Other noteable aspects of the Agreement

Geographical Indications

The SADC-EU EPA includes a bilateral protocol on the protection of Geographical Indications.

The EU gets protection for 251 GIs including 120 wines. South Africa gets protection for 105 GI names: 102 wine names and three agricultural product names – **Rooibos tea, Honeybush tea, Karoo meat of origin.** South Africa can add additional GIs in the future.

New Generation Issues

The agreement deals with new generation issues such as intellectual property rights, competition and investment, and public procurement.

Parties agreed to cooperate on these issues and can consider negotiating further in the future. If any agreements are negotiated in future, they have to be compatible with the SADC Regional Framework.

Trade and Sustainable Development

Underpinning these trade rules is a detailed development chapter that identifies trade-related areas that could benefit from funding and enhanced support.

As with all modern agreements, the EPA has a chapter on sustainable development. The parties reconfirm their obligations under international conventions and agree to uphold their environmental and labour laws.

South Africa's core interest is to harmonise the trading regime between SACU and the EU, to secure further market access in agriculture, and improve its policy space.

Find out more

Full text of agreement

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

European Help Desk

The EU is the world's largest single market and the Export Helpdesk is your online portal to access it.
http://exporthelp.europa.eu

Contact us

The SADC-EU EPA Outreach initiative supports the implementation of the agreement in South Africa by providing information on its potential benefits. It comprises the Delegation of the EU to South Africa, the Department of Trade and Industry, the Department of Agriculture, Forestry and Fisheries, and the South African Revenue Service.
It is funded by the EU.

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SADC-EU EPA
Outreach South Africa

The Economic Partnership Agreement between the European Union and the Southern African Development Community EPA Group came into effect in October 2016.

The new trade deal covers:

- Improved market access
- Regional integration
- New rules of origin
- Elimination of all export subsidies
- More effective safeguards

The main features of this and other EPAs being negotiated on the continent are:

- They are development-oriented
- Offer asymmetric market access
- Facilitate regional integration
- Strengthen relations with Africa

What the Economic Partnership Agreement means for South Africa

Trade Development and Cooperation Agreement

Since 2000 South Africa-European Union trade relations have been governed by the trade chapter of the Trade, Development and Cooperation Agreement (TDCA).

The TDCA provided a solid basis for trade, boosting trade exponentially. The EU has remained South Africa's main trading partner since then.

More than 15 years of SA-EU engagement has shown that a binding agreement with common goals deepens understanding, improves the business environment, and creates a platform for resolving differences and pursuing common objectives.

Economic Partnership Agreements

The EPAs are trade and development schemes that emerged as the EU's proposal for a World Trade Organization compatible alternative to replace the unilateral trade regime that has governed trade among the EU and African Caribbean and Pacific (ACP) countries for 40 years.

EPAs are permanent, with no end date, providing potential exporters and investors, whether local or foreign, with stability.

The SADC-EU EPA

The EU and SA have been working with the southern SADC region towards a full EPA since 2007.

In July 2014, the Southern African Customs Union (SACU) – South Africa, Botswana, Lesotho, Namibia and Swaziland – and Mozambique, concluded negotiations on the EPA with the EU. Angola has an option to join in the future. It was signed in June 2016.

For South Africa, the EPA substitutes the chapter on trade in the TDCA.

Improved Market Access

The SADC-EU EPA provides new and improved market access compared to the TDCA. Liberalisation now extends to 98.1% of all tariff lines.

New Duty Free

All fisheries • oranges during shoulder season • lemons during season • cut flowers • whole milk powder • fermented milk products • whey and other products consisting of natural milk constituents • sweetened pineapple juice • non-sweetened pear juice • cultured yeast • dried baker's yeast.

New Tariff Rate Quotas

Skimmed milk powder • butter • sugar • white crystalline powder • citrus jams • ethanol • active yeast.

Improved Tariff Rate Quotas

Wine • frozen orange juice • apple juice • canned fruit.

South African business did not take advantage of some of the tariff rate quotas under the TDCA due to sanitary and phytosanitary (SPS) issues. The EPA provides tools to enhance SPS coordination and cooperation.

Regional Integration

The agreement is designed to be compatible with the operation of SACU, especially in harmonising the import trade regime. It has a single external tariff schedule and the EPA calls for a centralised quota arrangement for imports from the EU.

Regional integration is further enhanced by common provisions on trade management (such as safeguards), common decision-making bodies, and more flexible rules of origin.

The SADC-EU EPA is a building block for regional integration.

More flexible rules of origin

EPA rules of origin allow for extended cumulation that can facilitate intra-regional trade and industrialisation.

Cumulation allows materials and inputs from certain other countries to be considered as if they were already originating from South Africa when used in the manufacture of another product. These cumulation provisions allow manufacturers to source materials not readily available in the country, while still ensuring that the final product enjoys preferential access to the EU.

In addition to allowing cumulation between South Africa, the EU and other parties to the agreement, cumulation is also allowed under certain conditions with all ACP countries, as well as with materials from third countries that enjoy duty-free access to the EU.

Examples of sectors that could benefit from the more flexible rules of origin include clothing and textiles, automobile sector and fisheries.

Eliminating export subsidies

In a pioneering move, the parties forego export subsidies for any agricultural product exported to each other. The EPA does away with all such subsidies between the EU and the SADC EPA states.

South Africa will be able to apply temporary export duties on a few products for industrial development needs.

More effective safeguards

- ★ Bilateral safeguard – permanent: when imports cause or threaten to harm domestic industry.
- ★ Automatic agricultural safeguard – 12 years: when imports of a select number of agricultural products go beyond certain thresholds.