Personal data in this document have been redacted according to the General Data Protection Regulation 2016/679 and the European Commission Internal Data Protection Regulation 2018/1725

Document No 3

## Report and operational conclusions from the 8th EU-ESA EPA Committee meeting of 14 January 2020 in Seychelles

| The 8th meeting of the EPA Committee took place on 14 January 2020 in | Seychelles   |
|---|--------------|
| under the Co-Chairmanship of  | Directorate  |
| General for Trade, representing the EU side and H.E. Mr Haymandoy     | al DILLUM,   |
| Ambassador of Mauritius, representing the ESA-5 side. A list of       | participants |
| (Document no. 1) is attached.   |              |

## AGENDA ITEM 1: ADOPTION OF THE AGENDA

The agenda as agreed by both sides was adopted as per Document no. 2.

## **AGENDA ITEM 2: OPENING STATEMENTS**

In opening statement, highlighted that the ESA region was the first to implement the iEPA in the African region and to proceed now with the deepening of the Agreement. acknowledged the challenges encountered by the ESA-5 states and the need for both Parties to explore ways to better access the EU market as well as to diversify to value-added products.

Ambassador Dillium underlined that despite the globally challenging trade environment, the relations between the ESA-5 and the EU remained robust and the deepening of the iEPA would further consolidate ties between the two partners.

## AGENDA ITEM 3: MATTERS ARISING FROM THE MINUTES OF THE SEVENTH MEETING OF THE ESA-EU EPA COMMITTEE

Matters arising from the 7th meeting were covered by the ensuing agenda items.

## AGENDA ITEM 4: REVIEW OF THE IMPLEMENTATION OF THE ESA-EU IEPA

## i. State of play of implementation

The ESA-5 side provided an overview of their state of implementation of the iEPA.

Madagascar informed that it was implementing its tariff liberalisation as per its market access schedules. The EU thanked Madagascar for this positive progress and noted that, pending the relevant documents with the tariff reduction commitments for EU products that Madagascar has to communicate, the transposition of the market access schedule liberalization to the HS2017 remains to discuss. It is very important for the smooth implementation of this liberalisation. As regards development assistance from the EU, Madagascar underlined that an assessment was underway for the approval of projects. Madagascar requested for flexibility in the approval of projects.

Mauritius informed that as regards its commitments under the iEPA, only 3% of lines remained to be liberalised up to 2022 and it was on track with its tariff commitments. Unfortunately a continuous decline in Mauritius exports to the EU was noted in the past 10 years and the need for tailored made export and marketing strategies to diversify its product range and tap new EU markets was considered crucial to improve exports. The Committee further noted that Mauritius enacted the Industrial Property Bill on 9 August 2019 which covered different elements of Industrial Property, including Patents, Plant Varieties, Geographical Indications amongst others. Mauritius requested specific assistance in the examination of patents as well as placement of Mauritian IP officers in EU IP offices to acquire knowledge on issues related to new plant varieties and geographical indications.

Seychelles informed that they are on track with their tariff phase down which is being done in accordance to the Market access offer. They also informed that they have migrated to the version HS 2017 in April, 2018 and provided an update on the movements of Customs Officers with regards to Officers authorised to endorse EUR.1 certificates. In this regard, since the last meeting no new officers has been appointed to endorse EUR1 certificates. However the following officers are no longer employed by Seychelles' Customs and should be struck off the list:

**Comoros** informed that they are working on the implementation of the trade liberalisation and they are also in the process to implement the SPS Agreement and the Rules of Origin provisions.

Zimbabwe indicated that under the 11th EDF Zimbabwe, the country is benefitting from a regional envelope of Euro 10 million to support the implementation of the Zimbabwe Economic Partnership Agreement support project (ZEPA). Notable results achieved were reported in the following areas namely, Review of the of the ZEPA Logframe (LF) and development of the project Performance Planning, Monitoring and

Evaluation Framework (PPME), Business Support Organisation/ Micro, Small to Medium Enterprises (BSO/MSME) Grants were awarded, Review of the MSME Policy, Strengthening of EPA Coordination and Public-Private Sector Dialogue and the development of the ZEPA Visibility and Communication plan. It was also reported that plans are underway to officially launch the ZEPA project, review progress and plan for the remaining project period by end of January 2020. They also informed that under WTO, they have notified their category A, B and C commitments and the relevant documentary evidence.

Action required: Madagascar to communicate to the EU the implementation of tariff reduction commitments and to discuss the transposition of its market access schedule to HS2017

## ii. Specific NTBs faced by IEPA Signatory States on the EU market.

## Catch certificates

The difficulty in obtaining catch certificates from some of the EU vessels(France and Spain) on time was reiterated by the ESA-5 states. It was further noted that in some cases, the delays could range between 30-40 days and was seriously impeding on exports to the EU. The EU encouraged ESA States to submit the list of vessels and the relevant documentary evidence for consultation with the relevant EU member states.

Action required: Mauritius and Seychelles to submit the list of vessels and the supporting evidence

## Dock Dues

Both sides noted that dock dues would expire in December 2020. The ESA-5 side highlighted that dock dues were against the principle of the iEPA, which basically aimed to protect France Outermost region products against imported equivalent products. It was further noted that several of the products exported by ESA-5 states were subject to dock dues and consequently undermined trade with France Outermost territories. It was further underlined that in April 2019, France has included additional products such as sugar following a review of the Octroi de Mer. The ESA states called for the elimination of Dock Dues.

The EU recalled the compatibility of the dock dues with the iEPA and indicated that an assessment would be conducted in 2020 on the possible extension of dock dues and invited ESA-5 states to submit the list of potential products which are impacted by dock dues. ESA-5 request would be incorporated in the assessment and exemption of the products would be considered.

Action required: ESA-5 to submit list of products impacted by dock dues.

## **Duties on sugar**

Mauritius sought clarification on whether the Commission has issued a Regulation allowing OCTs to apply duties above the Octroi de Mer. It was highlighted that in the case of Sugar, there was apparently a duty of Euro 418 on sugar when exported to Reunion Island.

Action required: EU to revert

Mauritius also reiterated the need for the EPA Committee to seek practical solutions to address issues such as the cost of registration of chemical substances under REACH and the EU directive on Tobacco.

## Agenda Item 5: MONITORING AND EVALUATION

The Parties underlined the importance of an appropriate Monitoring and Evaluation Framework to assess the effectiveness of the iEPA. It was recalled that the EU tabled a concept note at the last EPA Committee and was awaiting a consolidated ESA-5 response thereon. ESA-5 reiterated that the indications should not pose additional burden in terms of data collection and frequency of the exercise. To expedite the finalisation of the concept note it was agreed that a meeting could be held in the sidelines of the next ESA-5-EU technical meeting in Brussels to expedite the finalisation of the concept note.

Action required: ESA-5 to submit a consolidated concept note by end March.

The Parties to schedule a meeting to agree to the concept note.

## Agenda Item 6: RULES OF ORIGIN

## Decision on the modernisation of the rules of origin

The Parties adopted Decision 1/2020 of the EPA Committee on the modernization of Protocol 1 on Rules of Origin to the ESA-EU iEPA with a reservation made by Mauritius as per document no 4 The decision will come into effect on 31 March 2020.

## Request for derogations under Article 42 of Protocol 1 on Rules of Origin concerning salted snoek by Mauritius

Mauritius underlined the importance of Article 42 on derogations in view of the unavailability of originating materials. Mauritius further underlined that an ESA-5 State may submit a request for a normal derogation, on similar grounds, for consecutive years provided, that the justifications under Article 42 of Protocol 1 to the IEPA are met. In the case of tuna, the request for a normal derogation using similar justifications is warranted as long as there is no formal mechanism in place to ensure predictability in the supply of raw tuna. As regards Mauritius request for a normal derogation of 125 tons of salted fish, Mauritius indicated that the frozen barracoota processed into salted fish was not caught by any ESA-5 or EU flagged vessels in the Indian Ocean. The only alternative is to seek for a normal derogation. Moreover, the company is an SME trying to identify markets for export. Mauritius indicated that another submission would be transmitted to the EU on 15 January 2020 and suggested that the EU consider favourably its request.

## Agenda Item 7: ECONOMIC DEVELOPMENT COOPERATION

The Parties reviewed progress relating to the accompanying measures undertaken by the five countries and the implementation status of financial support provided under the 11th EDF. The role of the EU's development instruments in supporting iEPA objectives was acknowledged and the possibility of shifting unutilized funds to the iEPA was underscored by the ESA-5 side.

Mauritius noted that the ESA-5-IEPA Signatory countries are different in terms of population size, resources available including area of land and labour force available. They are also at different levels of development. There is hence scope for optimizing the synergy among the 5 States through deepening of regional integration by setting up of joint development initiatives and frameworks, sharing of business experiences, shifting of technology and knowledge as well as sharing of resources in various sectors such as ICT-BPO, Manufacturing, textile and Agriculture which will contribute to a win-win basis. Such joint initiatives will also be a basis for increasing economic

growth and reducing poverty, creation of jobs, supply of ESA-5-IEPA Signatory countries markets with locally manufactured products as well as boosting exports from the EPA-IEPA Signatory countries to other trading countries.

The ESA-5 also noted that the support of the EU will be instrumental in the promotion and facilitation of the process for the joint initiatives and framework as well as assist in addressing constraints such as risk management related to the setting up of Special Economic Zones across borders including cross border investment and special treatment for business facilitation within the 5 ESA-IEPA Signatory countries states on win-win basis for the 5 states.

Mauritius also stated that there is a need to increase the capacity in the 5 States in the field of Information, Communication and Technology that can be an important game changer and increase competitiveness of the member states in the production and supply of goods and services. Mauritius would therefore welcome EU support to facilitate and support regional initiatives, including projects related to research and innovation in view of increasing the competitiveness of ESA-5 business operations and contribute in the facilitation and building of innovation business intelligence cutting across sectors.

Mauritius emphasised the need for appropriate assistance to facilitate cross border investment and sharing of experience in the manufacturing and agricultural sector and support regional projects related to research and innovation in view of increasing the competitiveness of ESA-5 business operations.

It was agreed that the se topics would be addressed in the Economic Cooperation Chapter in the deepening exercise.

## Agenda Item 8: SUSTAINABLE IMPACT ASSESSMENT( SIA) FOR THE DEEPENING OF THE IEPA

The EU provided an overview of the Sustainable Impact Assessment (SIA) designed to assess inter-alia the potential economic and social impact of deepening the iEPA. The exercise would be triggered in February 2020. An independent consultant would be appointed and all the ESA states would be expected to participate in the process. Copy of the concept note (document no 4) is at annex. The EU also agreed to circulate the Terms of Reference and other related pertinent information once the formalities for obtaining the consultant are completed. The EU stressed the importance for ESA-5 to participate in the exercise and answer the consultant's questionnaires.

## Agenda Item 9 :ESA EPA BUSINESS FORUM

The ESA-5 indicated that they were prepared to host the Business forum. However, funds have to be identified first to finance the forum.

Action required: The EU will revert on availability of funds

## Agenda Item 10: EU LIST OF NON COOPERATIVE JURISDICTIONS

The ESA-5 side raised concerns on EU states coming up with individual lists of non cooperative jurisdictions which was unfairly penalising ACP states. The ESA-5 reiterated their commitment to the development of internationally agreed standards for cooperation between tax jurisdictions and appeal to the EU Commission to take into consideration the efforts that ESA-5 States are making in this regard.

## Agenda Item 11: Next ESA Committee

The 9th meeting of the EPA Committee will take place in Brussels beginning of 2021 at a date to be jointly decided.

## Agenda Item 12: Consideration and Adoption of Minutes

The parties agreed to adopt the minutes at a later date.

## Agenda Item 13: Adoption of a Joint Communique

The Parties adopted the Joint Communique (Document no.5).

## Agenda Item 14: Closing Remarks

Both sides expressed satisfaction that the meeting took place in a very cordial and constructive atmosphere.

Signed on 14 December 2020

Co-Chair for the EU Party

Haymandoyal Dillum Co-Chair for the ESA Party

## **™Document 1**

## 8th Meeting of the ESA-EU EPA Committee and the ESA-EU Interim Economic Partnership Agreement (iEPA) Technical Negotiations 13th-17th January 2020 Attendance List

Venue: ICCS Victoria, Seychelles
Date: 14th January 2020

|            |                    | ESA Party  |             |           |
|------------|--------------------|--|-------------|-----------|
|            |                    |  |             |           |
| COUNTRY    | NAMES              | ORGANISATION   | TITLE       | SIGNATURE |
| COMOROS    | SE Ali Said Mahoma | Ambassade De L'union de<br>ComoresAupres Du Royaume De<br>Belgique   | Ambassadeur |           |
| COMOROS    |                    | del Agriculture  |             |           |
| MADAGASCAR |                    | Ministère de l'Industrie, du<br>Commerce et de l'Artisanat   |             |           |
| MADAGASCAR |                    | Quarantaine et Inspection Végétale (DPV)  Ministère de l'Agriculture, de l'Elevage et de la Pêche Point National d'Information SPS |             |           |
| MADAGASCAR |                    | Ministère de l'Agriculture, de l'Elevage et de la Pêche  |             |           |

Negotiations 13th- 17th January 2020 Attendance List

Venue: ICCS Victoria, Seychelles Date: 14th January 2020

| MADAGASCAR |           |  |  |
|------------|-----------|--|--|
|            |           | Ministere des Affaires Etrangeres                      |  |
| MADAGASCAR |           | Ministere de l'Economie et des<br>Finances             |  |
| MADAGASCAR |           | Ministere de l'Economie et des<br>Finances             |  |
| MAURITIUS  | AmbDillum | Mauritius Embassy                                      | Head of Mauritius<br>Mission in Brussels and<br>Co-Chair of the EPA<br>Committee |
| MAURITIUS  |           | Ministry of finance, economic planning and Development |  |
| MAURITIUS  |           | Trade Division   |  |
| MAURITIUS  |           | MRA Customs  |  |
| MAURITIUS  |           | Ministry of Agro Industry and Food Security            |  |
| MAURITIUS  |           | Business Mauritius                                     |  |
| MAURITIUS  |           | Mauritius Sugar Syndicate                              |  |
| MAURITIUS  |           | Mauritius Chamber of<br>Commerce and Industry          |  |

# Negotiations 13th- 17th January 2020 Attendance List

| 8                                |                           | Ambassador           |                    |  |   |   |                                   |          |                                   |                     |                     |                     |                     |                     |                     |                     |                     |
|----------------------------------|---------------------------|----------------------|--------------------|--|---|---|-----------------------------------|----------|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                  | Mauntius Expert Anocracia | ZIM Embassy Brussels | SIM EMBARY BRUSSER | Ministry of Foreign Affairs and<br>International Trade | Ministry of Foreign Affaires and<br>International Trade | Ministry of Lands, Agriculture,<br>Water and Rural Resettlement | Competition and Tariff Commission | ZIMRA    | Standards Association of Zimbabwe | Ministry of Finance | Department of Trade |
| toria, Seychelles                | UZ 2020                   | T.T. Chifamba        |                    |  |   |   |                                   |          |                                   |                     |                     |                     |                     |                     |                     |                     | Į.                  |
| Venue: ICCS Victoria, Seychelles | MAURITIUS                 | ZIMBABWE             | ZIMBABWE           | ZIMBABWE   | ZIMBABWE  | ZIMBABWE  | ZIMBABWE                          | ZIMBABWE | ZIMBABWE                          | ZIMBABWE            | SEYCHELLES          |

MINISTRY OF INDUSTRY

# Negotiations 13th- 17th January 2020 Attendance List

Venue: ICCS Victoria, Seychelles Date: 14th January 2020

|                               |                                |                             |                                |                                | Ambassador of<br>Seychelles to Belgium |                       | ,                             |                               |                                |          |              |                     |                     |                     |                     |                     |                     |
|-------------------------------|--------------------------------|-----------------------------|--------------------------------|--------------------------------|--|-----------------------|-------------------------------|-------------------------------|--------------------------------|----------|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Seychelles Revenue Commission | Seychelles Agricultural Agency | National Biosecurity Agency | Seychelles Bureau of Standards | Seychelles Bureau of Standards | Embassy of Seychelles                  | Embassy of Seychelles | Department of Foreign Affairs | Department of Foreign Affairs | Office of the Attorney General |          | ORGANISATION | European Commission |
|                               |                                |                             |                                |                                | Ambassador Beryl<br>Samson             |                       |                               |                               |                                |          |              |                     |                     |                     |                     |                     |                     |
| SEYCHELLES                    | SEYCHELLES                     | SEYCHELLES                  | SEYCHELLES                     | SEYCHELLES                     | SEYCHELLES                             | SEYCHELLES            | SEYCHELLES                    | SEYCHELLES                    | SEYCHELLES                     | EU Party | DG/Unit      | TRADE D2            | TRADE D2            | TRADE               | TRAE                | TRADE               | DEL Mauritius       |

Negotiations 13th- 17th January 2020 Attendance List

|  |                     | 0                   |                     |                     |                     |                     |  |  |  |  |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--|--|--|--|
|  |                     |                     |                     |                     |                     |                     |  |  |  |  |
|  |                     |                     |                     |                     |                     |                     |  |  |  |  |
|  | European Commission |  |  |  |  |
| toria, Seychelles<br>ry 2020                             |                     |                     |                     |                     |                     |                     |  |  |  |  |
| Venue: ICCS Victoria, Seychelles Date: 14th January 2020 | GROW                | TAXUD ES            | TAXUD ES            | AGRI                | AGRI                | SANCO               |  |  |  |  |

## **ESA - EU EPA**

## **EPA COMMITTEE**

## **Document 2**

## ADORTED

8<sup>th</sup> Meeting

14<sup>th</sup> JANUARY 2020 Victoria, SEYCHELLES

ADOPTED AGENDA

## 8<sup>th</sup> Meeting of the ESA - EU EPA Committee

14<sup>TH</sup> January 2020, ICCS, Victoria, Seychelles

9:30 -17:00 hrs

- 1. Adoption of the agenda
- 2. Opening Statements
  - Directorate General for Trade, European Commission
  - H.E. Haymandoyal Dillum, Ambassador Extraordinary and Plenipotentiary and Permanent Representative to the EU
  - Dignitary of Seychelles [Official Opening]
- 3. Matters arising from the Minutes of the 7th Meeting of the ESA-EU EPA Committee
- 4. Review of the implementation of the ESA EU EPA
  - State of play of implementation (ESA)
  - Market Access schedules: liberalisation, transposition to HS 2017, exchange of information and follow up (EU)
  - Specific NTBs faced by the 5 IEPA Signatory States on the EU market ESA to list
    - EU regulation 2018/573 on tobacco products (Mauritius)
    - Octroi de Mer (ESA)
- 5. Monitoring and Evaluation (EU/ESA)
- 6. Rules of Origin (EU/ESA)
  - Adoption and signature of the EPA Committee draft decision on Rules of Origin modernisation (EU/ESA)
  - Request for derogations under Article 42 of the Protocol on Rules of Origin concerning salted snoek by Mauritius
- 7. Economic Development Cooperation-state of play (ESA/EU)
- 8. Sustainable Impact Assessment for the deepening (including ex-post evaluation) (EU)

- 9. ESA EPA Business Forum (ESA)
- 10. FTAs with Third countries (ESA/EU)
- 11. Next ESA-EU EPA Committee Meeting Date and venue
- 12. Consideration and adoption of Minutes of the 8th ESA EU EPA Committee
- 13. Adoption of a Joint Communiqué
- 14. AOB
- 15. Closing Remarks.

Concept Note on the Sustainability Impact Assessment (SIA) for the deepening of the Economic Partnership Agreement (EPA) between the five Eastern and Southern Africa (ESA) countries and the EU

## **OVERVIEW OF THE PROJECT**

The SIA will accompany and inform trade negotiations between the five ESA partners (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe) and the EU currently implementing the interim EPA with a view to deepening this agreement beyond trade in goods, aiming at a high-end and comprehensive trade agreement.

The study will contain a <u>limited ex-post evaluation</u> about the first few years of implementation of the current interim EPA (limited on trade in goods) by the EU and four of the ESA partners (ESA4, without Comoros, which only acceded to the EPA in 2019).

The main part of the study will follow the usual SIA methodology: an ex-ante analysis of the potential economic, social, human rights and environmental impacts of a new or modernized trade agreement.

The <u>focus</u> is on <u>possible impacts</u> in the <u>ESA5</u> countries, as limited effects for the EU are expected. However, EU interests should be taken into account where applicable and assessed accordingly (e.g. setting an example for future EPA deepening processes).

### **OBJECTIVES**

The objectives of the project are:

- 1. To inform negotiators of both parties to the negotiation about:
  - The country context in ESA5,
  - Impacts so far from implementation of the iEPA in ESA4;
  - Likely impacts (= opportunities, benefits or challenges, related to economic, environmental, social and human rights dimensions) of main options for each policy topic pursued for deepening the EPA in each ESA5 country;
  - Opportunities and constraints to implement and benefit from the new agreement, and scope for targeted development cooperation for capacity building;
  - Any specific topic, which appears during the negotiations for which negotiators would like to get further background information at short notice.
- 2. To ensure a high level of transparency and stakeholder involvement during the negotiations:
  - Provide evidence-based analysis as basis for discussions with stakeholders in the EU and partner countries, and
  - Provide a channel through which stakeholders can inform negotiators of their views on the likely impact of the new agreement under negotiation.
- 3. To help design flanking measures to maximise the benefits and mitigate possible negative impact arising from the new agreement.

## **THEMATIC SCOPE**

The SIA covers an in-depth analysis of all topics included in the negotiation, according to the Scoping Paper finalized in May 2019 and adopted during the launch of the negotiations in October 2019:

- 1. Review and/or deepening of commitments on the free movement of goods, for instance:
  - o Rules of origin
  - Customs and trade facilitation
  - Sanitary and phyto-sanitary measures
  - Technical Barriers to Trade
- 2. Trade in services (including domestic regulation, such as telecoms, delivery services, financial services, maritime transport), digital trade and investment
- 3. Public procurement (transparency rules)
- 4. Intellectual property rights, including geographical indications
- 5. Trade and Competition
- 6. Trade and Sustainable Development
- 7. Agriculture/agri-business
- 8. Dispute avoidance and settlement
- 9. Institutional structures (including civil society involvement)
- 10. Development cooperation

For each topic, the SIA assesses potential economic, social, gender, environmental and human rights impacts. This includes, among other issues, the following issues:

- <u>Economic analysis</u>: impact on trade flows, investment, economic growth, regional integration, government revenue, among other indicators;
- <u>Social analysis</u>: impact on employment, job creation, wages, poverty, inequality, labour standards, labour rights, working conditions and the four pillars of the ILO's decent work agenda, as well as the impact on vulnerable groups;
- <u>Gender analysis</u>: impact on women well-being, employment, empowerment and economic welfare, rights and opportunities, as well as gender equality, and cross-cutting issues at the intersection of gender and other identities;
- <u>Human rights analysis</u>: the impact on basic human rights (beyond labour rights covered above);
- <u>Environmental analysis</u>: impact on biodiversity, water, waste, land use, sustainability of fisheries and forestry, climate change, as well as the transition to a low-carbon and climate-resilient economy and the implementation of multilateral environmental agreements, including the Paris Agreement, among other aspects.

Throughout the analysis, the impact on the achievement of the SDGs, the impact on neighbouring LDCs, on SMEs, consumers, vulnerable groups and women receives particular attention.

### **METHODOLOGY**

The methodology will follow the standard SIA methodology as lied down in DG TRADE's SIA handbook<sup>1</sup>, as well as for international best practices and previous experience in DG TRADE when it comes to the ex-post evaluation part. The Contractor will also take into account methodological guidelines specific to individual topics, such as gender or human rights.

Throughout the project, the Contractor will provide well-supported assessments based on objective analysis and consequent conclusions and recommendations. The analysis is based both on

<sup>&</sup>lt;sup>1</sup> The SIA handbook can be found here: <a href="https://trade.ec.europa.eu/doclib/docs/2016/april/tradoc">https://trade.ec.europa.eu/doclib/docs/2016/april/tradoc</a> 154464.PDF Previous SIAs are also available on the EU's website: <a href="https://ec.europa.eu/trade/policy/policy-making/analysis/policy-evaluation/sustainability-impact-assessments/">https://ec.europa.eu/doclib/docs/2016/april/tradoc</a> 154464.PDF Previous SIAs are also available on the EU's website: <a href="https://ec.europa.eu/trade/policy/policy-making/analysis/policy-evaluation/sustainability-impact-assessments/">https://ec.europa.eu/trade/policy/policy-evaluation/sustainability-impact-assessments/</a>

quantitative evidence, including descriptive statistics and results of economic modelling, as well as qualitative information gathered during stakeholder consultations.

An important part of the SIA will be the 6 case studies, which will look at aspects of sustainability in selected sectors and value chains that are of particular importance.

## Stakeholder consultations are at the heart of the SIA methodology:

Consultations will be carried out in an integrative manner, feeding both into the backward looking report (ex-post evaluation), as well as the forward-looking analysis of the potential impact of the new trade topics to be included in the agreement.

The Contractor will conduct interviews on the ground in all five ESA countries and in Brussels (at least 20 per country but more are encouraged), as well as physically or via distance in four EU Member States. One-day workshops with around 50 participants will take place at least in Madagascar and Zimbabwe.

Stakeholders to be consulted include public sector, non-governmental organizations, businesses (in particular also business associations, micro, small and medium sized enterprises, freight forwarders and importers), social partners and academia. The Contractor will involve experts from the EU and the relevant partner country as well as from international organizations such as the International Labour Organization (ILO). The European Parliament, EU Delegations and EU institutions will also be consulted.

The contractor will ensure representativeness of consultations and will in particular ensure adequate representation of SMEs, consumers, women, vulnerable groups and farmers in the consultations.

Throughout the project, the Contractor will collect and record proposals for policy recommendations and accompanying. These proposals will be tested during the various consultation steps and the views of stakeholders recorded.

### **INDICATIVE TIMELINE**

- March 2020: Signature of contract and kick-off meeting
- May 2020: Inception report
- May-November 2020: In-depth consultations in ESA5, in Brussels (including Civil Society Dialogue) and selected EU MS
- November 2020: First round of thematic reports and case studies published and delivered to Chief Negotiators; topics covered:
  - 1. Ex-post evaluation
  - 2. SIA Module: Trade in Goods
  - 3. Trade in Services, Investment, Digital Trade
  - 4. Trade and Sustainable Development
- November 2020 March 2021: Additional research and consultations
- April 2021: Second round of thematic reports and case studies published and delivered to Chief Negotiators
  - 5. Intellectual Property Rights
  - 6. Public Procurement and competition
  - 7. Dispute avoidance and settlement and institutional structure
- June 2021: Final report published, including synthesis of all findings, and overall recommendations.

## **ESA-EU Interim EPA**

## **EPA COMMITTEE**

## 8<sup>th</sup> Meeting

## Seychelles, 14 January 2020

## **Joint Communique**

The eighth meeting of the EPA Committee under the Interim Economic Partnership Agreement (iEPA) between the Eastern and Southern Africa (ESA) states - Comoros, Madagascar, Mauritius, Seychelles, Zimbabwe (ESA-5) and the EU was held in Seychelles on 14 January 2020 and co-chaired by Ambassador Haymandoyal Dillum for ESA-5 and for the EU.

The Parties reaffirmed the importance of ensuring a smooth implementation of the Agreement to achieve its intended objectives of enhancing trade and supporting sustainable development goals.

The Parties took note of the status of implementation of tariff reduction and modification of the tariff nomenclature respectively for all Parties involved and agreed to continue exchanging information thereon.

To fully benefit from the iEPA, the Parties recognize the need for appropriate implementation strategies to improve access and diversify exports to EU individual member states.

The Parties agreed to undertake further steps towards the development of a common methodology aimed at finalizing a monitoring and evaluation framework for the iEPA. Both Parties agreed this is an important step to define a joint understanding of the progress and remaining challenges as to be able to address those adequately. Both Parties agreed that a dedicated discussion on this matter will take place in the margins of the next round of negotiations in Brussels.

The Parties took note that negotiations on the deepening of the iEPA were launched in Mauritius in October 2019 and that the EU would undertake a sustainable impact assessment in support of the negotiations and invited the ESA-5 to participate in the consultations.

The ESA reiterated its concern on the application of dock dues levied by the French Overseas Territories having an impact on products from ESA-5. The ESA-5 also called on the EU not to extend the dock dues (Octroi de Mer) after December 2020.

The Parties adopted the decision 1/2020 on the technical amendments of the Protocol 1 on Rules of Origin of the ESA-5-EU iEPA. The decision will come into effect on 31 March 2020.

The EU took note of the remarks made by Mauritius on the derogation request on salted snoek fish submitted end of 2019 and will consider the needs expressed by Mauritius for flexibility regarding requests for derogations from ESA states in particular when SMEs are involved.

The Parties reviewed progress relating to the accompanying measures undertaken by the five countries and the implementation status of financial support provided under the 11th EDF. The role of the EU's development instruments in supporting iEPA objectives was acknowledged. The ESA side requested the EU to explore the possibility of shifting funds to the iEPA and identifying new instruments for implementation of the Agreement should there be any EDF unused funds. The EU welcomed the request from ESA-5 states to facilitate cross border investment, setting up of special economic zone as well as sharing of experience in the manufacturing, ICT/BPO and agricultural sectors. In this context, new opportunities arising from such regional initiatives, including projects related to research and innovation will be considered in view of increasing the competitiveness of ESA-5 business operations. The need for capacity building of the private sector was also emphasized.

The ESA-5 stressed the need to develop internationally agreed standards for cooperation between jurisdictions. The ESA-5 suggested to hold consultations prior to downgrading of any jurisdictions. Both sides will continue mutual discussions regarding reforms that will be undertaken by ESA States in this area.

The ninth meeting of the EPA Committee will take place in Brussels in 2021 at a date to be jointly decided.

The meeting took place in a very cordial atmosphere.