



**1ST MEETING OF THE JOINT COUNCIL
OF THE EU-SADC ECONOMIC PARTNERSHIP AGREEMENT (EPA)
JOINT OPERATIONAL CONCLUSIONS**

19 FEBRUARY 2019, CAPE TOWN, SOUTH AFRICA

1. Institutional Aspects of the EU-SADC EPA

The Joint Council adopted the ‘institutional framework’ of the EPA containing the following documents: the rules of procedure for the Joint Council, the rules of procedure for the Trade and Development Committee, the rules of procedure for Dispute Settlement and Dispute Avoidance and the Code of Conduct of Arbitrators and Mediators. The relevant Joint Council Decisions are included in Annex 1..

The Joint Council welcomed the adoption of the list arbitrators by the Trade and Development Committee (Annex 2).

The SADC EPA States and the EU consider that the adoption of the institutional framework of the EPA represents a significant step forward in the implementation of the EPA. It will allow for more efficient decision making and avoidance or resolution of potential disputes.

2. State-of-Play of Trade Relations under the EU-SADC EPA

The EU and the SADC EPA States:

- Noted the positive impact of the EPA on trade flows on both sides
- Agreed that in order to enhance trade, there is a need to step up cooperation on SPS and other aspects to address the respective concerns with regard to measures implemented on both sides.
 - o SADC EPA States raised a concern with regards to stringent SPS measures imposed by the EU on key products of export interest such as citrus, game, lamb and sheep meat that inhibit access to the EU market. Furthermore, SADC EPA exports are at a low base and there is a need to expand the production base, infrastructure for value addition, as well as to address supply side constraints.
 - o The EU side raised concerns with regard to disproportionate measures adopted by SADC EPA States which have led to a contraction of exports of some agri - food products (notably on poultry) after the implementation of EPA.
- Agreed to enhance their endeavours through dialogue and development co-operation initiatives and instruments in order to diversify the economy of the SADC

EPA States and their basket of export products and called for the need to cooperate to find mutually acceptable solutions for export products of both Parties.

3. Update on BREXIT

SADC EPA States raised the need to have an urgent meeting of the Trade and Development Committee (TDC) (at Senior Official level) in the event that the UK leaves the EU without a deal to assess the implications on the existing trade and supplier chain between the EU and the SADC EPA States.

The EU took note of the information provided and stated that at this stage it could not prejudge what would be the outcome of the BREXIT process. In these circumstances, the EU does not have a mandate to discuss with any trade partner the implications that the outcome of BREXIT would have on specific trade agreements.

4. SACU Safeguard Duty on Frozen Bone-in Chicken Cuts Imported from the EU

The EU stated that they had submitted a proposal in November 2018 on the elimination of the SACU safeguard duty against EU frozen bone-in chicken in light of the specific requirements in the EU-SADC EPA Article 34.7(e) requesting the Parties to establish a timetable for its abolition as soon the circumstances permit. The EU expressed its strong dissatisfaction with the current situation and lack of immediate perspective for a solution. The EU stressed that it would explore all options to remedy the current situation. The SADC EPA States committed to submitting a response by end of March 2019.

The Parties agreed to work towards mutually beneficial two-way trade in poultry as a sustainable solution.

5. SACU Increased Duties on Textile Products Imported from the EU

The Joint Council discussed the imports of certain textiles products from the EU into SACU. It noted that the Parties have divergent views on the applicable customs duties. The Joint Council noted that the Economic Partnership Agreement provides avenues for dispute avoidance and resolution.

6. Participation of Non-State Actors in the Implementation of the EU-SADC EPA

The EU side and the SADC EPA States committed to co-facilitate the organisation of a meeting at least once per year of non-state actors representatives from both the EU and the SADC EPA States to discuss EPA-related issues and EPA implementation.

The SADC EPA States will, by the next TDC, send a proposal regarding non-state actors and how they should be engaged in the implementation of the EPA.

7. Development Co-operation to Support the Implementation of the EU-SADC EPA

The Joint Council underlined the importance of SADC EPA States making full use of the EU development co-operation instruments to support economic growth, decent jobs and EPA implementation and in particular, the new opportunities offered within the framework of the Africa Europe Alliance for Sustainable Investment and Jobs.

South Africa, Eswatini and Namibia confirmed that they were endeavouring to finalise their National EPA Implementation Plans by May 2019.

The SADC EPA States also committed to designing and implementing a National EPA Support Programme to facilitate delivery of their national EPA Implementation Plan.

8. EU-SADC EPA Monitoring and Evaluation System

The Joint Council welcomed the progress made by SADC EPA States aimed at finalising a monitoring and evaluation framework.

The SADC EPA States committed to sending to the EU in writing a proposal for a monitoring and evaluation system as soon as feasible. The proposal will also include a list of monitoring and evaluation indicators that the SADC EPA States intend to use as the basis for monitoring and evaluation.

The Joint Council invited the Parties to work together with a view to defining a common methodology based on relevant indicators for producing EPA monitoring reports as from 2020 and ex post evaluation impact of the EPA in due time.

9 Trigger levels for the SACU Agricultural Safeguards

The Joint Council endorsed the agreement by the TDC on the adjustment of the agricultural safeguards trigger levels in accordance with footnote 1 of Annex IV of the EPA. The agreed adjusted figures are attached as Annex 3. The Joint Council will adopt this decision by written procedure or by electronic means as provided for in its Rules of Procedure. The Parties agreed to finalise their internal processes and operationalise this decision by 31st July 2019. To this end SADC EPA States committed to share with the EU, the draft decision by 15th March 2019