the measures constitute a breach of the provisions of the Agreement (Article 79). The arbitration panel shall be composed of three arbitrators, with two selected by each Party, who in turn select the third arbitrator (Article 80).²² While recourse to dispute settlement under the Agreement is without prejudice to the Parties actions in the WTO framework, arbitration bodies set up under the Agreement shall not arbitrate disputes on a Party's rights and obligations under the WTO Agreement. Furthermore, once a Party has initiated a dispute settlement proceeding under the Agreement or the WTO Agreement, with respect to a particular measure, it may not initiate a dispute settlement proceeding on the same measure in the other forum until the first proceeding has ended (Article 95).

4.16. The panel shall notify an interim report containing its findings and conclusions, as a general rule not later than 120 days (60 days in urgent cases) from the date of its establishment.²³ Any Party may submit written comments to the panel on precise aspects of the interim report within 15 days of the notification of the report (Article 81). The ruling by the panel shall be notified to the

²² Delays in selection shall be referred to the Chairperson of the Trade and Development Committee, who shall select all three members by lot from the list established under Article 94, one each from individuals proposed by the complaining Party and the Party complained against and the third among the individuals proposed to be the Chair by the Parties.

²³ Under Article 93 the arbitration panel shall make every effort to reach all decisions by consensus. Where this is not possible the matter shall be decided by majority vote.

Parties and the Trade and Development Committee within 150 days from the date of its establishment and 90 days for urgent cases.²⁴ If the deadline cannot be met, the Chairperson of the panel must notify the Parties and the Trade and Development Committee in writing, stating the reasons for the delay and the date on which the panel plans to conclude its work. The ruling cannot be notified later than 180 days from the date of establishment of the panel under no circumstances. Either Party may request the panel to recommend how the Party complained against could bring itself into compliance (Article 82). The Party complained against shall take any steps necessary to comply with the panel ruling within the time-period agreed by the Parties. The reasonable period of time required to bring its measures into compliance with the ruling shall be notified by the Party complained against to the complaining Party and the Trade and Development Committee no later than 30 days after receipt of notification of the ruling. Upon notification the Parties shall attempt to agree on such a reasonable period of time. If there is no agreement, the complaining Party shall within 30 days of notification of the reasonable period of time, request in writing the original panel to determine the length of the reasonable period of time. The panel must make a ruling within 45 days of the receipt of the request for arbitration.²⁵ The reasonable period of time may be extended as agreed by the Parties (Article 84).

4.17. Compliance with the arbitral ruling must be notified before the end of the agreed reasonable period of time by the Party complained against to the complaining Party and the Trade and Development Committee. If there is disagreement between the Parties on the compatibility of any measure notified as above with the provisions of the Agreement, the complaining Party may request in writing the original arbitration panel to rule on the matter. The panel shall notify its ruling within 90 days of the date of receipt of the request, or 45 days for urgent cases including those involving perishable and seasonal goods. The panel must notify its ruling within 105 days from the date of receipt of the request.

4.18. If the Party complained against does not comply with the ruling within the reasonable period of time, or if the panel rules that the measures taken are not compatible with the provisions of the Agreement, the Party complained against shall, if so requested by the complaining Party, present an offer for compensation. Such an offer may include or consist of financial compensation although the Agreement does not make this obligatory. If no agreement on compensation is reached within 30 days of the end of the reasonable period of time or of the review by the panel of any measure taken to comply with its ruling, that the measure taken was not compatible with the Agreement, the complaining Party shall be entitled, upon notification to the Party complained against, to adopt appropriate measures. The complaining Party shall seek to select measures that are proportionate to the violation which least affect the attainment of the objectives of the Agreement and shall take into consideration their impact on the economy of the Party complained against and on the individual SADC EPA States. Furthermore, if the EU fails to notify any measure taken to comply with the arbitral ruling by the expiry of the reasonable period of time, or if the panel rules that the measure taken to comply with the arbitral ruling is not compatible with its obligations under the Agreement, and the complaining Party asserts that the adoption of appropriate measures would significantly damage its economy, the EU shall consider providing financial compensation. The EU for its part shall exercise due restraint in asking for compensation or adopting appropriate measures to compensate. Such compensatory or appropriate measures shall be temporary and shall be applied only until any measure found to violate the provisions of the Agreement has been withdrawn or amended so as to bring it into conformity with those provisions or until the Parties have agreed to settle the dispute.²⁶

4.19. Measures taken by the Party complained against following the arbitral ruling as well as a request to end the application of appropriate measures by the complaining Party shall be notified to the complaining Party and the Trade and Development Committee. If the Parties do not agree on the compatibility of the notified measures with the provisions of the Agreement within 30 days of notification, the complaining Party shall request in writing the original arbitral panel to rule on the matter. The request shall be notified to the Party complained against and the Trade and Development

²⁴ The panel may give a preliminary ruling within 10 days on whether it deems the case to be urgent.

²⁵ Under Article 84, in making its ruling on the reasonable period of time, the panel shall take into consideration the length of time normally taken by the Party complained against to adopt comparable legislative or administrative measures to those identified by the Party as being necessary to ensure compliance. The panel shall also take into consideration capacity constraints, and the different level of development which may affect the adoption of the necessary measures by the Party complained against.

²⁶ Appropriate measures referred to in Articles 86 and 87 are similar to those available under the Understanding on Rules and Procedures Governing the Settlement of Disputes contained in Annex 2 of the WTO Agreement.

Committee within 45 days of receipt of the request. If the panel finds that any measure taken to comply is not in conformity with the provisions of the Agreement it shall determine whether the complaining Party may continue to apply appropriate measures. The appropriate measures shall be terminated if the panel finds that the measures are in conformity with the provisions of the Agreement (Article 87). The Parties may, at any time, reach a mutually agreed solution to a dispute under the Agreement. If reached, it shall be notified to the Trade and Development Committee and the arbitration Panel. The dispute shall be terminated once the mutually agreed solution is adopted (Article 88).

4.7 Relationship with other agreements concluded by the Parties

4.20. The Parties agree that nothing in the Agreement requires them to act in a manner that is inconsistent with their WTO obligations (Article 112). With regard to the Cotonou Agreement, except the development cooperation provisions in Title II of Part 3 of the Cotonou Agreement, in case of any inconsistency between Title II and the provisions of the Agreement, the latter shall prevail. The Agreement builds on the Cotonou Agreement, the TDCA and the previous ACP-EC agreements in regional cooperation and integration and economic and trade cooperation (Article 2). In particular, nothing in the Agreement shall prevent the adoption of appropriate measures pursuant to the Cotonou Agreement by either Party (Article 110). The relationship between the Agreement and the TDCA between the EU and South Africa shall be governed by the provisions of Protocol 4 (Article 111) which *inter alia* repeals Articles contained in Titles II (Trade) and III (Trade-related issues) and its corresponding annexes and protocols with the exception of provisions on maritime transport (Article 31) which remains applicable between the EU. In addition, in the event of any inconsistency between the TDCA and the Agreement, the Agreement prevails to the extent of the inconsistency.

4.21. Nothing in the Agreement shall oblige a Party to extent to the other Party any more favourable treatment applied by it as part of its respective regional integration process. Furthermore, any more favourable treatment and advantage that may be granted under the Agreement by a SADC EPA State to the EU shall be enjoyed by the other SADC EPA States (Article 108).

4.22. Taking into account the geographical proximity of the EU's outermost regions to the SADC EPA States, and to reinforce economic and social links between them, the Parties shall endeavour to facilitate cooperation in all areas covered by the Agreement between the two. This objective shall be pursued wherever possible through fostering their joint participation in the framework and specific programmes of the EU in areas covered by the Agreement. The EU shall endeavour to ensure coordination between the financial instruments of its cohesion and development policies to foster cooperation between the SADC EPA States and its outermost regions in the areas covered by the Agreement (Article 109).²⁷ It is however permitted to maintain tariffs for goods under heading 1701 destined for the French overseas departments from Botswana, Lesotho, Mozambique, Namibia and Eswatini for a period of ten years, which can be extended for another ten years unless otherwise agreed (Annex I, Part III).

4.23. Table 4.1 below shows all RTAs (notified and non-notified) in force for the Parties.

Table 4.1 EU – SADC States: Participation in other RTAs (notified and non-notified in force), as of 11 June 2020

RTA Name	Date of entry into force	Coverage	GATT/WTO Notification	
			Year	WTO Provision
EUROPEAN UNION				
EU – Singapore	21-Nov-19	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
EU – Japan	01-Feb-19	Goods & Services	2019	GATT Art. XXIV & GATS Art. V
EU – Armenia	01-Jun-18	Services	2019	GATS Art. V
EU - Canada	21-Sept-17	Goods & Services	2017	GATT Art. XXIV & GATS Art. V
EU - Colombia and Peru - Accession of Ecuador	01-Jan-17	Goods & Services	2017	GATT Art. XXIV & GATS Art. V
EU – Ghana	15-Dec-16	Goods	2017	GATT Art. XXIV
EU - Côte d'Ivoire	03-Sept-16	Goods	2008	GATT Art. XXIV
EU - Georgia	01-Sep-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V

²⁷ Nothing in the Agreement shall prevent the EU from applying existing measures aimed at addressing the structural social and economic situation of its outermost regions pursuant to Article 349 of the Treaty on the Functioning of the European Union.

RTA Name	Date of entry into force	Coverage	GATT/WTO Notification	
			Year	WTO Provision
EU - Republic of Moldova	01-Sep-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
EU - Cameroon	04-Aug-14	Goods	2009	GATT Art. XXIV
EU - Ukraine	23-Apr-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
EU - Central America ^a	01-Aug-13	Goods & Services	2013	GATT Art. XXIV & GATS Art. V
EU - Colombia and Peru	01-Mar-13	Goods & Services	2013	GATT Art. XXIV & GATS Art. V
EU - Eastern and Southern Africa States Interim EPA	14-May-12	Goods	2012	GATT Art. XXIV
EU - Republic of Korea	01-Jul-11	Goods & Services	2011	GATT Art. XXIV & GATS Art. V
EU - Serbia	01-Feb-10	Goods	2010	GATT Art. XXIV
	01-Sep-13	Services	2013	GATS Art. V
EU - Papua New Guinea / Fiji	20-Dec-09	Goods	2011	GATT Art. XXIV
EU - CARIFORUM States EPA	29-Dec-08	Goods & Services	2008	GATT Art. XXIV & GATS Art. V
EU - Bosnia and Herzegovina	01-Jul-08	Goods	2008	GATT Art. XXIV
	01-Jun-15	Services	2016	GATS Art. V
EU - Montenegro	01-Jan-08	Goods	2008	GATT Art. XXIV
	01-May-10	Services	2010	GATS Art. V
EU - Albania	01-Dec-06	Goods	2007	GATT Art. XXIV
	01-Apr-09	Services	2009	GATS Art. V
EU - Algeria	01-Sep-05	Goods	2006	GATT Art. XXIV
EU - Egypt	01-Jun-04	Goods	2004	GATT Art. XXIV
EU - Lebanon	01-Mar-03	Goods	2003	GATT Art. XXIV
EU - Chile	01-Feb-03	Goods	2004	GATT Art. XXIV
	01-Mar-05	Services	2005	GATS Art. V
EU - Jordan	01-May-02	Goods	2002	GATT Art. XXIV
EU - San Marino	01-Apr-02	Goods	2010	GATT Art. XXIV
EU - North Macedonia	01-Jun-01	Goods	2001	GATT Art. XXIV
	01-Apr-04	Services	2009	GATS Art. V
EU - Mexico	01-Jul-00	Goods	2000	GATT Art. XXIV
	01-Oct-00	Services	2002	GATS Art. V
EU - Israel	01-Jun-00	Goods	2000	GATT Art. XXIV
EU - Morocco	01-Mar-00	Goods	2000	GATT Art. XXIV
EU - South Africa	01-Jan-00	Goods	2000	GATT Art. XXIV
EU - Tunisia	01-Mar-98	Goods	1999	GATT Art. XXIV
EU - Palestinian Authority	01-Jul-97	Goods	1997	GATT Art. XXIV
EU - Faroe Islands	01-Jan-97	Goods	1997	GATT Art. XXIV
EU - Turkey	01-Jan-96	Goods	1995	GATT Art. XXIV
European Economic Area (EEA)	01-Jan-94	Services	1996	GATS Art. V
EU - Andorra	01-Jul-91	Goods	1998	GATT Art. XXIV
EU - Syria	01-Jul-77	Goods	1977	GATT Art. XXIV
EU - Norway	01-Jul-73	Goods	1973	GATT Art. XXIV
EU - Iceland	01-Apr-73	Goods	1972	GATT Art. XXIV
EU - Switzerland - Liechtenstein	01-Jan-73	Goods	1972	GATT Art. XXIV
EU - Overseas Countries and Territories (OCT)	01-Jan-71	Goods	1970	GATT Art. XXIV
EU - Kosovo ^b	01-Apr-16	Goods	Not notified	
SADC Member States - Collectively				
Southern African Development Community (SADC) ^c	01-Sept-00	Goods	2004	GATT Art. XXIV
SADC - Accession of Seychelles	25-May-15	Goods	2016	GATT Art. XXIV
SADC - Accession of Madagascar	not provided	Goods	Not notified	
Individual SADC States (Botswana, Eswatini, Lesotho, Mozambique, Namibia and South Africa)				
Common Market for Eastern and Southern Africa (COMESA) ^d	08-Dec-94	Goods	1995	Enabling Clause
COMESA - Accession of Egypt	17-Feb-99	Goods	2017	Enabling Clause
COMESA - Accession of Tunisia	18-Apr-18	Goods	Not notified	
COMESA - Accession of Libya	03-Jan-05	Goods	Not notified	
COMESA - Accession of Seychelles	not provided	Goods	Not notified	
COMESA - Accession of Djibouti	not provided	Goods	Not notified	
COMESA - Accession of Madagascar	not provided	Goods	Not notified	
COMESA - Accession of Somalia	not provided	Goods	Not notified	
COMESA - Withdrawal of Angola	not provided	Goods	Not notified	
COMESA - Withdrawal of Lesotho	Nov-97	Goods	Not notified	
COMESA - Withdrawal of Tanzania	not provided	Goods	Not notified	

RTA Name	Date of entry into force	Coverage	GATT/WTO Notification	
			Year	WTO Provision
Southern African Customs Union (SACU) ^e	15-Jul-04	Goods	2007	GATT Art. XXIV
Southern Common Market (MERCOSUR) – SACU ^f	01-Apr-16	Goods	2017	Enabling Clause
European Free Trade Association (EFTA) – SACU ^g	01-May-08	Goods	2008	GATT Art. XXIV
European Union - South Africa	01-Jan-00	Goods	2000	GATT Art. XXIV
Global System of Trade Preferences among Developing Countries (GSTP) ^h	19-Apr-89	Goods	1989	Enabling Clause
Botswana - Malawi	not provided	Goods	Not notified	
Botswana - Zimbabwe	not provided	Goods	Not notified	
Namibia - Zimbabwe	not provided	Goods	Not notified	

- a The notifications made in February 2013 (see WT/REG332/N/1 and S/C/N/680) stated that: "Provisional application of the Agreement by all signatory parties is expected in the course of the second quarter 2013"; Further notifications to confirm the dates of entry into force between the EU and Central American countries are awaited.
- b Reference to Kosovo in this table should be understood to be in the context of the United Nations Security Council resolution 1244 (1999).
- c The notification made in 2004 (WT/REG/176/N/1/Rev.1) indicated that the Parties to the SADC were as follows: Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Eswatini, Tanzania, Zambia and Zimbabwe. The Treaty of Accession of Seychelles was notified in 2016 (WT/REG368/N/1). The Treaty of Accession of Madagascar is yet to be notified.
- d The notification made in 1995 (WT/COMTD/N/3) indicated that the Parties to the COMESA were as follows: Angola; Burundi; Comoros; Eritrea; Ethiopia; Kenya; Lesotho; Malawi; Mauritius; Rwanda; Sudan; Eswatini; Tanzania; Uganda; Zambia; Zimbabwe. The Treaty of Accession of Egypt was notified in 2017 (WT/COMTD/N/51). The Treaties of Accessions of Djibouti, Libya, Madagascar, Seychelles, Somalia and Tunisia are yet to be notified. The withdrawals of Angola, Lesotho and Tanzania have not yet been notified.
- e SACU Members are: Botswana, Eswatini, Lesotho, Namibia and South Africa.
- f MERCOSUR Members are: Argentina, Brazil, Paraguay, Uruguay and Venezuela.
- g EFTA Members are: Iceland, Liechtenstein, Norway and Switzerland.
- h SADC Members which are parties to the GSTP: Mozambique, Tanzania and Zimbabwe (notification made in 1989, WTO Document L/6564).

Source: WTO Secretariat. Further information on these Agreements and on specific dates of entry into force/provisional applications may be found in the WTO Database on RTAs: <http://rtais.wto.org>.

4.8 Government procurement

4.24. In Article 17, recognizing the importance of transparent public procurement to promote economic development and industrialization, the Parties agree on the importance of cooperation to enhance mutual understanding of their respective procurement systems. They reaffirm their commitment to transparent and predictable public procurement systems in accordance with national laws. They recognize the importance of continuing to publish or otherwise make available their laws, regulations and administrative rulings of general application and any modifications thereof, in an officially designated electronic or paper form that is widely disseminated and is readily accessible by the public. They also acknowledge the importance of responding to reasonable requests to provide information and clarification to each other on these matters.

4.25. Future negotiations on public procurement may take place and the SADC EPA States aim and will endeavour to negotiate collectively. The EU also agrees to include provisions on cooperation and special and differential treatment should such negotiations be launched. If a Party, that is not a party to such a future agreement, wishes to join, it may negotiate its terms of entry to the agreement. Finally, Article 17 also states that if such negotiations result in outcomes that are incompatible with the future development of a SADC regional public procurement framework, the Parties shall jointly endeavour to adjust the Agreement to bring it in line with the regional framework, while ensuring a balance of benefits.

4.9 Intellectual Property Rights

4.26. Under Article 16 of the Agreement the Parties reaffirm their commitments under Article 46 of the Cotonou Agreement and their rights and obligations and flexibilities under the WTO Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement). They agree to grant end ensure adequate, effective and non-discriminatory protection of IPRs and provide for measures to enforce such rights against infringements, in accordance with the provisions of the international agreements to which they are party.

4.27. The Parties may cooperate on matters relating to Geographical Indications (GIs) in line with provisions on GIs in the TRIPS Agreement. They recognize the importance of GIs and origin linked products for sustainable agriculture and rural development. While the Parties recognize that it is important to respond to reasonable requests to provide information and clarifications to each other on GIs and other IPR related matters, they may, by mutual agreement, involve international and regional organizations with expertise on GIs.

4.28. The Parties consider traditional knowledge to be important and may cooperate on it in the future. They may also consider entering into future negotiations on the protection of IPRs, with the SADC EPA States intending to negotiate collectively. The EU will consider including provisions on cooperation and special and differential treatment should such negotiations be launched. If a Party, that is not a party to such a future agreement, wishes to join, it may negotiate its terms of entry to the agreement. Finally, Article 16 also states that if such negotiations result in outcomes that are incompatible with the future development of a SADC regional IPR framework, the Parties shall jointly endeavour to adjust the Agreement to bring it in line with the regional framework, while ensuring a balance of benefits.

4.10 Sustainable Development

4.29. Recalling their commitments under international agreements on environment and labour listed in Article 6²⁸, the Parties reaffirm their commitments to promote the development of international trade in such a way as to contribute to the objective of sustainable development in its three pillars (economic development, social development and environmental protection) for the welfare of present and future generations, and will strive to ensure that this objective is integrated and reflected at every level of their trade relationship (Article 6).

4.30. The provisions of Chapter II on trade and sustainable development are not subject to the dispute settlement provisions of the Agreement except Article 7 in which the Parties reaffirm that the objective of sustainable development is to be applied and integrated at every level of their economic partnership, in fulfilment of the general commitment of the Cotonou Agreement to reducing and eventually eradicating poverty in a manner consistent with sustainable development. In meeting this objective they commit to the Agreement fully taking into account the human, cultural, economic, social, health and environmental best interests of their respective populations and future generations and that decision making methods embrace the fundamental principles of ownership, participation and dialogue.

4.31. The Parties recognize the value of international environmental governance and agreements to respond to global or regional environmental problems as well as decent work for all as a key element of sustainable development for all countries and as a priority objective of international cooperation. They reaffirm their rights and commitment to implement their obligations in respect of multilateral environmental agreements (MEAs) and the International Labour Organization (ILO) conventions they have ratified, as affirmed in Article 8 and in particular Articles 49 and 50 of the Cotonou Agreement. While recognizing their rights to establish their own levels of domestic environmental and labour protection and to adopt or modify their relevant laws and policies consistently with internationally recognized standards and agreements to which they are party, they recognize that it is inappropriate to encourage trade or investment by weakening or reducing

²⁸ These are Agenda 21 on Environment and Development of 1992, the ILO Declaration on Fundamental Principles and Rights at Work of 1998, the Johannesburg Plan of Implementation on Sustainable Development of 2002, the Ministerial Declaration of the UN Economic and Social Council on Full Employment and Decent Work of 2006, the ILO Declaration on Social Justice for a Fair Globalization of 2008 and the UN Conference on Sustainable Development of 2012 entitled "The Future we Want".

domestic levels of labour and environmental protection; they agree not to derogate from or persistently fail to enforce their environmental and labour laws to this end.

4.32. The Parties confirm their commitment to enhance the contribution of trade and investment to the economic, social and environmental dimensions of sustainable development and may request consultations with the other Party through the Trade and Development Committee on any matter arising under the Chapter (Article 10). They recognize the importance of working together on trade related aspects of environmental and labour policies to achieve the objectives of the Agreement. They agree to exchange information and share experience on their actions to promote coherence and mutual supportiveness between trade, social and environmental objectives and shall strengthen dialogue and cooperation on sustainable development issues that may arise in their trade relations. Such cooperation may include the trade aspects of labour or environmental policies in international fora, the impact of the Agreement on sustainable development, corporate social responsibility and accountability, trade aspects of mutual interest to promote the conservation and sustainable use of biological diversity, and trade aspects of sustainable forest management and fishing practices (Article 11).

4.11 Competition

4.33. In Article 18 the Parties recognize that certain business practices, such as anti-competitive agreements or concerted practices and abuse of dominant position may restrict their bilateral trade and thereby undermine the objectives of the Agreement. They agree to cooperate on competition matters in accordance with Article 13(6) on cooperation priorities. They may consider entering into future negotiations on competition and the SADC EPA States intend to negotiate collectively. The EU will consider including provisions on cooperation and special and differential treatment should such negotiations be launched. If a Party, that is not a party to such a future agreement, wishes to join, it may negotiate its terms of entry to the agreement. Finally, Article 18 also states that if such negotiations result in outcomes that are incompatible with the future development of a SADC regional competition framework, the Parties shall jointly endeavour to adjust the Agreement to bring it in line with the regional framework, while ensuring a balance of benefits.

4.12 Cooperation

4.34. Under Chapter III (Article 11) the Parties commit to cooperate, both financially and non-financially, to implement the Agreement and to support the SADC EPA States' trade and development strategies within the overall SADC regional integration process. They recognize that development cooperation is crucial for the partnership and to achieve the objectives of the Agreement. Development finance cooperation for regional economic cooperation and integration, as provided for in the Cotonou Agreement, shall support and promote efforts by the SADC EPA States to achieve the objective and maximize the expected benefits of the Agreement. Article 11 also confirms that EU financing for development cooperation and EU support for implementing the Agreement shall be carried out within the framework of the rules and relevant procedures under the Cotonou Agreement.²⁹ In addition the Member States of the EU collectively undertake to support through their development policies and instruments, development cooperation activities for regional economic cooperation and integration and for the implementation of the Agreement in the SADC EPA States and at the regional level, in conformity with the principles of complementarity and aid effectiveness as contained for example in the Paris Declaration on Aid Effectiveness 2005 and the Accra Agenda for Action 2008. The Parties shall also cooperate to enable the SADC EPA States to access other financial instruments and facilitate other donors willing to support the SADC EPA States in their efforts to implement the Agreement. The EU agrees to support the development of a regional development financing mechanism such as an EPA fund to effectively channel development financing and for implementing EPA accompanying measures.³⁰

4.35. The Parties list priority areas for cooperation in Articles 13 and 14. Cooperation on trade in goods shall aim at enhancing such trade and the SADC EPA States' capacity to trade including by phasing out tariffs and customs duties as agreed under the Agreement, by properly implementing rules of origin, trade defence instruments, non-tariff measures, SPS and TBT standards by addressing non-tariff measures and promoting customs cooperation and facilitation. Cooperation on

²⁹ In particular, this relates to the programming procedures of the European Development Fund and within the framework of the relevant instruments financed by the General Budget of the Union.

³⁰ The EU will contribute to the fund following a satisfactory audit.

supply-side competitiveness shall aim at increasing competitiveness and removing supply side constraints at the national, institutional and company levels in the SADC EPA States, including production, technology development and innovation, marketing, financing, distribution, transport, diversification of the economic base and private sector development, improvement of the business environment and support for small and medium enterprises in agriculture, fisheries, industry and services. Cooperation in business enhancing infrastructure shall aim at developing a competitive business enhancing environment including in information and communication technology, transport and energy. Other areas include trade data, and institutional capacity. The Parties recognize that the phasing out of customs duties under the Agreement may affect fiscal revenues of the SADC EPA States and agree to cooperate to support fiscal reforms and complementary mitigating measures, especially for Lesotho which will be particularly affected (to be determined in accordance with a jointly agreed mechanism) (Article 14). Article 15 provides a list of possible interventions for development cooperation. Finally, cooperation is also envisaged for intellectual property rights, public procurement, competition and on tax governance.

ANNEX 1

1. Tables A1.1a and b show tariff liberalization by the EU, while Tables A1.2a and b show tariff liberalization by the SADC EPA States. The tables show liberalization by total, agricultural and industrial products. In 2016 the EU's average overall applied MFN rate was 5.1%, the overall average for agricultural products was considerably higher (10.1%) and lower for industrial products (3.8%). 25% of the EU's tariff was duty free on an MFN basis overall, 14.9% for agricultural products and 28.5% for industrial products. Upon entry into force of the Agreement in 2016 98.4% of the EU tariff became duty free for imports from Botswana, Eswatini, Lesotho, Namibia and Mozambique; the share of tariff lines liberalized was 94.5% for agricultural products and 99.7% for industrial products. The EU's overall average tariff for imports from these Parties fell to 0.1%, 0.3% for agricultural products and zero for industrial products.

2. For imports from South Africa, upon entry into force of the Agreement, 95.3% of the EU's overall applied tariff became duty free, and 80.9% and 99.4% for agricultural and industrial products, respectively. The EU's overall applied tariff for imports from South Africa fell to 0.3%, while the applied tariff for agricultural and industrial products fell respectively to 1.1% and zero. As a result, South African exporters to the EU had a relative margin of preference of 94% overall, and 89% and 100% respectively, for agricultural and non-agricultural exports. By the end of the transition period in 2026 95.7% of the EU's tariff is expected to be duty free for imports from South Africa. The share will be 84.6% and 99.7% for agricultural and non-agricultural products, respectively.

Table A1.1a EU: Indicators of MFN tariff rates and preferential rates for imports from Botswana, Eswatini, Lesotho, Namibia and Mozambique

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2016	5.1	6.9	25.0	10.1	12.8	14.9	3.8	5.3	28.5
Botswana, Eswatini, Lesotho, Namibia and Mozambique	2016	0.1	12.7	98.4	0.3	17.9	94.5	0.0	2.7	99.7

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by EU and WTO-IDB database.

Table A1.1b EU: Indicators of MFN tariff rates and preferential rates for imports from South Africa

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2016	5.1	6.9	25.0	10.1	12.8	14.9	3.8	5.3	28.5
South Africa	2016	0.3	11.9	95.3	1.1	12.4	83.1	0.0	7.1	99.7
	2017	0.3	11.5	95.3	1.1	12.0	83.1	0.0	7.1	99.7
	2018	0.3	11.3	95.3	1.1	11.7	83.1	0.0	7.1	99.7
	2019	0.3	11.0	95.3	1.0	11.5	83.1	0.0	7.1	99.7

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
	2020	0.3	10.8	95.3	1.0	11.3	83.1	0.0	7.1	99.7
	2021	0.3	10.7	95.3	1.0	11.1	83.1	0.0	7.1	99.7
	2022	0.3	10.5	95.3	1.0	10.9	83.1	0.0	7.1	99.7
	2023	0.3	10.3	95.3	1.0	10.6	83.1	0.0	7.1	99.7
	2024	0.2	10.1	95.3	0.9	10.4	83.1	0.0	7.1	99.7
	2025	0.2	11.8	95.7	0.9	12.5	84.6	0.0	7.1	99.7
	2026	0.2	11.8	95.7	0.9	12.5	84.6	0.0	7.1	99.7

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by EU and WTO-IDB database.

3. For the SADC EPA States, in 2016 the average applied MFN rate for SACU (Botswana, Eswatini, Lesotho, Namibia and South Africa) was 8.5% overall, and 11.8% and 7.9%, respectively for agricultural and industrial products. The share of duty-free lines was 55.5% overall, and 41.2% and 58.7% for agricultural and industrial products, respectively. Upon entry into force of the Agreement the share of duty-free lines for imports from the EU rose to 84.1% overall, and 80.6% and 84.9% respectively for agricultural and industrial products. The overall applied tariff for imports from the EU fell to 2.8%, while the tariff for imports of agricultural and industrial products from the EU fell to 4.4% and 2.5% respectively. As a result, EU exporters benefited from a relative margin of preference of 67% overall, and 62.7% and 68.3% for agricultural and industrial exports to SACU. By the end of implementation in 2025 86.1% of SACU's tariff will be duty free for imports from the EU; the share will be 91.5% for agricultural products and 84.9% for industrial products.

4. Table A1.2b below shows that in 2017 Mozambique's average applied MFN duty was 10.36% overall and 15.96% and 9.11% respectively for agricultural and industrial products. The share of duty-free lines was 4.04% overall and 6.55% and 3.49% for agricultural and industrial products respectively. Upon entry into force of the Agreement the share of duty-free lines for imports from the EU rose slightly to 4.12% overall and 6.65% and 3.56% respectively for agricultural and industrial products. The overall applied tariff for imports from the EU fell to 10.31% (15.94% and 9.07% for agricultural and industrial products) in 2018 when the Agreement entered into force. As a result EU exporters benefited from a relative margin of preference of 0.5% overall, and 0.13% and 0.4% respectively for agricultural and industrial exports to Mozambique. By the end of implementation in 2028 38.68% of Mozambique's tariff will be duty-free for imports from the EU; the share will be 18.17% and 43.22% for duty-free agricultural and industrial products.

Table A1.2a SADC (Botswana, Eswatini, Lesotho, Namibia and South Africa): Indicators of MFN tariff rates and preferential rates for imports from EU

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2016	8.5	19.8	55.5	11.8	22.3	41.2	7.9	19.1	58.7
EU	2016	2.8	19.5	84.1	4.4	34.2	80.6	2.5	16.9	84.9
	2017	2.7	19.2	85.4	3.6	34.6	87.5	2.5	16.9	84.9
	2018	2.7	19.1	85.4	3.5	33.6	87.5	2.5	16.9	84.9
	2019	2.7	18.9	85.4	3.4	32.5	87.5	2.5	16.9	84.9

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
	2020	2.7	18.8	85.4	3.3	31.5	87.5	2.5	16.9	84.9
	2021	2.6	18.7	85.4	3.2	31.4	87.8	2.5	16.9	84.9
	2022	2.6	18.6	85.4	3.1	30.5	87.8	2.5	16.9	84.9
	2023	2.6	18.5	85.4	3.0	29.5	87.8	2.5	16.9	84.9
	2024	2.6	18.4	85.4	2.9	28.6	87.8	2.5	16.9	84.9
	2025	2.6	19.2	86.1	2.8	44.1	91.5	2.5	16.9	84.9

Note: Tariff lines subject to in-quota rates are excluded in the computation; for the calculation of averages, specific rates are excluded and the *ad valorem* parts of alternate rates are included. Based on the HS 2012 nomenclature.

Source: WTO estimates based on data provided by the authorities and the WTO-IDB Database.

Table A1.2b SADC (Mozambique): Indicators of MFN tariff rates and preferential rates for imports from EU

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2017	10.36	10.80	4.04	15.96	17.08	6.55	9.11	9.44	3.49
EU	2018	10.31	10.76	4.12	15.94	17.08	6.65	9.07	9.40	3.56
	2019	10.31	10.76	4.12	15.94	17.08	6.65	9.07	9.40	3.56
	2020	9.63	10.04	4.12	15.54	16.66	6.65	8.32	8.63	3.56
	2021	9.08	9.47	4.12	15.16	16.25	6.65	7.74	8.02	3.56
	2022	8.39	8.75	4.12	14.78	15.83	6.65	6.97	7.23	3.56
	2023	7.09	11.57	29.74	14.39	16.85	14.60	9.09	6.08	33.09
	2024	7.56	10.68	29.74	14.28	16.72	14.60	6.00	8.97	33.09
	2025	7.39	10.51	29.74	14.17	16.59	14.60	5.88	8.80	33.09
	2026	7.24	10.30	29.74	14.05	16.45	14.60	5.73	8.57	33.09
	2027	7.19	10.24	29.74	14.00	16.39	14.60	5.69	8.50	33.09
	2028	7.59	10.80	38.68	13.93	17.02	18.17	17.08	5.58	43.22

Source: Information provided by the Mozambique Authorities.

5. Tables A1.3a-f show market access opportunities for the top 25 exports of SADC EPA States in the EU. During 2013-2015 Botswana top 25 exports to the EU accounted for 95.7% of its global exports and were covered by 49 tariff lines at the HS six-digit level in 2016. Of these lines 19 were already duty free on an MFN basis when the Agreement entered into force. As a result of the Agreement, the remaining 30 lines that are subject to MFN duties were liberalized in 2016.

Table A1.3a EU: Market access opportunities under the agreement for Botswana's top 25 exports to the world

Botswana's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
			Duty-free	Dutiable			
710231	Non-industrial diamonds unworked or simply sawn, cleaved or bruted	73.6	0.0	1			
710239	Diamonds, worked, but not mounted or set	9.3	0.0	1			
750110	Nickel mattes	4.9	0.0	1			
260300	Copper ores and concentrates	1.4	0.0	1			
020230	Frozen, boneless meat of bovine animals	0.9	12.8		3	3	
854430	Ignition wiring sets and other wiring sets for vehicles, aircraft or ships	0.8	3.7		1	1	
020130	Fresh or chilled bovine meat, boneless	0.7	12.8		1	1	
710221	Industrial diamonds unworked or simply sawn, cleaved or bruted	0.7	0.0	1			
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	0.6	0.0	1			
283620	Disodium carbonate	0.5	5.5		1	1	
250100	Salts, incl. table salt and denatured salt, and pure sodium chloride, whether or not in aqueous solution or containing added anti-caking or free-flowing agents; sea water	0.3	*	2	3	3	
870323	Motor cars and other motor vehicles principally designed for the transport of persons, incl. station wagons and racing cars, with spark-ignition internal combustion reciprocating piston engine of a cylinder capacity > 1.500 cm ³ but <= 3.000 cm ³	0.2	10.0		3	3	
271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl. losses" distil at 210°C "astm d 86 method"	0.2	3.9	2	10	10	
391739	Flexible tubes, pipes and hoses, of plastics, reinforced or otherwise combined with other materials	0.2	6.5		1	1	
720421	Waste and scrap of stainless steel	0.2	0.0	2			
630260	Toilet linen and kitchen linen, of terry towelling or similar terry fabrics of cotton	0.1	12.0		1	1	
270112	Bituminous coal, whether or not pulverised, non-agglomerated	0.1	0.0	2			
300230	Vaccines for veterinary medicine	0.1	0.0	1			
170410	Chewing gum, whether or not sugar-coated	0.1	6.3		2	2	
840710	Spark-ignition reciprocating or rotary internal combustion piston engine, for aircraft	0.1	1.7		1	1	
710210	Diamonds, unsorted	0.1	0.0	1			
843149	Parts of machinery of heading 8426, 8429 and 8430, n.e.s.	0.1	0.0	2			
481940	Sacks and bags, incl. cones, of paper, paperboard, cellulose wadding or webs of cellulose fibres	0.1	0.0	1			
850710	Lead-acid accumulators of a kind used for starting piston engine "starter batteries"	0.1	3.7		2	2	
580810	Braids in the piece	0.1	5.0		1	1	
TOTAL		95.7	3.4	19	30	30	-

* Three dutiable MFN rates are expressed in specific rates.

Note: Based on the HS2012 nomenclature.

Source: WTO estimates based on data provided by EU; WTO-IDB database and UNSD, Comtrade database.

6. During 2013-2015 Eswatini's top 25 exports to the EU accounted for 83.6% of its global exports and were covered by 122 tariff lines at the HS six-digit level in 2016. Of these, 19 lines were already duty free on an MFN basis when the Agreement entered into force. As a result of the Agreement, an additional 99 lines that are subject to MFN duties were liberalized in 2016. At the end of implementation 4 tariff lines will continue to be subject to duties. These concern sugar (subject to specific applied MFN duties in 2016 of 33.9 and 41.9 Euro/ht) and alcohol (subject to specific applied MFN duties in 2016 of 19.2 Euros/ht).

Table A1.3b EU: Market access opportunities under the agreement for Eswatini's top 25 exports to the world

Eswatini's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
			Duty-free	Dutiable			
330210	Mixtures of odoriferous substances and mixtures	29.2	13.0	2	3	3	
382490	Chemical products and preparations of the chemical or allied industries	17.1	6.1	6	15	15	
170114	Raw cane sugar, in solid form, not containing added flavouring or colouring matter	12.2	*		2	1	1
170113	Raw cane sugar, in solid form, not containing added flavouring or colouring matter, obtained without centrifugation, with sucrose content 69° to 93°, containing only natural anhydrous microcrystals	4.8	*		2	1	1
260111	Non-agglomerated iron ores and concentrates	1.9	0.0	1			
291814	Citric acid	1.5	6.5		1	1	
440729	Tropical wood specified in subheading note 1 to this chapter, sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness of > 6 mm	1.4	2.3	2	6	6	
170199	Cane or beet sugar and chemically pure sucrose, in solid form	1.4	*		2	1	1
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	1.2	12.0		1	1	
170410	Chewing gum, whether or not sugar-coated	1.2	6.3		2	2	
490199	Printed books, brochures and similar printed matter	1.1	0.0	1			
630533	Sacks and bags, for the packing of goods, of polyethylene or polypropylene strip or the like	1.0	9.6		2	2	
490700	Unused postage, revenue or similar stamps of current or new issue in the country in which they have, or will have, a recognised face value; stamp-impressed paper; banknotes; cheque forms; stock, share or bond certificates and similar documents of title	0.9	0.0	3			
270119	Coal, whether or not pulverised, non-agglomerated	0.8	0.0	1			
170290	Sugars in solid form, incl. invert sugar and chemically pure maltose, and sugar and sugar syrup blends containing in the dry state 50% by weight of fructose, not flavoured or coloured, artificial honey, whether or not mixed with natural honey and caramel	0.8	12.8		8	8	
620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton	0.8	12.0		7	7	
620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton	0.8	12.0		7	7	
620349	Men's or boys' trousers, bib and brace overalls, breeches and shorts of textile materials	0.8	12.0		6	6	
481910	Cartons, boxes and cases, of corrugated paper or paperboard	0.8	0.0	1			
220710	Undenatured ethyl alcohol, of actual alcoholic strength of >= 80%	0.7	*		1		1
170490	Sugar confectionery not containing cocoa, incl. white chocolate	0.7	9.5		10	10	
440110	Fuel wood, in logs, billets, twigs, faggots or similar forms	0.7	0.0	1			

Eswatini's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
			Duty-free	Dutiable			
200799	Jams, jellies, marmalades, purées or pastes of fruit, obtained by cooking, whether or not containing added sugar or other sweetening matter	0.6	22.8		9	9	
621132	Men's or boys' tracksuits and other garments	0.6	12.0		5	5	
230990	Preparations of a kind used in animal feeding	0.6	8.5	1	14	14	
TOTAL		83.6	7.5	19	103	99	4

* MFN rates are expressed in Specific rates only for 170113.10 (33.9 EUR/100 g std qual), 170113.90 (41.9 EUR/100 g), 170114.10 (33.9 EUR/100 g std qual), 170114.90 (41.9 EUR/100 g) and 170490 (19.2 EUR/hl).

Note: Based on the HS2012 nomenclature.

Source: WTO estimates based on data provided by EU; WTO-IDB database and ITC, TradeMap.

7. During 2013-2015 Lesotho's top 25 exports to the EU accounted for 79.8% of its global exports and were covered by 55 tariff lines at the HS six-digit level in 2016. Of these lines 11 were already duty free on an MFN basis when the Agreement entered into force. As a result of the Agreement, the remaining 44 lines that are subject to MFN duties were liberalized in 2016.

Table A1.3c EU: Market access opportunities under the agreement for Lesotho's top 25 exports to the world

Lesotho's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
			Duty-free	Dutiable			
710510	Dust and powder of diamonds, incl. synthetic diamonds	32.5	0.0	1			
620342	Men's or boys' trousers, bib and brace overalls, breeches and shorts, of cotton	8.4	12.0		7	7	
220110	Mineral waters and aerated waters, not containing added sugar, other sweetening matter or flavoured	6.0	0.0	3			
610463	Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres, knitted or crocheted	5.0	12.0		1	1	
220190	Ordinary natural water, not containing added sugar, other sweetening matter or flavoured; ice and snow	3.9	0.0	1			
610520	Men's or boys' shirts of man-made fibres, knitted or crocheted	2.5	12.0		2	2	
610990	T-shirts, singlets and other vests of textile materials, knitted or crocheted	2.1	12.0		2	2	
611030	Jerseys, pullovers, cardigans, waistcoats and similar articles, of man-made fibres, knitted or crocheted	2.1	12.0		3	3	
620462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton	2.0	12.0		7	7	
853620	Automatic circuit breakers for a voltage <= 1.000 v	1.9	2.3		2	2	
510119	Greasy wool, incl. fleece-washed wool, neither carded nor combed	1.5	0.0	1			
610510	Men's or boys' shirts of cotton, knitted or crocheted	1.2	12.0		1	1	

Lesotho's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
				Duty-free	Dutiable		
853890	Parts suitable for use solely or principally with the apparatus of heading 8535, 8536 or 8537	1.2	1.2	2	2	2	
520710	Cotton yarn containing >= 85% cotton by weight, put up for retail sale	1.1	5.0		1	1	
510129	Degreased wool, non-carbonised, neither carded nor combed	1.0	0.0	1			
610910	T-shirts, singlets and other vests of cotton, knitted or crocheted	1.0	12.0		1	1	
510111	Greasy shorn wool, incl. fleece-washed wool, neither carded nor combed	1.0	0.0	1			
610462	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton, knitted or crocheted	0.8	12.0		1	1	
640419	Footwear with outer soles of rubber or plastics and uppers of textile materials	0.7	17.0		2	2	
620339	Men's or boys' jackets and blazers of textile materials	0.7	12.0		3	3	
110100	Wheat or meslin flour	0.7	*		3	3	
940190	Parts of seats	0.6	2.4		3	3	
520511	Single cotton yarn, of uncombed fibres, containing >= 85% cotton by weight and with a linear density of >= 714,29 decitex "<= mn 14"	0.6	4.0		1	1	
853931	Discharge lamps, fluorescent, hot cathode	0.6	2.7		2	2	
481910	Cartons, boxes and cases, of corrugated paper or paperboard	0.6	0.0	1			
TOTAL		79.8	6.2	11	44	44	-

* MFN rates are expressed in Specific rates only.

Note: Based on the HS2012 nomenclature.

Source: WTO estimates based on data provided by EU; WTO-IDB database and ITC, TradeMap.

8. During 2013-2015 Mozambique's top 25 exports to the EU accounted for 86.6% of its global exports and were covered by 70 tariff lines at the HS six-digit level in 2016. Of these lines 31 were already duty free on an MFN basis when the Agreement entered into force. As a result of the Agreement, an additional 37 lines that are subject to MFN duties were liberalized in 2016. At the end of implementation 2 tariff lines (raw cane sugar) will remain dutiable at specific rates of duty (at MFN average rates of 33.4 Euro/100g to 41.9 Euro/100g in 2016).

Table A1.3d EU: Market access opportunities under the agreement for Mozambique's top 25 exports to the world

Mozambique's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
				Duty-free	Dutiable		
760410	Bars, rods and profiles, of non-alloy aluminium	25.4	7.5		2	2	
270400	Coke and semi-coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon	11.7	0.0	3			
271600	Electrical energy	7.6	0.0	1			

Mozambique's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
			Duty-free	Dutiable			
240120	Tobacco, partly or wholly stemmed or stripped, otherwise unmanufactured	6.7	15.5		5	5	
271111	Natural gas, liquefied	5.9	0.0	1			
760110	Aluminium, not alloyed, unwrought	4.3	3.0		1	1	
271121	Natural gas in gaseous state	4.3	0.0	1			
380290	Activated kieselguhr and other activated natural mineral products; animal black, whether or not spent	3.7	5.7		1	1	
261400	Titanium ores and concentrates	3.1	0.0	1			
170113	Raw cane sugar, in solid form, not containing added flavouring or colouring matter, obtained without centrifugation, with sucrose content 69° to 93°, containing only natural anhydrous microcrystals	1.6	*		2	1	1
170114	Raw cane sugar, in solid form, not containing added flavouring or colouring matter	1.6	*		2	1	1
710391	Rubies, sapphires and emeralds, worked, whether or not graded, but not strung, mounted or set, rubies, sapphires and emeralds, worked, ungraded, temporarily strung for convenience of transport	1.5	0.0	1			
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel	1.4	2.0	12	13	13	
520100	Cotton, neither carded nor combed	1.3	0.0	2			
890190	Vessels for the transport of goods and vessels for the transport of both persons and goods	1.0	0.9	1	1	1	
261510	Zirconium ores and concentrates	0.9	0.0	1			
120740	Sesamum seeds, whether or not broken	0.8	0.0	2			
440729	Tropical wood specified in subheading note 1 to this chapter, sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness of > 6 mm	0.7	1.7	2	6	6	
670490	Wigs, false beards, eyebrows and eyelashes, switches and the like, of animal hair or textile materials	0.5	2.2		1	1	
520300	Cotton, carded or combed	0.5	0.0	1			
890520	Floating or submersible drilling or production platforms	0.4	0.0	1			
843143	Parts for boring or sinking machinery of subheading 8430.41 or 8430.49	0.4	0.0	1			
901590	Parts and accessories for instruments and appliances used in geodesy, topography, photogrammetrical surveying, hydrography, oceanography, hydrology, meteorology or geophysics, and for rangefinders	0.4	2.7		1	1	
080310	Fresh or dried plantains	0.4	16.0		2	2	
080390	Fresh or dried bananas	0.4	16.0		2	2	
TOTAL		86.6	3.2	31	39	37	2

* MFN rates are expressed in Specific rates only for 170113.10 (33.9 EUR/100 g std qual), 170113.90 (41.9 EUR/100 g), 170114.10 (33.9 EUR/100 g std qual), 170114.90 (41.9 EUR/100 g).

Note: Based on the HS2012 nomenclature.

Source: WTO estimates based on data provided by EU; WTO-IDB database and UNSD, Comtrade database.

9. During 2013-2015 Namibia's top 25 exports to the EU accounted for 75.4% of its global exports and were covered by 85 tariff lines at the HS six-digit level in 2016. Of these lines 25 were already duty free on an MFN basis when the Agreement entered into force. As a result of the Agreement, the remaining 60 lines that are subject to MFN duties were liberalized in 2016.

Table A1.3e EU: Market access opportunities under the agreement for Namibia's top 25 exports to the world

Namibia's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
			Duty-free	Dutiable			
710231	Non-industrial diamonds unworked or simply sawn, cleaved or bruted	21.9	0.0	1			
261210	Uranium ores and concentrates	7.9	0.0	2			
890520	Floating or submersible drilling or production platforms	6.5	0.0	1			
740311	Copper, refined, in the form of cathodes and sections of cathodes	5.8	0.0	1			
260300	Copper ores and concentrates	3.0	0.0	1			
030389	Frozen fish	2.7	12.7	1	12	12	
790112	Unwrought zinc, not alloyed, containing by weight < 99,99% of zinc	2.4	2.5		3	3	
030474	Frozen fillets of hake "merluccius spp., urophycis spp."	2.4	7.2		4	4	
710239	Diamonds, worked, but not mounted or set	2.3	0.0	1			
220300	Beer made from malt	2.0	0.0	3			
710813	Gold, incl. gold plated with platinum, in semi-manufactured forms, for non-monetary purposes	1.9	0.0	2			
790111	Unwrought zinc, not alloyed, containing by weight >= 99,99% of zinc	1.8	2.5		1	1	
030355	Frozen jack and horse mackerel "trachurus spp."	1.6	15.0		3	3	
890400	Tugs and pusher craft	1.6	1.7	2	1	1	
030354	Frozen mackerel "scomber scombrus, scomber australasicus, scomber japonicus"	1.5	17.5		2	2	
271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl. losses" distil at 210°C "astm d 86 method"	1.5	4.7	2	10	10	
030366	Frozen hake "merluccius spp., urophycis spp."	1.4	15.0		5	5	
890690	Vessels, incl. lifeboats	1.4	2.2	1	2	2	
260800	Zinc ores and concentrates	1.2	0.0	1			
870323	Motor cars and other motor vehicles principally designed for the transport of persons, incl. station wagons and racing cars, with spark-ignition internal combustion reciprocating piston engine of a cylinder capacity > 1.500 cm ³ but <= 3.000 cm ³	1.2	10.0		3	3	
740200	Copper, unrefined; copper anodes for electrolytic refining	0.8	0.0	1			
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	0.8	0.0	1			
010221	Pure-bred cattle for breeding	0.7	0.0	3			
010229	Live cattle	0.7	10.2	1	11	11	
160413	Prepared or preserved sardines, sardinella and brisling or sprats, whole or in pieces	0.6	12.5		3	3	
TOTAL		75.4	4.5	25	60	60	-

Note: Based on the HS2012 nomenclature.

Source: WTO estimates based on data provided by EU; WTO-IDB database and UNSD, Comtrade database.

10. During 2013-2015 South Africa's top 25 exports to the EU accounted for 51.5% of its global exports and were covered by 109 tariff lines at the HS six-digit level in 2016. Of these lines 19 were already duty free on an MFN basis when the Agreement entered into force. As a result of the Agreement, an additional 35 lines that are subject to MFN duties were liberalized in 2016. At the end of implementation of the Agreement 55 lines will remain dutiable in the EU market. The products concerned are wine (53 lines), subject to MFN average duties of 14.4% in 2016, aluminium subject to average MFN rates of 3% and fresh oranges, subject to average MFN duties of 16% in 2016.

Table A1.3f EU: Market access opportunities under the agreement for South Africa's top 25 exports to the world

South Africa's top export products in 2013-2015		Share in global exports (%)	Access conditions to EU's import markets				
HS number and description of the product			MFN (2016)			Duty free under the agreement in 2016	Remain Dutiable
			Average MFN applied rate	Number of tariff lines			
			Duty-free	Dutiable			
710813	Gold, incl. gold plated with platinum, in semi-manufactured forms, for non-monetary purposes	6.6	0.0	2			
270112	Bituminous coal, whether or not pulverised, non-agglomerated	5.4	0.0	2			
260112	Agglomerated iron ores and concentrates	4.9	0.0	1			
720241	Ferro-chromium, containing by weight > 4% of carbon	3.2	4.0		2	2	
271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume "incl. losses" distil at 210°C "astm d 86 method"	3.2	3.9	2	10	10	
711019	Platinum, in semi-manufactured forms	2.9	0.0	2			
711011	Platinum, unwrought or in powder form	2.9	0.0	1			
870323	Motor cars and other motor vehicles principally designed for the transport of persons	2.9	10.0		3	3	
870421	Motor vehicles for the transport of goods, with compression-ignition internal combustion piston engine "diesel or semi-diesel engine" of a gross vehicle weight <= 5t	2.5	13.5		5	5	
260111	Non-agglomerated iron ores and concentrates	2.3	0.0	1			
842139	Machinery and apparatus for filtering or purifying gases	2.0	1.7		3	3	
260200	Manganese ores and concentrates	1.6	0.0	1			
710231	Non-industrial diamonds unworked or simply sawn, cleaved or bruted	1.5	0.0	1			
261000	Chromium ores and concentrates	1.4	0.0	1			
760110	Aluminium, not alloyed, unwrought	1.1	3.0		1		1
711021	Palladium, unwrought or in powder form	1.0	0.0	1			
870332	Motor cars and other motor vehicles principally designed for the transport of persons, incl. station wagons and racing cars, with compression-ignition internal combustion piston engine "diesel or semi-diesel engine" of a cylinder capacity > 1.500 cm ³ but <= 2.500 cm ³	0.9	10.0		3	3	
870322	Motor cars and other motor vehicles principally designed for the transport of persons, incl. station wagons and racing cars, with spark-ignition internal combustion reciprocating piston engine of a cylinder capacity > 1.000 cm ³ but <= 1.500 cm ³	0.8	10.0		2	2	
470200	Chemical wood pulp, dissolving grades	0.8	0.0	1			
710239	Diamonds, worked, but not mounted or set	0.7	0.0	1			
080510	Fresh or dried oranges	0.7	16.0		2	1	1
261400	Titanium ores and concentrates	0.6	0.0	1			
271600	Electrical energy	0.6	0.0	1			
220421	Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested by the addition of alcohol, in containers of <= 2 l	0.6			57	4	53
080610	Fresh grapes	0.5	14.4		2	2	
TOTAL		51.5	3.6	19	90	35	55

Note: Based on the HS2012 nomenclature.

Source: WTO estimates based on data provided by EU; WTO-IDB database and UNSD, Comtrade database.

11. Table A1.4 shows market access opportunities for the EU's top 25 exports to SADC EPA States which accounted during 2013-2015 for 27.7% of its global exports. The EU's top 25 exports to SACU members were covered by 86 tariff lines at the HS six-digit level in 2016. Of these lines 29 were already duty free on an MFN basis when the Agreement entered into force. As a result of the Agreement, an additional 30 lines that are subject to MFN duties were liberalized in 2016. Once the Agreement is fully implemented imports under 27 tariff lines will remain subject to duties in the SACU market. The products concerned include petroleum products (with average MFN duties in 2016 ranging from a specific rate of 11 cents/litre to 11.8%) and motor vehicles and parts (ranging from 15% to 23.3%), electrical appliances (11.7%) and machines and mechanical appliances (10%).

12. Information provided by Mozambique (Table A1.5) shows that the EU's top 25 global exports were covered by 55 tariff lines at the HS six-digit level in 2017. Of these 2 lines were already duty free on an MFN basis when the Agreement entered into force. Nine tariff lines were liberalized by the Agreement. Once the Agreement is implemented 43 lines which will remain subject to duties on imports from the EU. The applied MFN tariff for these lines in 2017 ranged from 5% to 20%. Data for one line (HS 300210) are not available.

Table A1.4 SADC: Market access opportunities under the agreement for EU's top 25 exports to the world.

EU's top export products in 2013-2015 HS number and description of the product		Share in global exports (%)	Access Conditions to SADC parties' import markets									
			SACU members					Mozambique				
			MFN 2016			Duty free lines Under the Agreement (2016)	Remain Dutiable	MFN 2017			Duty free lines Under the Agreement (2018)	Remain Dutiable
			Average MFN applied rate (%)	Duty Free lines	Dutiable Lines			Average MFN applied rate (%)	Duty Free lines	Dutiable Lines		
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, put up in measured doses	3.5	0.0	2				0.0	1			
870323	Motor cars and other motor vehicles principally designed for the transport of persons, incl. station wagons and racing cars, with spark-ignition internal combustion reciprocating piston engine of a cylinder capacity > 1.500 cm ³ but <= 3.000 cm ³	3.3	23.3		3	1	2	12.5		4		4
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel	2.6	*		1		1	6.15		13		12
710813	Gold, incl. gold plated with platinum, in semi-manufactured forms, for non-monetary purposes	2.3	0.0	1				7.5		1		1
880240	Aeroplanes and other powered aircraft of an of an unladen weight > 15.000 kg	2.2	0.0	1				5		1		1
271012	Light oils and preparations, of petroleum or bituminous minerals which >= 90% by volume	2.1	11.8	7	14	2	12	5.71		7		7
870324	Motor cars and other motor vehicles principally designed for the transport of persons	1.5	23.3		3	1	2	12.5		4		4
870332	Motor cars and other motor vehicles principally designed for the transport of persons	0.9	23.3		3	1	2	12.5		4		4
300210	Antisera and other blood fractions and immunological products, whether or not modified or obtained by means of biotechnological processes	0.9	0.0	1			
841112	Turbojets of a thrust > 25 kn	0.7	0.0	1				5		1	1	
880330	Parts of aeroplanes or helicopters	0.7	0.0	1				2.5		1	1	
841191	Parts of turbojets or turbopropellers	0.7	0.0	1				5		1		1
710231	Non-industrial diamonds unworked or simply sawn, cleaved or bruted	0.6	0.0	1				20		1		1
870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons, motor cars and other motor vehicles principally designed for the transport of persons, motor vehicles for the transport of goods and special purpose motor vehicles	0.6	15.0	4	5	3	2	7.5		1	1	
848180	Appliances for pipes, boiler shells, tanks, vats or the like	0.6	15.0	1	14	14		7.5		1	1	
711319	Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or clad with precious metal	0.5	20.0		1	1		20		1		1
870840	Gear boxes and parts thereof, for tractors, motor vehicles for the transport of ten or more persons, motor cars and other motor vehicles principally designed for the transport of persons, motor vehicles for the transport of goods and special purpose motor vehicles	0.5	16.7	2	3	1	2	7.5		1	1	
710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	0.5	0.0	1				7.5		1		1

EU's top export products in 2013-2015		Access Conditions to SADC parties' import markets										
HS number and description of the product		Share in global exports (%)	SACU members					Mozambique				
			MFN 2016			Duty free lines Under the Agreement (2016)	Remain Dutiable	MFN 2017			Duty free lines Under the Agreement (2018)	Remain Dutiable
			Average MFN applied rate (%)	Duty Free lines	Dutiable Lines			Average MFN applied rate (%)	Duty Free lines	Dutiable Lines		
851762	Machines for the reception, conversion and transmission or regeneration of voice, images or other data, incl. switching and routing apparatus	0.5	0.0	2				7.5		1	1	
870322	Motor cars and other motor vehicles principally designed for the transport of persons, incl. station wagons and racing cars, with spark-ignition internal combustion reciprocating piston engine of a cylinder capacity > 1.000 cm ³ but <= 1.500 cm ³	0.4	23.3		3	1	2	20		2		2
300220	Vaccines for human medicine	0.4	0.0	1				0	1			
853710	Boards, cabinets and similar combinations of apparatus for electric control or the distribution of electricity, for a voltage <= 1.000 v	0.4	11.7		3	3		7.5		1	1	
901890	Instruments and appliances used in medical, surgical or veterinary sciences	0.4	0.0	1				5		1	1	
847989	Machines and mechanical appliances,	0.4	10.0	1	1	1		5		1	1	
870333	Motor cars and other motor vehicles principally designed for the transport of persons, incl. station wagons and racing cars, with compression-ignition internal combustion piston engine "diesel or semi-diesel engine" of a cylinder capacity > 2.500 cm ³	0.4	23.3		3	1	2	12.5		4		4
TOTAL		27.7	8.7	29	57	30	27	..	2	53	9	43

* MFN rates are expressed in Specific rates only.

.. Data not provided.

Note: Based on the HS2012 nomenclature.

Source: For SACU: WTO estimates based on data provided by SACU parties; WTO-IDB database and EuroStat.

For Mozambique: information provided by the Mozambique authorities.

ANNEX 2

Table A2.1 Tariff rate quotas provided by the EU to South Africa

Product	Tariff lines	In quota/out quota MFN rate (2018)	Quota quantity
Skimmed milk powder in packs <= 2.5 kgs	04021011,	0/125.4€/100 gms	500 metric tonnes
	04021019,	0/118.8€/100 gms	
	04021091, 04021099	0/1.19€/gm lactic matter + 27.5€/100 gms	
Butter and other fats	04051011, 04051019, 04051030, 04051050	189.6€/100 gms	500 metric tonnes
	04051090	231.3€/100 gms	
Strawberries	08111090	0/14.4%	2016: 377.5 MT 2017: 385 MT 2018: 392.5 MT 2019: 400 MT 2020: 407.5 MT Annual increase thereafter by 7.5 MT
Raw cane sugar	17011310, 17011410	0/33.9€/100 g std qual	100,000 MT
Raw cane sugar	17011310, 17011410	0/33.9€/100 g std qual	50,000 MT
White sugar	17019910	0/41.9€/100 gms	
White crystalline powder	17023050	0/26.8€/100 gms	500 MT
Citrus jams	20079130	50% of MFN rate/20%+4.2€/100 gms	100 MT
Canned fruit	20084051, 20084079, 20085069, 20087069	Gradual reduction to 0% of MFN rate by 2026/17.6%	57,156 MT
	20087079	Gradual reduction to 0% of MFN rate by 2026/16%	
	20084059	Gradual reduction to 0% of MFN rate by 2026/19.2%	
	20084071, 20085061, 20085079, 20087061, 20087071, 20084090	Gradual reduction to 0% of MFN rate by 2026/16.8%	
	20085071	Gradual reduction to 0% of MFN rate by 2026/20.8%	
	20085092	Gradual reduction to 0% of MFN rate by 2026/13.6%	
	20085098, 20087098	Gradual reduction to 0% of MFN rate by 2026/18.4%	
Tropical canned fruit	20089759,	50% of MFN rate/17.6%	2016: 2,960 MT 2017: 3,020 MT 2018: 3,080 MT 2019: 3,140 MT 2020: 3,200 MT Annual increase thereafter by 60 MT
	20089772,	50% of MFN rate/8.5%	
	20089774,	50% of MFN rate/13.6%	
	20089778,	50% of MFN rate/19.2%	
	20089798	50% of MFN rate/18.4%	

Product	Tariff lines	In quota/out quota MFN rate (2018)	Quota quantity
Frozen orange juice	20091199	0/15.2%	2016: 1,036 MT 2017: 1,057 MT 2018: 1,078 MT 2019: 1,099 MT 2020: 1,120 MT Annual increase thereafter by 21 MT
Apple juice	20097120, 20097199, 20097930, 20097998	50% of MFN rate/18%	2016: 3,052MT 2017: 3,595MT 2018: 3,712 MT 2019: 3,829MT 2020: 3,948MT Annual increase by 117 MT until 31.12.2026, thereafter by 70.5MT
	20097911,	50% of MFN rate/30%+18.4€/100 gms	
	20097991	50% of MFN rate/18%+19.3€/100gms	
	20097919,	50% of MFN rate/30%	
Active yeasts	21021090	0/14.7%	350 MT
Wine of fresh grapes	22042111, 22042112, 22042113, 22042117, 22042118, 22042119, 22042122, 22042124, 22042126, 22042127, 22042128, 22042132, 22042134, 22042136, 22042137, 22042138, 22042142, 22042143, 22042144, 22042146, 22042147, 22042148, 22042162, 22042166, 22042167, 22042168, 22042169, 22042171, 22042174, 22042176, 22042177, 22042178, 22042179, 22042180, 22042181, 22042182, 22042183, 22042184	0/13.1-15.4€/hl	<i>Quota A (in containers of <=2 litres (HS220421) in January-August, in containers of any volume in September-December)</i> 2016: 77,000,000 litres 2017: 77,741,300 litres 2018: 78,482,600 litres 2019: 79,223,900 litres 2020: 79,965,200 litres Annual increase thereafter by 741,300 litres
	22042123, 22042185, 22042186, 22042189	0/14.8-15.8€/hl	
	22042187, 22042188, 22042190, 22042191	0/18.6-20.9€/hl	
	22042192	0/1.75€/ % vol/hl	
	22042193, 22042194, 22042195, 22042196, 22042197, 22042198	0/13.1€/hl-1.75€/ % vol/hl	
	22042911	0/13.1-14.2€/hl	
	22042912, 22042913, 22042917, 22042918, 22042942, 22042943, 22042944, 22042946, 22042947, 22042948, 22042958, 22042979, 22042980, 22042981, 22042982, 22042983, 22042984	0/9.9-12.1€/hl	
	22042985, 22042986, 22042989	0/12.1-13.1€/hl	
	22042987, 22042988, 22042990, 22042991	0/15.4-20.9€/hl	
		0/1.75€/ % vol/hl	

Product	Tariff lines	In quota/out quota MFN rate (2018)	Quota quantity
	22042992 22042993, 22042994, 22042995, 22042996, 22042997, 22042998	0/9.9€/hl-1.75€/ % vol/hl	
Undenatured ethyl alcohol	22071000, 22072000	0/19.2€/hl 0/10.2€/hl	80,000 MT

Source: The EU authorities and Annex I, Section B of the Agreement.

Table A2.2 Tariff rate quotas provided by SACU to the EU

Product	Tariff lines	In quota/out quota MFN rate (2018)	Quota quantity, metric tonnes (MT)
Wheat and meslin ^{a, b, c}	100191, 100199	Free	300,000 MT
Barley	100310, 100390	Free	10,000 MT
Cheese	04061000, 04062000, 04063000, 04064000, 04069012, 04069022 04069099	Free	2015: 7,250 MT 2016: 7,400 MT Increases annually by 150MT
Pig fat	02091000	Free	200 MT
Cereal based food preparations	Ex190190	MFN less 75%	2,300 MT
Pork	02032200 02032990	Gradual phase down	1,500 MT
Butter and other dairy fats	04051010 04059000	Gradual phase down	500 MT
Ice cream	21050010 21050020 21050090	MFN less 50%	150 MT
Mortadella bologna	16010020	Free	100 MT

- a products under this TRQ may only be imported through the ports of Walvis Bay in Namibia, and Durban and Richards Bay in South Africa.
- b products imported under this TRQ and destined for final consumption in South Africa shall only be allowed to enter from 1 February to 31 October.
- c products imported under this TRQ and destined for final consumption in Namibia shall only be allowed to enter from 1 March to 30 November.

Source: Annex II, Section B of the Agreement.