



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

Sustainability Impact Assessment in Support of Negotiations with Partner Countries in Eastern and Southern Africa in view of Deepening the Existing Interim Economic Partnership Agreement

SIA Report on Trade in Goods ■ May 2021



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Abbreviations

AfCFTA	African Continental Free Trade Area
ACP	African-Caribbean-Pacific
COMESA	Common Market for Eastern and Southern Africa
CITES	Convention on International Trade in Endangered Species
DG Trade	Directorate-General for Trade
EAC	Eastern African Community
ESA	Eastern and Southern Africa
EC	European Commission
EPA	Economic Partnership Agreement
EU	European Union
ESA5	Five ESA Countries
FDI	Foreign Direct Investment
FTA	Free Trade Agreement
GDP	Gross Domestic Product
ILO	International Labour Organisation
ITC	International Trade Centre
LDC	Least Development Country
LSE	London School of Economics and Political Science
MSME	Micro, Small & Medium Enterprises
MFN	Most Favoured Nation
NGO	Non-Governmental Organisation
NTM	Non-tariff Measures
OECD	Organisation for Economic Co-operation and Development
ORs	EU's Outermost Regions
OIE	World Organisation for Animal Health
PSR	Product-specific Rules
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
RECs	Regional Economic Communities
REX	Registered Exporter Scheme
RoO	Rules of Origin
SPS	Sanitary and Phytosanitary Measures
SME	Small and Medium Size Enterprise
SADC	Southern African Development Community
SIA	Sustainability Impact Assessment
SDGs	Sustainable Development Goals
TBT	Technical Barriers to Trade
TSD	Trade and Sustainable Development
UK	United Kingdom
UNCLOS	United Nations Convention on the Law of the Sea
WTO	World Trade Organisation

Executive Summary

Based on the screening of potential provisions for trade in goods, agriculture, fisheries and development cooperation as well as a detailed assessment of horizontal and sectoral measures, behind-the-border issues and relevant legislative frameworks, this report identified the following key potential economic, social, human rights and environmental impacts of the comprehensive EU-ESA5 EPA.

Economic impacts:

- **A major economic impact is considered to originate from potential rules of origin (RoO) provisions.** In fact, further simplified RoO determine the conditions under which the ESA5 products can benefit from the provided by the agreement, such as duty-free quota-free access to the EU market.
- Besides, **provisions regarding technical trade barriers are expected to have major economic impacts in all economic sectors.**
- **SPS measures are another area where significant economic impacts are expected, particularly in sectors such as food products and livestock and pesticides.** There are significant challenges for ESA5 companies in complying with EU Standards and SPS measures, particularly for SMEs. ESA5 countries will likely upgrade their standards as ESA5 exporters would face more competition from other regions, potentially leading to increased export diversification, increased competitiveness, and higher standards for exporters. In addition, the **harmonisation of SPS standards in the region could contribute to the development of regional integration**, which could, in turn, lead to increased trade in the region, especially regarding the most affected products like food products.
- Potential customs procedures (trade facilitation) provisions are likely to facilitate increased commercial activity and lead to cost savings for ESA5 countries. Compared to other likely impacts, these economic impacts are, however, expected to be relatively small.
- Depending on their level of restrictiveness, potential registration and **import/export licensing regulations are expected to have a minor economic impact, mainly indirectly through better implementation of higher standards at the company level.**
- As concerns fisheries and agriculture, extensive market opening in key agricultural products like dairy and beef, poultry, vegetables could represent a potential business risk for local farmers in ESA5 countries, e.g. the fisheries sector in Comoros.

Environmental impacts:

- One possible environmental impact is the potential reduction of pests and diseases in agriculture due to the **implementation of SPS measures, which could also help to improve animal welfare through the promotion of OIE standards.**
- A potential negative environmental effect of increased SPS provisions could be that it encourages the livestock sector in ESA5 countries to develop for export (particularly the larger ones such as Zimbabwe), which could cause land use change, increased emissions and potentially deforestation damaging to biodiversity.
- Under TBT measures, greater adherence to international standards could improve consumer safety also for goods produced for domestic ESA markets.

- Another substantial **environmental impact of provisions on customs procedures and import and export licensing could be strengthened controls on the illegal trade in endangered species.** This is particularly relevant given the ESA5 states' rich biodiversity.
- Provisions to promote trade for the repair and manufacture of goods could facilitate the development of circular economy practices between Parties.
- As discussed below, development cooperation to aid the implementation of provisions could have positive impacts on the environment.

Social impacts:

- A key social impact is that the potential growth of exports from ESA5 countries to the EU, combined with lower import costs, could enhance possibilities to **move from lower to higher added-value products, which is expected to support economic growth and, in turn, have positive impacts on occupation, salaries and working conditions.**
- However, such positive impacts could reduce progressively over time and even disappear, as other ACP and third countries sign EPAs with the EU and adhere to EU standards and procedures, increasing competition for EU markets.
- Furthermore, the positive impacts of increased exports are not likely to manifest in the same way for all ESA5 countries. Low-income countries may be less likely to increase their exports towards the EU in the short term, but domestic sectors would be exposed to increased EU imports.
- Development cooperation and technical assistance on standards, customs procedures and licensing regulations are necessary for the positive impacts of increased exports towards the EU to occur.

The report concludes with a **set of policy recommendations** on different levels. Regarding **implementation**, the private sector and potential new investors should be involved more closely in the trade negotiations and social partners. The report concludes that capacity building is critical. ESA5 countries need **better coordination of capacity building activities** to improve the visibility and flow of information. The EU can support the capacity building process by identifying weakness and using its own experiences in trade facilitation and improving trade capacities, including infrastructure. Concerning market opening in ESA5 countries, **liberalization commitments should be pegged to clear development thresholds or benchmarks**. Also, negotiations should ensure the **mitigation of negative aspects of the EPA**. The two main negative potential impacts of EPAs will be tariff revenue loss and possibly loss of business for domestic producers.

Another key issue is poverty and pro-poor growth, i.e. the development dimension of the negotiations. As reciprocal trade with the EU affects poverty and food security issues, the negotiating partners should consider **adaptation mechanisms under the EPA and that several sensitive products are excluded in the agreement, at least in the medium run**. There should also be a **closer alignment of the development and trade components of the EPA**. Regarding **regional aspects of the EPA**, negotiators should consider the relations between different regional integration areas with the need to align different RoOs. Besides, negotiations should take into account the OR economies' heavy dependence on a few sensitive products, should be taken into account in the negotiations, and specific measures, such as safeguarding clauses or quotas, could be envisaged as appropriate to ensure that the ORs are not negatively affected in the context of the EPA.

1. Introduction

1.1 The study

This report is part of the project to prepare a *Sustainability Impact Assessment (SIA) in support of negotiations with partner countries in Eastern and Southern Africa (ESA) in view of deepening the existing interim Economic Partnership Agreement (EPA)*. Under this project, a brief evaluation of the existing interim EPA has been prepared. The study is also developing a series of SIA reports for the deepening of the EPA. In particular, **this report presents an assessment of potential provisions for the Chapter on Trade in Goods**. This report builds on the analysis in the (draft) ex-post evaluation, which included an assessment of economic and environmental, social, gender and human rights impacts of the interim EPA¹.

This thematic report analyses potential economic, social, human rights and environmental impacts of the EU-Eastern and Southern Africa (ESA5) EPA deepening negotiations on trade in industrial goods, agriculture and fisheries, and development cooperation regarding these issues. The assessment of the impacts specifically of trade in goods lays a focus on the following topics:

- Technical barriers to trade (TBT)
- Sanitary and phytosanitary measures (SPS)
- Customs procedures
- Trade facilitation
- RoO
- Internal regulations concerning registration and import/export licensing
- Trade defence
- Export restrictions/taxes

The Sustainability Impact Assessment for the deepening of the EPA includes this report on trade in goods, agriculture and fisheries as well as five other thematic reports, covering the following topics:

- Trade and Sustainable Development (TSD)
- Trade in Services, Digital Trade and Investment
- Public procurement and competition
- Intellectual Property Rights
- Dispute avoidance and settlement and Institutional structure

Each of these reports will also include an assessment of environmental, social, gender and human rights impacts, proportionate to the expected importance of the impacts for each area of negotiation.

1.2 Context

In 2007, six countries of the Eastern and Southern Africa (ESA) region – Comoros, Madagascar, Mauritius, Seychelles, Zambia and Zimbabwe – concluded an interim EPA with the EU. In 2009, four of these countries (Madagascar, Mauritius, Seychelles and Zimbabwe) signed the agreement, and it has been provisionally applied in these countries since May 2012. Comoros signed the agreement in July 2017 and ratified it in January 2019. The interim EPA includes a ‘Rendez-vous clause’ (Article 53), by which the Parties ‘agree to continue negotiations... with a view to concluding a full and comprehensive EPA’. The Article includes trade, environment and sustainable development among the areas for further negotiation.

¹ See https://trade.ec.europa.eu/doclib/docs/2021/march/tradoc_159467.pdf

The EU and ESA5 partners launched negotiations for the deepening of the currently implemented EPA in October 2019.² The parties clarified horizontal issues regarding the negotiations and exchanged views on TBT and agriculture. After that, three rounds of negotiations took place in January 2020, July 2020 and the third one in November 2020. During these negotiation rounds, the European Commission has presented a number of text proposals related to the topics analysed in this report.

For a brief overview of the five ESA countries, please see Appendix I and the Ex-Post Evaluation within this SIA of January 18, 2021.

1.3 Methodology

The analytical work for this report involved, as a first step, a screening of potential provisions set out in the EU textual proposals presented by the European Commission based on an assessment of publicly available reports on the progress of the negotiations. The results of this screening are provided in Section 2 below. This screening includes identifying those provisions likely to have significant impacts (and those where impacts will be comparatively minor).

As a second step, **horizontal and sectoral measures, behind-the-border issues and relevant legislative frameworks were compiled and analysed for all five countries.** The analysis of these issues aims to identify existing barriers to trade and development in ESA5 countries and identify applicable specific sectors most affected by them. The findings of this analysis are presented in Section 3.

Based on this detailed assessment of horizontal and sectoral measures, behind-the-border issues and relevant legislative frameworks, a scoping and deeper analysis of the issue areas with potential economic impacts was undertaken. This analysis of the specific issue areas aims to identify areas where the economic impact is likely to be significant and areas where the economic impact can be considered minor. The assessment also includes, to the extent possible, a screening of the sector-specific economic impacts.

For each topic covered in this economic analysis, the relevant baseline is briefly presented, and also actions needed for implementation are considered. Potential impacts of each provision are then described. For each topic, a brief analysis presents the key strengths and weaknesses of the proposed provisions together with indications of external opportunities and threats that might affect implementation and the achievement of results. Finally, the analysis also provides an assessment of relevant horizontal issues (e.g. LDCs, outermost regions, consumer impacts) where relevant. The findings of this analysis are provided in Section 4.

The analysis in Section 4 is then used as a basis for an impact assessment of environmental, social, gender and human rights impacts that are likely to emanate from the economic impacts. This social analysis follows the same methodological steps as the economic analysis described above, including an analysis of horizontal issues (e.g. gender) where relevant and outlined in Section 5.

The findings of the economic and social impact assessments in Sections 4 and 5 are then used to develop a set of proposals for policy recommendations and flanking measures presented in Section 6.

Desk research and analysis has provided the main source of information for this report. Although interviews have been carried out in the ESA countries, many interviewees did not have a strong awareness of the interim EPA. They did not have specific comments on the potential impacts of individual negotiating provisions regarding the different topics negotiated under the deepening process.

² See: https://ec.europa.eu/commission/presscorner/detail/en/IP_19_5951

2. Screening of the potential provisions for trade in goods, agriculture, fisheries and development cooperation related to these topics

2.1 Introduction

The existing interim EPA does not contain extensive provisions on non-tariff measures or behind-the-border issues related to trade in goods. The comprehensive EPA is expected to contain further provisions on such measures related to trade in goods, such customs and trade facilitation, SPS, TBT, and agriculture, as well as reviewed provisions on RoO, export taxes and fisheries with specific provisions related to each topic area. As noted in section 1, the European Commission has presented draft negotiating text proposals for the following topics that are relevant for this report:

- Agriculture
- Customs and trade facilitation
- RoO
- Sanitary and phytosanitary
- Technical barriers to trade

An initial screening of the provisions proposed in these drafts is provided below. The results of this initial screening have been used for identifying the most important provisions regarding possible economic and social impacts, which are then outlined in Sections 4 and 5 in a detailed impact analysis.

2.2 Overview of the screening results

The three negotiations rounds took place based on negotiating texts. They included negotiations on RoO, technical barriers to trade, customs and trade facilitation, SPS, and agriculture. The three rounds allowed progress on all topics.³ The first round opened with all five topics of TBT, SPS, customs and trade facilitation, RoO and agriculture.⁴ The second round then achieved further progress on the four issues of TBT, SPS and customs and trade facilitation, and a better understanding of the different proposals regarding RoO from both sides.⁵ The third round made further progress on customs and trade facilitation, TBT, SPS, RoO and agriculture.⁶ In February 2021, an EU-ESA5 intersession meeting is scheduled to take place on RoO to discuss origin procedures. The fourth round of negotiations on deepening the agreement will take place in April 2021.⁷

Table 1: Screening of progress and main topics of analysis during negotiations

	1 st round of negotiations	2 nd round of negotiations	3 rd round of negotiations
Customs and Trade Facilitation	<ul style="list-style-type: none"> - started working on a common text - round paved the way to an ambitious custom 	<ul style="list-style-type: none"> - parties aim at providing a high degree of trade facilitation to their traders and to enhance 	<ul style="list-style-type: none"> - further progress on outstanding issues. Five articles remain outstanding. These include institutional

³ See: https://trade.ec.europa.eu/doclib/docs/2009/september/tradoc_144912.pdf

⁴ See: https://trade.ec.europa.eu/doclib/docs/2020/february/tradoc_158612.pdf

⁵ See: https://trade.ec.europa.eu/doclib/docs/2020/july/tradoc_158893.pdf

⁶ See: https://trade.ec.europa.eu/doclib/docs/2020/december/tradoc_159151.pdf

⁷ See: https://trade.ec.europa.eu/doclib/docs/2009/september/tradoc_144912.pdf

	and trade facilitation chapter	cooperation in customs matters	provisions and capacity building. - progress and discussion on the protocol on customs mutual administrative assistance
Technical Barriers to Trade	<ul style="list-style-type: none"> - substantial progress on the definition of international standards, standards, transparency, and marking and labelling and texts were overall agreed. - exchanged views on respective policies on conformity assessment - EU proposed inclusion of an article on Market surveillance, and ESA-5 recognised the importance of market surveillance as such 	<ul style="list-style-type: none"> - exchanged views on conformity assessment and market surveillance - good progress on technical regulations, conformity assessment and market surveillance, where large parts or all of the text was agreed - cooperation and technical assistance to be discussed later in the context of development cooperation 	<ul style="list-style-type: none"> - exchanged of views notably on conformity assessment procedures - progress and large parts agreed on technical regulations and conformity assessment. - discussion of remaining parts of transparency, marking and labelling, equivalence and private schemes. - cooperation and technical assistance to be discussed later in the context of development cooperation
Sanitary and Phytosanitary issues	<p>Agreed on the general objectives of the SPS chapter, cooperation on animal welfare, anti-microbiological resistance, sustainable food and food fraud, and other articles where two texts coincided.</p> <ul style="list-style-type: none"> - tried to clarify respective objectives and concerns, where they noted differences in their positions. 	<ul style="list-style-type: none"> - agreement in principle on pre-listing and an agreement on the recognition of regionalisation (zoning) - parties considered a provision for a framework on equivalence and committed to clarifying some other issues. - parties agreed on the highest importance of cooperation and technical assistance for implementation of ambitious SPS chapter 	<ul style="list-style-type: none"> - agreement or near agreement on several articles, especially regarding regionalisation, technical consultation, animal welfare and emergency measures - issue of equivalence remains - parties confirmed the highest importance of cooperation and technical assistance for implementation of ambitious SPS chapter again

Agriculture	<ul style="list-style-type: none"> - common understanding that text should cover all the substantive issues - agreed to use concrete parts of respective proposals for the first draft of the joint working document 	<ul style="list-style-type: none"> - not discussed 	<ul style="list-style-type: none"> - discussion of each Party's own text proposal - endorsement of a joint working document - agreement on some articles of the endorsed joint working text
RoO	<ul style="list-style-type: none"> - EU proposed text on general provisions and origin procedures - ESA presented proposals for amendments of the current text. - agreed process of identifying areas of convergence 	<ul style="list-style-type: none"> - EU presented proposal for origin procedures, comprising self-certification, verification and administrative cooperation, and denial of preferential tariff treatment - parties clarified their respective positions and identified several convergent and divergent positions. 	<ul style="list-style-type: none"> - endorsement of the joint negotiating text, covering the concept of originating products and origin procedures. - further progress on a number of provisions and further clarifications on origin procedures and identified divergent positions.

Source: European Commission.

RoO, including origin procedures, are one priority issue in the negotiations, and it is a key objective to clarify each Party's proposal to facilitate fast progress on this issue. Another important issue in the negotiations is the financial support for ESA5 countries linked to the implementation of the rules/commitments agreed on in different chapters. TBT, SPS and customs and trade facilitation advance very well, including financial support, which is also a key issue. This issue is scheduled to be discussed horizontally at the level of the economic and development cooperation chapter planned to be discussed for the first time in the fourth round.

During the stakeholder consultations conducted for our analysis, respondents from the governments of Madagascar, Mauritius, Seychelles and Zimbabwe gave their views on what should be key issues for the negotiations for the comprehensive EPA. All respondents agreed that RoO, customs and trade facilitation, SPS, TBT, institutional structure, and economic development cooperation should be high priority issues for the negotiations. Also, in the case of fisheries, all respondents stated that it is a topic of key priority, except for Zimbabwe. Regarding agriculture, Zimbabwe and Madagascar stated that this is a high priority issue. Trade defence mechanisms and competition were considered mainly as low priority issues. Private stakeholders pointed out that the comprehensive EPA negotiations must address SPS issues since ESA5 exporters consider EU Market standards are strict. In Comoros, fisheries and agricultural export were the two sectors most frequently prioritised for negotiation. Also, European stakeholders pointed out that trade facilitation, TBT, and non-tariff barriers are priority issues for the negotiations.

The screening has identified a range of potential provisions regarding the relevant topics of the negotiations that could have significant impacts on economic, environmental, social, gender or human rights conditions. These provisions will be analysed more closely in the detailed assessment (Sections 4 and 5, below).

- **Customs and trade facilitation:** high degree of trade facilitation to their traders and to enhance cooperation in customs matters, institutional provisions and capacity building, protocol on customs mutual administrative assistance.
- **Technical barriers to trade:** conformity assessment procedures, technical regulations, transparency, marking and labelling, equivalence and private schemes, cooperation and technical assistance.
- **Sanitary and Phytosanitary issues:** cooperation on animal welfare, emergency measures, anti-microbiological resistance, sustainable food and food fraud, framework on equivalence, the importance of cooperation and technical assistance for implementation of ambitious SPS chapter.
- **Agriculture and fisheries:** market access, further cooperation on marine fisheries as well as inland fisheries and aquaculture development, poverty and food security issues
- **RoO:** origin procedures, comprising self-certification, verification and administrative cooperation, and denial of preferential tariff treatment.

3. Assessment of horizontal and sectoral measures, behind-the-border issues and relevant legislative frameworks

3.1 Introduction to the legislative framework

To give an overview of behind-the-border issues and the overall legislative framework in ESA countries, we use the Economic Freedom Index published by the Fraser Institute.⁸ It is based on a range of relevant measures on legal systems and property rights and the freedom to trade internationally. Note that the results include scores that often synthesise complex national situations and are thus open to discussion and interpretation. Annex X provides an overview of the latest scores from 2013 to 2018 for four ESA5 countries, as the index is not calculated for Comoros. All scores shown are out of 10, with a higher score indicating a higher degree of freedom and openness. On the overall legal framework, the index includes measures of judicial independence, impartial courts, protection of property rights, the integrity of the legal system and legal enforcement of contracts as sub-measures.

Regarding the overall legal system and property rights score, all countries increased their scores from 2013 to 2018, except for Madagascar. Overall, Mauritius scored highest, followed by Seychelles, Zimbabwe and then Madagascar. The economic freedom index also includes a measure of government size. Here, Mauritius has been increasing its score, while the score of the other countries has been decreasing since 2013. Mauritius also had the highest score in absolute terms in 2018 (8.15), followed by Madagascar (7.51), Seychelles (6.71) and Zimbabwe (4.51).

3.2 Horizontal and sectoral measures as well as behind-the-border issues

When it comes to behind-the-border measures, the index provides measures of regulatory trade barriers, including non-tariff trade barriers and compliance costs of importing and exporting.

Mauritius has been increasing its score regarding regulatory trade barriers slightly, leading to 7.52 in 2018. Note that the scores of all other three countries have decreased significantly since 2013. In terms of absolute score in 2018, Mauritius was followed by Seychelles (5.60), Madagascar (4.96) and Zimbabwe with a low score of 3.26. The overall sub-index of freedom to trade internationally also includes measures of

⁸ See: <https://www.fraserinstitute.org/economic-freedom/dataset?geozone=world&page=dataset&min-year=2&max-year=0&filter=0>

controls of the movement of capital and people. **Mauritius had the highest overall score in the overall sub-index in 2018, followed closely by Seychelles, then Madagascar and Zimbabwe.**

For specific non-tariff measures (NTMs), the Integrated Trade Intelligence Portal for Goods (I-TIP Goods) provides a comprehensive overview of NTMs notified by WTO members, including, for example, trade defence measures. Table 2 below includes an overview of 111 non-tariff measures in force or initiated in Madagascar, Mauritius, Seychelles and Zimbabwe. Note that I-TIP does not measure NTMs in Comoros, which is currently not a WTO member. Appendix III provides a detailed overview of the specific measures listed per different type of requirement.

Table 2: Overview of relevant NTMs imposed by Madagascar, Mauritius, Seychelles and Zimbabwe, WTO I-TIP Goods database

Member imposing	Partner affected	Requirements	Phase	HS	Measures
Madagascar	All Members	Import licencing	In force	5	5
Madagascar	All Members	Safeguards	In force	0	6
Madagascar	All Members	Safeguards	Initiation	0	2
Madagascar	All Members	Sanitary and Phytosanitary	In force	5	8
Madagascar	All Members	Sanitary and Phytosanitary	Initiation	23	25
Madagascar	European Union	Sanitary and Phytosanitary	In force	2	2
Mauritius	All Members	Import licencing	In force	3	3
Mauritius	All Members	Quantitative Restrictions	In force	9	9
Mauritius	All Members	Sanitary and Phytosanitary	Initiation	14	15
Mauritius	All Members	State Trading Enterprises	In force	3	3
Mauritius	All Members	Technical Barriers to Trade	In force	2	3
Mauritius	All Members	Technical Barriers to Trade	Initiation	2	10
Mauritius	European Union	Sanitary and Phytosanitary	Initiation	1	1
Seychelles	All Members	Quantitative Restrictions	In force	0	6
Seychelles	All Members	Sanitary and Phytosanitary	Initiation	0	1
Seychelles	All Members	Technical Barriers to Trade	In force	4	4
Zimbabwe	All Members	Import licencing	In force	1	1
Zimbabwe	All Members	Sanitary and Phytosanitary	In force	3	6
Zimbabwe	All Members	Technical Barriers to Trade	In force	0	1
Zimbabwe	All Members	Technical Barriers to Trade	Initiation	1	1

Source: WTO.

Out of the 111 overall initiated measures, 19 are related to technical barriers to trade. The vast majority of these (13) are imposed by Mauritius and concern a variety of products such as plastic bags, household appliances, and tobacco products. Seychelles initiated four measures, primarily on plastic and tobacco products, while Zimbabwe initiated two measures related to various products, including household appliances. Out of these overall measures, only a fraction is currently in force: three for Mauritius, one for Zimbabwe.⁹

Mauritius initiated three measures related to **state trading enterprises** which have all been implemented for a long time. These measures concern food and agriculture products as well as petroleum.

With a total of 58, SPS measures account for the majority of overall measures initiated by ESA4 countries. Out of these 58, 35 measures are initiated by Madagascar (10 of them being in force, and 2 of these measures in force being directed against the EU alone). Mauritius accounts for 16 initiated measures, out of which none are in force and one is directed against the EU alone. Seychelles initiated only one measure, while Zimbabwe initiated six measures (which are all in force). **The sectors affected by these measures are food products and livestock and live animals, and pesticides.**

Note that only Madagascar initiated **safeguard measures** with a total of 8 measures, out of which six are currently in force. The measures affect various products such as pasta, blankets and travelling rugs, oils, detergent and soap.

Mauritius and Seychelles also initiated quantitative restrictions, of which all are currently in force. In the case of Mauritius, a total of 9 measures are in force, which covers a variety of different products. Seychelles has a total of 6 measures in force, covering mainly food and wood products. Madagascar, Mauritius and Zimbabwe also have import licencing measures in force. Madagascar has five measures currently in force. Mauritius has three measures in force covering a variety of products. Zimbabwe has one measure in force covering certain agricultural products and fuel (see Appendix 3 for more detail).

Regarding NTMs in Comoros, the International Trade Centre (ITC) conducted an NTM business survey on company perspectives.¹⁰ According to the survey results from importing businesses, customs valuation and goods exemption procedures account for 52% of cases reported. These are the main restrictive measures reported by importing companies, followed by import fees and taxes with 19% of cases. These measures affect a wide range of agricultural and manufactured imported products and create difficulties for businesses due to payment problems and the transparency of regulations in force.

Furthermore, 11% of cases were related to the compulsory passage through a customs port to import goods into Comoros, while 4% were related to import price control measures. Also, technical requirements (2% of cases) and binding assessment procedures on imported products (8% of cases) are essential. Finally, the certification of imported products affected mostly companies importing agricultural products and were reported for 6% of cases.

Regarding the origin of the NTMs, the survey also found that 100% of the non-tariff measures have a domestic origin. Comoros' regulatory obstacles account for 72% of these NTMs, while procedural obstacles in Comoros account for 28%.

⁹ Note that the WTO I-TIP Goods database includes a classification of different phases for each measure. In WTO, some measures have the particular feature of being known before they are put into force. This prior date is, in trade defence measures, the initiation of the investigation. In technical measures, members must notify measures they are preparing a semester before they are put into force. The term initiation therefore means that the measure is known by other members, while it is still not in force; in force means that the interval when the measure is in force has started. For more information, see: <http://i-tip.wto.org/goods/forms/Methodology.aspx>

¹⁰ ITC, 2018. The Comoros: Company Perspectives – An ITC Series on Non-Tariff Measures. See: <https://www.intracen.org/publication/ntm-comores/>

Table 3: Share of NTMs affecting imports in Comoros by category

Category	Specific NTMs	Share (%)
Technical requirements	Packaging requirements	2
Conformity assessments	Product certification	6
	Technical inspection	2
Import fees and taxes	Inspection fees	1
	Handling and storage fees	14
	Other taxes and charges	4
Customs valuation and goods exemption procedures	Customs valuation	43
	Goods exemption	9
Import price control measures	Administrative price determination	4
Other import measures	Mandatory passage through a customs port	11
	Licenses for non-economic reasons	2
	RoO and certificate	2

Source: ITC.

Regarding the sectors most affected by these measures, import taxes, fees and customs valuation procedures affect all categories of products, while customs valuation and product exemption mainly affect chemicals and metals and machinery and equipment. Technical requirements and conformity assessment procedures only affect agricultural products.

3.3 Feedback from government respondents and stakeholders on additional market access obstacles

3.3.1 Civil society organisations

According to civil society stakeholders in Comoros, poorer people at the bottom of agricultural value chains would be unlikely to benefit from the agreements unless targeted measures were included within the agreement. Similarly, poorer people would not be purchasing EU products that would potentially benefit from reduced import taxes under the agreement. Also, local producers and sellers in the Comorian market would be unable to compete with imports.

3.3.2 Feedback from government

The potential decline of import taxes is considered to significantly impact Comoros given the government's dependency on import taxes and the potential need to be replaced by value-added tax (VAT).

3.3.3 Feedback from the private sector and SMEs

During the stakeholder consultation process, companies and SMEs in ESA5 pointed to significant compliance challenges, reporting difficulties in complying with EU standards and SPS measures. These include the REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) regulation that has become especially costly for SMEs regarding compliance costs.

Regarding Comoros, private sector stakeholders pointed out that the three significant bottlenecks for imports are taxes, logistical problems and transport costs. In comparison, the three major bottlenecks for exports are export taxes, technical barriers, transport costs, administration formalities, and financing for trade. Private

sector stakeholders also stated that goods are imported from the EU for quality reasons. Otherwise, importers source from elsewhere. Also, there are no phytosanitary rules in Comoros but stringent rules to export to the EU, making it difficult for products to be competitive. Another problem of EU phytosanitary rules is that the laboratory in Comoros is not being accredited, and cash crops, for example, have to get tested in Réunion, which is not feasible for all exporters.

4. The economic impact in terms of trade

The five ESA countries vary significantly in terms of their economic development, domestic economic freedoms, and barriers to international trade. The ex-post evaluation report provided an overview of key indicators across several dimensions, which should be taken into account to assess the comprehensive agreement's potential impacts on individual countries' trade in goods (and services).

4.1 Introduction

This section provides a scoping and analysis of the issue areas with potential economic impacts. For each issue area, we provide an assessment of the main economic sector that could be affected, if applicable, and the possible economic impacts. The analysis also identifies issue areas where the economic impact is likely to be significant and those areas where the economic impact can be comparatively minor.

Based on the screening of potential provisions for trade in goods, agriculture, fisheries and development cooperation as well as the detailed assessment of horizontal and sectoral measures, behind-the-border issues and relevant legislative frameworks, this section focuses on assessing the economic impact of the following issue areas in more detail:

- SPS provisions
- TBT provisions
- RoO provisions
- Customs procedures provisions
- Trade defence provisions
- Registration and import/export licensing regulations provisions
- Agriculture and fisheries provisions

The analysis also covers other potential provisions like promoting trade for the repair and remanufacture of goods. Finally, the analysis also provides an assessment of relevant horizontal issues (e.g. LDCs, outermost regions, consumer impacts) where relevant and concludes with an overall assessment of strengths and weaknesses of the provisions, including an overview of relevant stakeholder feedback.

4.2 The economic impact of potential SPS provisions

4.2.1 *Baseline*

The interim agreement does not include specific provisions covering sanitary and phytosanitary measures.

4.2.2 Screening of SPS provisions

Table 4: Detailed screening table of potential SPS provisions

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Possible sanitary and phytosanitary measures			
Strengthening ESA policy and legislation on sanitary conditions for livestock	The sectors most affected are food producers as well as livestock producers and farmers.	Harmonisation of SPS standards could lead to significant regional integration, which could, in turn, lead to increased trade, especially regarding most affected products like food products.	Major
Communication on outbreaks of animal diseases		Promotion of trade in sustainable products could support economic growth in ESA countries, as the market for fair trade products is expanding in the EU, and potentially support ESA5-based SMEs.	Major
Promotion of OIE norms on animal welfare		Sustainable agriculture practices, the industry could support more stable economic growth.	Major
Encouragement to address microbiological resistance in the use of veterinary pharmaceuticals		More sustainable agricultural practices and possible diversification of production. In turn, this can reduce the dependency on a few agricultural products and support economic diversification.	Major
Development cooperation to support training and capacity in ESA countries			Major
Transparency and dialogue on SPS issues			Major

Source: Own analysis.

4.3 The economic impact of potential TBT provisions

4.3.1 Baseline

The interim agreement includes a title on non-tariff measures, covering specific provisions on national treatment on internal taxation and regulation.

4.3.2 Screening of TBT provisions

Table 5: Detailed screening table of potential TBT provisions

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Possible measures concerning Technical Barriers to Trade (TBT)			
Promotion of ESA participation on standard-setting bodies and committees	All economic sectors, but especially plastic and household products as well as tobacco products.	Indirectly, transparency can lead to better knowledge, implementation, and monitoring and, thus, a better	Major

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Development cooperation/technical assistance for ESA countries to implement international product standards		implementation of sustainable practices, supporting sustainable patterns for economic growth.	Major
Promotion of international accreditation		Gradual expansion of ESA5 companies' portfolio of manufactured export products that comply with EU standards.	Major
Conformity assessment procedures		Gradual integration of ESA5 companies in international value chains.	Major
Equivalence and private schemes		Safer industrial and consumer products.	Major
Transparency			Major
Technical regulations, marking and labelling			Major

Source: Own analysis.

4.4 The economic impact of potential RoO provisions

4.4.1 Baseline

Regarding the Protocol on RoO, the EPA Committee adopted Decision No 1/2020 in January 2020, amending specific provisions. The amended protocol¹¹ entered into force in March 2020, aiming to simplify and facilitate trade between the ESA region and the EU. The amendment allows accounting segregation for materials, the possibility for ESA countries to ship originating and non-originating sugar without keeping it in separate stores, replaces the provision on direct transport with a provision on non-alteration and includes the possibility for the Parties to exclusively use self-certification as proof of origin and ceasing the issuance of movement certificates EUR. REX for EU exports to ESA countries.¹²

4.4.2 Screening of RoO provisions

Table 6: Detailed screening table of potential RoO provisions

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Rules of origin			
Rules on providing originating status	All economic sectors	The ESA-EU Rules of Origin could be further simplified.	Major

¹¹ See: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A22020D0425>

¹² See: https://ec.europa.eu/taxation_customs/news/amended-rules-origin-eu-esa-interim-epa_en. For further details, please also see the analysis in the ex-post evaluation, which includes an assessment of economic impacts of the interim EPA, including a dedicated section on RoO.

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Origin procedures		<p>Where possible and feasible alternative PSRs could be introduced to facilitate compliance by the exporters and per chapter (elimination of outdated exemptions) and the PSR could be less stringent with a higher value of non-originating materials allowed. Where possible and feasible, one PSR could be used per chapter. The PSR could be made less stringent with a higher value of non-originating materials allowed and higher levels of value tolerance introduced.¹³ Further simplified RoO could also contribute significantly to trade facilitation between ESA5 countries and the EU.</p> <p>The agreement could generally provide duty-free quota-free access for ESA5 countries to the EU market based on further simplified RoO.</p> <p>Support export diversification and increase of export standards in ESA5 countries.</p> <p>High participation of ESA5-based SMEs in trade with EU customers due to prevention of deterrent effect of RoO.</p> <p>Promote creation and development of local and regional value chains among ESA5 economies.</p>	Major

Source: Own analysis.

¹³ For further details, please also see the analysis in the ex-post evaluation, which includes an assessment of economic impacts of the interim EPA, including a dedicated section on RoO.

4.5 The economic impact of potential customs procedures provisions

4.5.1 Baseline

The interim agreement includes a title on administrative provisions, covering a special provision on administrative cooperation, and includes a protocol for mutual administrative assistance in customs matters.

4.5.2 Screening of customs procedures provisions

Table 7: Detailed screening table of potential customs procedures provisions

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Customs procedures			
Enhanced cooperation in customs matters	All economic sectors	Enhanced cooperation in customs matters and targeted technical assistance and capacity building programmes could result in cost and time saving, especially in ESA5 countries.	Minor
Institutional provisions and capacity building			Minor
Enhanced protocol on customs mutual administrative assistance			Minor

Source: Own analysis.

4.6 The economic impact of potential trade defence provisions

4.6.1 Baseline

The interim agreement includes a title covering trade defence measures, including provisions on anti-dumping and countervailing measures as well as multilateral and bilateral safeguards.

4.6.2 Screening of trade defence provisions

Table 8: Detailed screening table of potential trade defence provisions

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Trade Defence			
Safeguards	Only Madagascar initiated safeguard measures. The measures affect various products such as pasta, blankets and travelling rugs, oils, detergent and soap.	Distortion of competition. Depending on the level of restrictiveness of the measure, elimination of competition, higher prices, lower qualities.	Minor

Source: Own analysis.

4.7 The economic impact of potential registration and import/export licensing regulations

4.7.1 Baseline

The interim agreement includes a title on non-tariff measures, covering specific provisions on national treatment on internal taxation and regulation.

4.7.2 Screening of registration and import/export licensing provisions

Table 9: Detailed screening table of potential registration and import/export licensing provisions

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Registration and import/export licensing regulations			
Transparent import and export licensing	All economic sectors	Indirectly, transparency can lead to better knowledge, implementation and monitoring of the better implementation of sustainable practices, supporting sustainable patterns for economic growth. Higher participation of ESA5-based SMEs in trade with EU customers due to reduction of deterrent effect licensing regimes.	Minor

Source: Own analysis.

4.8 The economic impact of potential agriculture and fisheries provisions

4.8.1 Baseline

The interim agreement includes a chapter on fisheries covering marine fisheries as well as inland fisheries and aquaculture development, laying out areas of cooperation in these fields.

4.8.2 Screening of agriculture and fisheries provisions

Table 10: Detailed screening table of potential agriculture and fisheries provisions¹⁴

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Agriculture and fisheries			
	Agriculture and fishery sectors (especially fisheries sectors in Mayotte and La Réunion). Mauritius initiated three measures related to state trading enterprises that concern food and agriculture products and petroleum.	Premature market opening could lead to the displacement of uncompetitive domestic producers and allow resources to leave less developed countries. For example, the liberalisation of local food markets in critical agricultural products like dairy and beef, poultry, vegetables is considered an area of potential risk for local farmers in ESA5.	Major

¹⁴ For more detail on the impact of fisheries provisions, including on the EU's outermost regions, consult the dedicated fisheries case study which forms part of the SIA analysis.

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
		<p>Likely to affect short-term poverty and food security issues and require adaptation mechanisms under the EPA. Several sensitive products are excluded from the agreement.</p> <p>In Comoros, the existing fisheries agreements were widely described as unequal, with Comoros gaining little benefit compared to the EU, hence a need for these to be renegotiated as a priority. Support to agricultural production, processing and export was also seen as key whilst ensuring that value went down the chain to the poorest people.</p>	

Source: Own analysis.

4.9 The economic impact of other possible measures

4.9.1 Baseline

The interim agreement does not include specific provisions covering the promotion of trade for the repair and remanufacture of goods.

4.9.2 Screening of other possible measures

Table 11: Detailed screening table of potential other possible measures

Provision	Main economic sectors that could be affected	Possible economic impacts	Potential importance
Other possible measures			
Promotion of trade for the repair and remanufacture of goods	All economic sectors, particularly manufacturing.	<p>Increased manufacturing and export activities in ESA5 countries.</p> <p>Increased diversification in manufacturing and export industries in the medium- to long term.</p>	Minor

Source: Own analysis.

4.10 Feedback from government respondents and stakeholders on economic impacts

4.10.1 Civil society organisations

Civil society stakeholders first focused on the importance of the comprehensive EPA as a tool for socio-economic development by reducing poverty, reducing social and economic inequalities, and enhancing living standards and people's quality of life. **Respondents from civil society organisations also pointed out that the EU is the first developed country trade partner to launch a deep and comprehensive, new-generation free trade agreement, including two LDCs (Comoros and Madagascar).** A deep EPA is considered to become the template for all ACP regions potentially.

However, civil society organisations in ESA countries also indicated a likely erosion of the EPA's benefits for ESA5 countries over time due to increased competition from other African countries and other regions when other EPAs are implemented and standards enforced accordingly. Finally, civil society stakeholders saw the danger that premature extensive market opening could lead to the displacement of uncompetitive domestic producers and allow resources to leave less developed countries. For example, the liberalization of local food markets in key agricultural products like dairy and beef, poultry, vegetables is one area of potential danger for local farmers in ESA5, whose ability to sell on the local market could be threatened by competition from cheaper imports.

4.10.2 Feedback from government

Government respondents from Seychelles pointed out that the agreement is expected to provide duty-free quota-free access for ESA5 countries to the EU market based on RoO. Respondents from the government of Seychelles also stated that reciprocal trade with the EU is likely to affect issues such as poverty as well as food security and will require adaptation mechanisms under the EPA and that a number of sensitive products are excluded in the agreement. During the stakeholder consultations, respondents from the government of Seychelles noted that additional efforts are needed for targeted support to key divisions of the public sector that will facilitate the expediting of trade under EPA, such as the Competition and Tariff Commission. The respondents also note that at the request of the ESA5 countries, the EU has agreed to provide financial assistance for the setting up of an EPA Coordination Mechanism whose aim is to provide appropriate coordination and technical support to the five ESA countries so that they can engage effectively in the negotiation process.

Respondents from the government of Seychelles also pointed to the importance of regional (ESA5) integration and harmonisation of positions among ESA5 countries to deepen the EPA's deepening negotiations. They stated that it is of strategic importance for ESA5 countries to continue negotiating as it is essential to consolidate intra-ESA5 trade and integration.

The reduction of revenues from customs taxes is seen as a key potential impact on Comoros by public stakeholders. A high percentage of Comoros' government revenues comes from taxes on imports, so a potential reduction in these was a concern to several interviewees. Others, however, suggested that the agreements could serve to progressively push taxation away from imports towards other sources of government revenue such as VAT, which would mark a critical fiscal change for the country.

Several interviewees from the public sector in Comoros highlighted the potential for opening up trade with Mayotte. Some interviewees expressed frustration that whilst Mayotte is off the negotiating table, normalising trade with Mayotte, mainly agricultural exports, could have more of an impact and help more of the poorest people than other elements of the EPA.

4.10.3 Feedback from the private sector and SMEs

Zimbabwe's overall potential to access opportunities presented by EPAs remains constrained by internal challenges, politics, bad environment, currency issues, and others.

Private sector respondents from Zimbabwe stated that despite Zimbabwe currently has a trade surplus with the EU, primary commodities dominate exports from Zimbabwe to EU markets at the expense of manufactured products. Exports to the EU have been dominated by horticultural products that include paprika, macadamia nuts, avocados and peas. There have been some efforts to resuscitate beef and meat production for purposes of supplying the European market. According to these stakeholders, the negotiations must address SPS issues since the EU market standards are perceived as strict, and most of the Zimbabwean industries find it challenging to attain. More so, the industry in Zimbabwe is concerned that pertaining to value chain development, the current Zimbabwe-EU trade relations cement Zimbabwe's position as a producer of primary commodities lacking any promotion of national and regional value chain development.

Also, overall private sector respondents stated that UK Government is in the process of delivering continuity in the UK's trade relationship with the ESA countries of Madagascar, Mauritius, Seychelles and Zimbabwe. The EU-ESA5 comprehensive EPA should therefore consider provisions of negotiating FTAs with third parties by ESA5.

A private sector stakeholder from la Reunion pointed out that even if ESA5 countries accept to open their market to EU sugars, their social, environmental and productive standards are lower than the EU ones. This stakeholder identifies an absence of a level playing field between the EU and the ESA countries regarding the cane sugar sector. The sugar industries of ESA countries are competitive in their own market. Accordingly, they will remain effectively closed to EU outermost regions products according to the stakeholder. Following the conclusion of trade agreements with Central America and the Andean Community by the EU, competition has considerably increased in this market, already accentuating pressure on the EU outermost regions. According to the stakeholder, the EU must acknowledge that part of its agricultural production is in direct competition with agricultural products produced in neighbouring tropical countries.

4.11 Feedback from government respondents and stakeholders on development cooperation

Stakeholders from government, private sector and civil society organisations all also noted the need for ESA5 Countries to develop further and update their respective EPA implementation strategies and frameworks. They especially stressed the need to mobilise resources domestically to finance the implementation and mobilise the private sector to utilise the market opportunities to be negotiated under the deep EPA. Especially private stakeholders noted a limited preparedness of the private sector in utilising market access offers under the comprehensive EPA.

4.11.1 Civil society organisations

Civil society organisations in ESA countries also pointed to infrastructure challenges among ESA5: Except for Seychelles, Madagascar, Comoros and Mauritius, which have access to a sea coastline, Zimbabwe is the only country that is land locked and faces infrastructure challenges ranging from poor roads, railway and ICT. The development dimension has been limited to mainly technical assistance, whereas the needs of ESA5 countries also need support regarding infrastructure.

4.11.2 Feedback from government

Government respondents pointed to a clear need for a development dimension in the comprehensive EPA. According to their views, the success and failure of comprehensive EPA negotiations do not have to be measured mainly against market access of interest to ESA5. It also has to be measured against a commitment to development. Accordingly, they stressed that there is a need for an explicit development cooperation chapter

and that the negotiations should also focus on aid and development needs. The cost of measures and compensating people for the losses encountered due to implementing the provisions of the EPA should be analysed. It is considered important that the comprehensive EPA includes predictable funding of an EPA adjustment facility.

4.11.3 Feedback from the private sector and SMEs

Private sector stakeholders in Zimbabwe pointed to a lack of understanding of the technical issues involved in the negotiations, not only by the industry but also in the relevant ministries. This is because most sector players are not participating in the negotiations, which makes it very difficult for them to appreciate, understand and benefit from the final agreements. Stakeholders from Zimbabwe's private sector noted that there had been no meaningful impact from EPAs as the government delayed implementing the agreement provisions due to structural challenges. About the current negotiations, the industry believes that there is not much that is going to happen in terms of economic benefits as Zimbabwean industries are still struggling to take off. The industry in Zimbabwe is said not to be strategically positioned to take any opportunities in the European market.

In Comoros, the private sector stated that they had feeble knowledge about the EPA, while civil society respondents stated to have none. Non-state actors suggested that the dissemination of information was insufficient. Also, the private sector would like to be more deeply involved in negotiations. Several businesses representatives felt that the sector was largely excluded from the processes and negotiations to the detriment of Comoros negotiating power and potential to benefit from the agreements. Interviewees from all sectors expressed concerns about unequal negotiating capacity. There is a widely-held view that Comoros is unable to compete with the EU at the negotiating table. Moreover, non-state actors suggested that the Comorian authorities did not maximise their capabilities by failing to be inclusive regarding their negotiating teams.

Besides problems related to ownership and governance in ESA5 countries, there is also a perceived deficit in the targeting of development measures on the side of the EU. Simultaneously, private sector respondents from Zimbabwe and Madagascar indicated that most development assistance coming from the EU is targeted mainly towards micro and smallholder production level, which has little capacity to transform the Zimbabwean and Madagascar industry. It is rather perceived as cementing them as producers of primary commodities for export to the EU market. Accordingly, these efforts do not promote national and regional value chain development.

European private sector stakeholders stated that the EU should provide adjustment assistance for lost customs revenues and that this should include programmes to increase the competitiveness of the African private sector and infrastructure measures.

4.12 Key economic impacts

In 2019, **total trade between the EU and ESA5** was the highest with Mauritius (€1.8 billion), followed by Madagascar (€1.7 billion). The corresponding figures for Zimbabwe (€514 million), Seychelles (€445 million) and Comoros (€82 million) were much lower. In 2019, there has been a slight increase in trade with ESA5 countries (€43 million). However, EU imports from ESA5 decreased by €234 million, and EU exports to ESA5 increased by €277 million. The resulting reverse of trade balance towards a positive balance for the EU is primarily due to Mauritius and Madagascar.¹⁵

Overall, the economic impacts of a comprehensive agreement for exports from ESA5 economies are likely to increase trade in goods, with particular benefits in forest products and marine resources.

¹⁵ For a more detailed overview of the evolution of bilateral trade flows see:
https://trade.ec.europa.eu/doclib/docs/2020/november/tradoc_159048.pdf

- A major economic impact is considered **to originate from potentially further simplified RoO provisions**. In fact, further simplified RoO could determine the conditions under which the ESA5 products can benefit even more from duty-free quota-free access to the EU market. This could also promote the creation and development of local and regional value chains among ESA5 economies.
- Provisions regarding **technical trade barriers are expected to have major economic impacts in all economic sectors**. Barriers can currently be observed, especially in plastic, household products and tobacco in ESA5 countries.
- SPS measures are another area where **significant economic impacts are expected, particularly in sectors such as food products and livestock and pesticides**. There are significant challenges in complying with EU Standards and SPS measures, in particular for SMEs. Private standards also constitute an additional barrier to ESA5-based companies, particularly SMEs, to access the EU Market, but these are not addressed in the negotiations. The comprehensive agreement could improve standards in ESA countries, enhancing food safety and at the same time level the playing field between private and legally imposed standards. ESA5 countries will likely upgrade their standards as they will face more competition from other regions.
- The **harmonisation of SPS standards in the region could contribute to the development of regional integration**. This could lead to increased trade in the region, especially regarding the most affected products like food products. This **could support economic growth in ESA countries, including SMEs**. However, as various aspects of trade, including the standards and SPS issues, will have to be adhered to, support under the EPA to upgrading these aspects for ESA5 countries will remain critical.
- **Potential customs procedures provisions are likely to facilitate increased trade activity and lead to cost savings for ESA5 countries**. Compared to other likely impacts, these economic impacts can be regarded as relatively small.
- Potential registration and import/export licensing regulations are expected to have a minor economic impact, mainly indirectly through better implementation of standards by ESA5 companies.
- As concerns fisheries and agriculture, extensive market opening in key agricultural products like dairy and beef, poultry, vegetables could represent a potential risk for local farmers in ESA5 countries, e.g. the fisheries sector in Comoros.

Regarding benefits for consumers, the increase in exports to the EU would generate increased production and export revenues, which should contribute to higher income and diversification of income sources, with overall positive effects on ESA5 citizens purchasing power. The increase in imports from EU suppliers would, overall, lead to a broader product range of high-quality products that ESA5 consumers could benefit from. Generally, SPS provisions and technical standards would lead to safer industrial and consumer products.

The comprehensive EPA would increase competition for EU markets within other ACP countries and from non-ACP member countries. To benefit in the medium- to long run, ESA5 exporters will have to diversify their production and upgrade their standards.

As concerns the comprehensive agreement, regulatory competition might evolve from the United Kingdom (UK) - Eastern and Southern Africa (ESA) EPA, which has come into force on 1st January 2021. Provisions of the UK-ESA Agreement are similar to those of the Interim EPA signed between the EU and ESA countries, and the Agreement also contains a "Rendez-Vous" clause regarding future negotiation between ESA and the UK on areas not currently covered, which include trade in services, investment, trade facilitation, competition policy, trade facilitation and others.

Regarding effects on governance and the business environment, we look at a sub-index of the economic freedom index, namely the measure for the restrictiveness of regulations, with even deeper disaggregated sub-indexes on the credit market business regulations.¹⁶ The recent development of this sub-index in ESA4 countries suggests that the comprehensive EPA may improve the business environment.¹⁷

The reduction of revenues from customs taxes can be considered a high potential economic cost for ESA5 countries. This could be offset by other sources of government revenue such as VAT and sales taxes and higher revenues from taxes on labour and capital income in the longer term.

As concerns regional integration, the comprehensive EU-ESA EPA may facilitate the consolidation of intra-ESA5 trade and commercial integration if countries harmonise their positions during the negotiations and agree on common standards. The agreement could also serve regional integration by becoming a template for negotiations involving other ACP regions.

ESA5 countries are competing with the EU's outermost regions on agricultural products, e.g. in the cane sugar sector. Liberalisation in this field could increase commercial risks for producers in the EU's outermost regions, particularly in agricultural sectors.

5. Environmental, social, gender and human rights impacts

5.1 Screening of possible impacts

The following tables present a screening of the possible environmental, social, gender and human rights impacts arising from the possible measures related to goods, including those for SPS, TBT and RoO. This screening is linked to the screening of economic impacts in section 4, as the changes in ESA production will play a key role in determining impacts in the other dimensions of sustainable development.

Section 5.2 then reviews the key impacts that are identified in these tables. EU development cooperation can play a key role in addressing possible negative impacts and ensuring that positive impacts occur. Key areas for development cooperation are summarised in section 5.3.

Table 12: Detailed screening table of potential SPS provisions

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
Possible sanitary and phytosanitary measures			
Strengthening ESA policy and legislation on sanitary conditions for livestock	Alignment of SPS requirements could result in greater trade exports of livestock from ESA countries, potentially leading to adverse	All the ESA5 countries consider SPS measures as 'high priority' in the negotiation process.	Minor
Communication on outbreaks of animal			Minor

¹⁶ The sub-index of business regulations is further broken down into measures of administrative requirements, regulatory burden, starting a business, impartial public administration, licencing restrictions and tax compliance.

¹⁷ For business regulations, Mauritius shows the highest (best among ESA countries) score of 8.25 in 2018, followed by Seychelles (7.63), Madagascar (5.80) and Zimbabwe (5.15). Note that the score of all four countries has been increasing since 2013. For the overall regulation sub-index, Mauritius had the highest score in 2018 of 8.36, followed by Seychelles (7.69), Zimbabwe (6.28) and Madagascar (6.19) (see Annex I).

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
diseases and plant and food safety issues	<p>environmental impacts associated with raising additional livestock, including emissions from feed production, negative effects on biodiversity from land clearance for livestock, and transportation.</p> <p>Stronger application of SPS for ESA exports should reduce risks of pests (including some alien species) and diseases, which could have a preventative effect on the possibility of imports having negative impacts on biodiversity in the EU.</p> <p>Reinforced SPS measures could also impact the reduced spread of diseases and pests within those countries, which could have a positive effect on their biodiversity.</p> <p>Development cooperation to support training in this area could enable SPS techniques to reach SMEs that may currently have limited capacity to implement them, therefore multiplying any positive environmental impact of adopting SPS measures.</p> <p>Promotion of OIE animal welfare standards could improve conditions for farm animals but would depend on capacity building for farmers and veterinarians.</p>	<p>Stronger adherence to EU SPS standards can increase export opportunities to the EU and enhance the possibility to move from lower to higher added-value products. This can lead ESA5 exports to gain market shares and potentially curtail those from other ACP and other countries, at least in the short term. Furthermore, this could also lead to increased trade among ESA5 countries. The advantage of stricter adherence to EU SPS standards can disappear in the long term as the EU signs more EPAs and agreements.</p> <p>Overcoming challenges and practical difficulties in complying with EU standards and SPS measures could imply higher compliance costs for businesses in ESA5 countries, especially SMEs. Stakeholders from the private sector have expressed concern at the cost of meeting EU SPS standards, and additional requirements could restrict exports unless the capacity building is in place.</p> <p>More sustainable agricultural practices and possible diversification of production could reduce the dependency on a few agricultural products and support economic diversification.</p> <p>Regulatory approximation and stricter adherence to EU SPS standards and, in general, sustainable practices in agriculture and industry could support more stable economic growth, help reducing dependency on a few agricultural products, and</p>	
Promotion of OIE norms on animal welfare			Minor
Encouragement to address microbiological resistance in the use of veterinary pharmaceuticals			Minor
Development cooperation to support training and capacity in ESA countries			Major
Transparency and dialogue on SPS issues			Major

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
		<p>support economic diversification.</p> <p>Sustainable practices in agriculture and industry (including food safety) will affect health conditions and limit the risks of contaminated or unhealthy food. However, these effects are expected to be limited. Working conditions are likely to improve somewhat, but this effect is not expected to be significant.</p> <p>Encouragement to address microbial resistance when using veterinary pharmaceuticals could reduce risks to animal and human health but would depend on capacity building for farmers.</p>	

Source: Own analysis.

Table 13: Detailed screening table of potential TBT provisions

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
Possible measures concerning Technical Barriers to Trade (TBT)			
Promotion of ESA participation on standard-setting bodies and committees	Textiles can contain substances of serious concern under EU legislation (including the REACH regulation). Given the importance of textiles as an export commodity in several ESA countries, stricter rules on using certain chemicals banned based on REACH could reduce waste water pollution.	All the ESA5 countries consider TBT measures as 'high priority' in the negotiation process.	Minor
Development cooperation/technical assistance for ESA countries to implement international product standards		The possible effects are somewhat similar to those of SPS measures. Reduction of TBT, lower import costs, and enhance the possibility to move from lower to higher added-value products. This could improve employment in exporting industries.	Major
Promotion of international accreditation			Minor
Conformity assessment procedures		On the other hand, domestic reductions of TBT can expose ESA5 countries to increased competition. This would create risks for employment and	Minor
Equivalence and private schemes			Minor
Transparency			Minor

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
Technical regulations, marking and labelling		<p>wages in sectors exposed to greater competition.</p> <p>The overall expected positive impact on economic growth can have (positive) repercussions on average disposable incomes. However, higher-income ESA countries may see positive results more quickly than lower-income countries.</p> <p>Working conditions are likely to improve overall somewhat, but this effect is not expected to be significant.</p> <p>Adherence to international standards for products could improve consumer safety, but this is not expected to be a major impact.</p>	Minor

Source: Own analysis.

Table 14: Detailed screening table of potential RoO provisions

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
RoO			
Rules providing originating status	Greater export production in some sectors could result in higher pollution levels (scale effect). This effect could be partially counterbalanced by export diversification, which might change and possibly even reduce pollution from ESA export sectors (structural effect)	To the extent that changes in RoO increase ESA5 countries' exports, there could be greater employment	Minor
Origin procedures			Minor

Source: Own analysis.

Table 15: Detailed screening table of potential customs procedures provisions

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
Customs procedures			
Enhance cooperation in customs matters	<p>Greater cooperation in customs procedures could contribute to reducing the illegal trade in endangered species. Current statistics published by CITES show disparities in the reporting of trade in CITES-listed species between exporting ESA countries and importing EU countries.</p> <p>Better enforcement vis-à-vis illegal waste imports might also result.</p>	<p>All the ESA5 countries consider customs procedures as 'high priority' in the negotiation process.</p> <p>Simpler, more efficient customs procedure can facilitate imports and exports, with positive impacts on economic growth. In turn, this can have positive impacts on occupation and salaries.</p>	Minor
Institutional provisions and capacity building			Minor
Protocol on customs mutual administrative assistance			Minor

Source: Own analysis.

Table 16: Detailed screening table of potential trade defence provisions

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
Trade Defence			
Safeguards	<p>If the EU implements a safeguard procedure on a crucial agricultural export from an ESA5 country, it would likely cause the waste or destruction of the product, assuming no alternative market was found.</p>	<p>All the ESA5 countries consider safeguards as 'low priority' in the negotiation process.</p> <p>Nonetheless, increased EU imports could impact employment and wages along with rights to work (minimum wage, hours of work, holidays, etc.) as well as the right to adequate working conditions in some ESA sectors. This may be the case in particular for lower-income ESA countries; consequently, maintaining safeguards, particularly for lower-income countries, could be valuable to protect social conditions and human rights (especially for vulnerable groups) as the trade agreement over a short or medium term.</p>	Minor

Source: Own analysis.

Table 17: Detailed screening table of potential registration and import/export licensing regulations provisions

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
Registration and import/export licensing regulations			
Transparent import and export licensing	Effective enforcement of transparent import and export licensing is an essential tool in the fight against the illegal trade of wildlife and plants. Whilst records are currently kept, stronger regulations could help to reduce illegal trade in endangered species further.	Simple registration and import/export licensing regulations can facilitate imports and exports, positively impacting economic growth. In turn, this can have positive impacts on occupation and salaries.	Minor

Source: Own analysis.

Table 18: Detailed screening table of potential agriculture and fisheries provisions

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
Agriculture and fisheries			
	Likely to have a large impact.	Risk that opening ESA markets could affect domestic producers and food security. Such impacts would affect employment and wages, as well as the right to food.	Major

Source: Own analysis.

Table 19: Detailed screening table of potential other possible measures

Provision	Possible environmental impacts	Possible social, gender and human rights impacts	Potential importance
Other possible measures			
Promotion of trade for the repair and remanufacture of goods	Repair and remanufacture are elements of the circular economy. Promotion of repair and remanufacture of goods should help to reduce waste and encourage repurposing of end-of-life products.	Could encourage manufacturing in the region, and thus impact occupation and salaries positively	Minor

Source: Own analysis.

5.2 Overview of key impacts and issues

One possible key environmental impact is the potential reduction of pests and diseases in agriculture due to the implementation of SPS measures, which could also help to improve animal welfare through the promotion of OIE standards. This would, however, likely be a long-term result as it will depend on capacity building in government and in the sector. Improved SPS measures could boost regional exchanges, leading to better animal and plant health in the region, including beyond the five ESA countries. **A potential negative environmental effect** of increased SPS provisions could be that it encourages the livestock sector in ESA5 countries to develop for export (particularly the larger ones, such as Zimbabwe), which could cause land use change, including deforestation damaging to biodiversity and increased emissions, mainly if cattle ranching is developed.

Under TBT measures, greater adherence to international standards could improve consumer safety also for goods produced for domestic ESA markets. Greater awareness of these standards and EU requirements, along with capacity building, could enhance results.¹⁸

Another substantial environmental impact of provisions on customs procedures and import and export licensing could be strengthened controls on the illegal trade in endangered species. This is particularly relevant given the ESA5 states' rich biodiversity. Provisions to promote trade for the repair and manufacture of goods could facilitate the development of circular economy practices between Parties. As discussed below, development cooperation to aid the implementation of provisions could have positive impacts on the environment.

A key social impact is that the potential growth of exports from ESA5 countries to the EU, combined with lower import costs, could enhance possibilities to move from lower to higher added-value products, which is expected to support economic growth and, in turn, have positive impacts on occupation, salaries and working conditions. However, such positive impacts could reduce progressively over time and even disappear, as other ACP and third countries sign EPAs with the EU and adhere to EU standards and procedures, increasing competition for EU markets.

Furthermore, the positive impacts of increased exports are not likely to manifest in the same way for all ESA5 countries. Low-income countries may be less likely to increase their exports towards the EU in the short term, but domestic sectors would be exposed to increased EU imports. The higher competition could impact employment and wages along with rights to work (minimum wage, hours of work, etc.) as well as the right to adequate working conditions in some ESA sectors.

Development cooperation and technical assistance on standards, customs procedures and licensing regulations are necessary for the positive impacts of increased exports towards the EU to occur.

5.3 Development cooperation

The screening of possible measures shows that EU development cooperation can be valuable in mitigating potential adverse effects and ensuring that positive effects are seen, particularly in terms of the environment. Key areas for cooperation include the following:

- **Capacity building and technical assistance for customs authorities should complement development cooperation and awareness raising activities that target and actively involve**

¹⁸ A review of the EU RAPEX database found only one case for ESA countries, in 2014, where an alert had been issued by France regarding necklaces and bracelets manufactured in Madagascar. These products were a chemical risk due to lead levels exceeding the legal allowance and thereby not complying with the REACH Regulation. European Commission, 'Safety Gate: Rapid Alert System for dangerous non-food products':

https://ec.europa.eu/consumers/consumers_safety/safety_products/rapex/alerts/?event=main.search&lng=en#searchResults

business representative organisations in the ESA5 countries. These can, in turn, support economic operators in making better use of trade facilitation measures and develop exports.

- **Capacity building for customs authorities should include methods and tools to address illegal trade in protected species and waste.** This could be carried out in cooperation with international organisations, such as the CITES and Basel Secretariats, and possibly other interested donors.
- **The promotion of OIE standards on animal welfare will require capacity building for national authorities and veterinarians in ESA countries (possibly via veterinary programmes in universities and veterinary associations).** Awareness-raising and capacity building for farmers can also be valuable.
- **The promotion of attention to issues of microbial resistance when using veterinary pharmaceuticals would also require capacity building, potentially again for veterinary as well as medical schools.** Cooperation with international organisations such as WHO may be valuable.
- **Capacity building for compliance with TBT and SPS requirements** could help resolve any potential issues using substances not permitted in products sold in the EU, with advice on alternative substances.

6. Policy recommendations

6.1 Background

As a starting point, the ex-post analysis of the interim EPA has identified several shortcomings in the existing EPA that need to be addressed by the negotiations of a deeper agreement. The first shortcoming is that the interim EPA lacks specific provisions on how to achieve the objective of contributing to the reduction and eventual eradication of poverty through the establishment of a strengthened and strategic trade and development partnership consistent with the objective of sustainable development, the Millennium Development Goals and the Cotonou Agreement.

The focus of the interim EPA has been on the trade dimension. The development dimension of the EPAs is rather indirect, rightly trusting that the trade dimension in principle is development-friendly. To mitigate negative consequences and strengthen the trade dimension, the EU has supported the ESA5 countries with a number of specific and general development programmes.¹⁹ The EPA development agenda may benefit if it focuses stronger on the self-assessment of needs by the ESA5 countries. **Thereby, it may take a demand-side approach (meaning that the ESA5 countries outline their needs and overall objectives of economic and social development) rather than a supply-side approach (meaning that the EU specifies the amount of funding and conditions for how such funding can be utilised).**

Concerns are generally raised about the comprehensive nature of the EPA. It is argued to form a challenge for the ESA5 countries. ESA5 private sector companies, including SMEs, generally find it challenging to take advantage of the EPA. This is a critical insight that should be considered, particularly the complex negotiations of standards and non-tariff measures, including RoO, to be simplified further.

Stakeholder consultations have partly revealed that information from the print and digital media, academic writing and capacity building programmes have helped local stakeholders to learn more about EPAs and the

¹⁹ See the Chapter on Development in the Ex-Post-Evaluation within this SIA.

processes involved. These efforts could be further intensified to raise awareness about the deepening negotiations. Also, trade facilitation support has had a positive impact. Although it cannot be quantified, this avenue promises further success.

6.2 Implementation

6.2.1 *Involve the private sector and potential new investors in trade negotiations*

In the negotiations process, it is critical to have non-state actors involved in the negotiations and play a critical role in monitoring EPAs. Social partners, including the Church and CSOs, and the business sector should be directly taking part in the negotiations and be involved in monitoring the implementation of the EPA. The monitoring exercise has to systematically collect data and experiences and process these experiences to inform policies and negotiations. They also should be partners in implementing and evaluating the National Indicative Programme.

Each ESA5 country could further develop a National EPA Committee that could develop the national EPA Plan's trade and development components, based on the commitments made in the comprehensive EPA, and monitor implementation continuously, with a regional coordinating mechanism in place. The National EPA Committee (NEPAC) could increasingly comprise the government (Ministries of Finance, Trade, Infrastructure, Economic Development and Industry), the Chambers of Commerce, Manufacturers Association, a representative of MSMEs and a representative of civil society organisations and a representative from academia. It would meet every month, or more often if necessary. It would be responsible for drawing up a National EPA Plan that would finalise the country's inputs into the EPA negotiating agenda, to be coordinated at the regional level so that the ESA5 had a common negotiating position. The NEPAC would also be responsible for monitoring the implementation of the EPA – both the trade and development agendas.

6.2.2 *Capacity Building*

ESA5 countries need better coordination of capacity building activities. The NEPACs or another body could coordinate the capacity building activities required to allow CSOs, government departments and industry to actively participate not only in the negotiations (which would also benefit the country in all other negotiations, including the AfCFTA negotiations) but also benefit from the EPAs themselves.

ESA5 countries need to improve the visibility and flow of information. The NEPAC could also be responsible for improving the visibility and flow of information on EPAs, outlining the possible advantages as well as explaining what mitigation is being done to address the negative aspects of EPAs. This improvement in visibility and information flows could take advantage of social media platforms, websites, public meetings, radio programmes and television programmes. The communication strategy would be a part of the National EPA Plan.

The EU can support the capacity building process by identifying weakness and using its own experiences in trade facilitation. Also, part of the development budget could be spent on improving trade capacities, including infrastructure. Stakeholders in Zimbabwe identified the domestic infrastructure and its connection to the neighbouring countries, including the relevant ports, as serious obstacles.

There is no doubt that Technical Assistance and Capacity Building (TACB) programmes have had a positive impact and have built the capacity of stakeholders in ESA EPA countries on PSRs. However, these TACB programmes have mainly targeted government officials and Customs staff rather than the primary beneficiaries of the EPA, these being producers and exporters in the private sector. What is urgently required is a TACB programme that can give firms one-to-one advice on EU market access issues, including advice on how to comply with RoO, advice on where the firms can source component parts to allow them to meet local materials requirements through the use of cumulation, advice on how to put in place administrative cooperation agreements and generally improve the levels of cumulation.

6.2.3 Barriers to Trade

Private sector and SME stakeholder respondents hold a general position on the importance of continuing the EPA negotiations with the EU. Concerning market opening in ESA5 countries, they indicated some open questions. One key issue that stands out is that liberalization commitments should be pegged to clear development thresholds or benchmarks and must not be more onerous than the low levels of liberalization by other countries (e.g. Mexico and Syria) in EU FTAs.

- For example, various clauses in the EPA which the EU has inserted should be eliminated: standstill clause; export taxes; MFN clause, non-execution clause and abolition of community levies as these are clearly WTO-plus and would put Africa's development objectives in serious jeopardy.
- Other clauses must be vastly improved upon bilateral safeguards, infant industry clause, the definition of the parties, to name only a few.

The European Union and its ESA partners in the EU-ESA EPA are continually improving the RoO. These changes should benefit existing producers in the ESA5 countries and new investors in new industries or suppliers in new, or non-traditional, global value chains. The ESA5 countries must be able to define in their trade and industrialisation policies what the target industries and value chains are into the EU market. This process should involve the potential investors and private sector stakeholders to the extent possible, including on further simplified RoO, to ensure the agreed RoO can be complied with so that these "new" producers can benefit from the preferences offered by the EU.

Thereby, further simplified RoOs could contribute to ESA5 countries becoming increasingly part of global value chains and still benefiting from preferential market access into the EU. Modern manufacturing processes used in the developed world comprise global value chains that involve different companies in different countries adding value along the value chain and often adding tiny percentages of value to the final product.

The ESA-EU Rules of Origin could be further simplified. Where possible and feasible alternative PSRs could be introduced to facilitate compliance by the exporters and per chapter (elimination of outdated exemptions) and the PSR could be less stringent with a higher value of non-originating materials allowed. Further simplified RoO could also contribute significantly to trade facilitation between ESA5 countries and the EU. Moreover, there needs to be a cumulation agreement for the product to benefit from preferences in the EU. For countries like Mauritius, cumulation with South Africa and other competitive sourcing destinations should be rigid under the Comprehensive EPA. This will also be relevant once the African Continental Free Trade Area (AfCFTA) is fully functioning.

In the negotiations of the Marine Fisheries Title of the Comprehensive EPA, the case study within this SIA has suggested several amendments, which are briefly summarized here:

- That the binding text that relates to a development component specifically for Marine Fisheries is included, the binding text could be in the format of the OECD's four main components of Aid for Trade of mainstreaming and prioritising trade (demand); trade-related projects and programmes (response); enhanced capacity to trade (outcome) and improved trade performance and reduced poverty (impact). The binding text, which would, as much as possible, replace the "best endeavour" text, would be linked to key performance indicators, and there would be consequences for non-compliance.
- The text of the ESA EPA could be more closely aligned to that of the United Nations Convention on the Law of the Sea (UNCLOS). For example, it could have more specific rules on licensing and monitoring entries and exits of fishing vessels.

- The text on Fisheries Management and Conservation Issues and VMS and Post Harvest Arrangements could also be changed from the best endeavour and become rules-based and binding, with modalities and key performance indicators introduced.
- A more explicit language on denial of port services should be introduced into the Comprehensive EPA.

6.2.4 Ensure mitigation of negative aspects of the EPAs

The two main negative potential impacts of EPAs will be over tariff revenue loss and possibly loss of business for domestic producers. This, in turn, reduces the ESA5 countries' willingness to open their markets fast.

Since many African countries, e.g. Madagascar, rely on tariff revenues as a large part of the state budget, tariff reductions will lead to revenue losses, everything else equal. This phenomenon is widely researched. The EU can support the ESA partners here with two packages.

- It is possible to calculate potential tariff loss before losing this revenue and then make adjustments to compensate for this loss through an aid budget, which diminishes over time to give incentives for introducing a proper tax regime.
- Such a tax regime can either adjust the value-added tax, create a modern income tax system or take measures to improve compliance. The EU can support the ESA5 countries here with expertise or engage with researchers in Africa such as the African Tax Research Network²⁰ and commission according to studies and projects in coordination with the respective ESA5 country.

There may be a potential loss of business that has only been addressed by excluding sensitive products from tariff liberalisation, including essential food items, chemicals, plastic and paper articles, textiles, consumer electronic goods, vehicles, etc. Another tool is to support European foreign direct investments (FDI) in ESA5 countries. One avenue for such support is the extent to which member countries grant investment support and protection via guaranties and investment protection agreements. The European Commission could support this measure by coordinating the members' policies.

This is also important against the background of the Covid 19-crisis. In 2020, FDI was low due to lockdown measures, and in 2021 it will take time to rebuild the connections that existed before the crisis. In order to accelerate private investment activities, it is necessary to increase the financial support for guarantees. It may be beneficial to redirect development aid funding which (as shown in the Ex-Post Evaluation within this SIA) often suffers from ineffectiveness into investment support, at least temporarily. Such efforts should not be restricted to ESA5 countries, as regional value chains will cover more countries.²¹

6.3 Poverty and pro-poor growth: the development dimension

6.3.1 Poverty and food security

Since respondents from the government of Seychelles saw some risk that reciprocal trade with the EU affects issues such as poverty as well as food security, the negotiating partners should consider adaptation mechanisms under the EPA and that a number of sensitive products are excluded in the agreement, at least in the medium run.

In the same vein, the existing fisheries agreements were widely described as unequal, particularly in Comoros. Fishers argue they gain little benefit compared to the EU. This perception should be taken into account in the negotiations. Similarly, to allow the agricultural producers to move up the value chain over time (and thereby

²⁰ See: <https://www.atrnfira.org>.

²¹ In addition, the EU should take bold efforts to support a comprehensive vaccination programme in Africa, not only ESA5.

escape poverty), support for this sector in ESA5 countries and a reconsideration of EU agriculture and trade policies is key.

6.3.2 *Closer alignment of the development and trade components of the EPA*

Although EPAs are often thought of as being trade deals, they also have a developmental objective, including supporting sustainable development and poverty alleviation, promoting regional integration and linking trade policy with tools for development. However, it is often, but not always, the case that EPA signatories are more concerned about possible negative impacts of a trade deal, such as revenue loss from tariff reductions and the penetration of their markets by, in this case, European-based firms, than they are about taking advantage of improved market access.

This perception requires more information about the actual policies as well as the effects of the EPA. EU imports into the ESA countries free of duties generally should be considered a negative aspect of EPAs. If, for example, a country is short of a commodity, such as wheat flour, it could import wheat flour free of duty and use it to produce food products that could be exported and support food security in the country. The same principle could apply to high-tech industries where component parts of, for example, information and telecommunications technology (ICT) equipment could be imported free of duty and assembled in the ESA country and then, using cumulation provisions, could be sold back into the EU market, and other ESA countries free of duty.

To maximise their effect, EPAs should be integrated or mainstreamed into the ESA5 countries' trade policies. For example, each country is preparing a national implementation plan for the EPA, and these plans will focus on sustainable development aspects but may not focus on how a trade component can feed into sustainable development. A national implementation plan could identify what products (or services) the ESA country has or can have a competitive advantage in, especially in the EU market, with preferences. Once this has been established, ESA countries could look at what constraints they face to ensure the products to be traded are classified as originating.

6.4 Regional aspects of the EPA: outermost regions

One relevant aspect is regional integration beyond the EPA. It has two facets, namely first, the relations between different regional integration areas. As discussed in the Inception Report within this SIA, the ESA5 countries are members of several Regional Economic Communities (RECs) and the AfCFTA. There are overlapping memberships with the need to align different RoOs. The negotiators should include clauses in the EPA that simplify matters in case of conflict (favouring the ESA5 countries).

The second facet concerns the situation of the EU's outermost regions (OR) in the context of the EPA. For instance, a private sector stakeholder from la Reunion pointed to problems in the market for sugar caused by trade agreements with Central America and the Andean Community, which allowed their cane sugar producers to enter the EU speciality sugars market. Consequently, competition has considerably increased in this market, thus accentuating pressure on the EU outermost regions. The EU must acknowledge that part of its agricultural production is in direct competition with agricultural products produced in neighbouring tropical countries. The negotiators should strike a balance between the various interests in agricultural markets. For example, ESA sugar exports can pose a threat to the small fragile economies of the OR which are dependent on such sugar production. The EU should take measures referred to in particular areas such as customs and trade policies, fiscal policy, agriculture and fisheries policies, conditions for supply of raw materials and essential consumer goods, taking into account the special characteristics and constraints of the OR, in line with art 349 TFEU.

Also, several interviewees from the public sector in Comoros highlighted the potential for opening up trade with Mayotte. Some interviewees expressed frustration that whilst Mayotte is off the negotiating table, normalising trade with Mayotte, mainly agricultural exports, could have more of an impact and help more of the poorest people than other elements of the EPA. Such concerns should be taken seriously.

A priority could be to extend, under the current EPA, the period during which the local market of the French overseas departments is protected from ESA sugar exports. This extension could be done as provided by the provision currently in force, and under the EPA to come, replicating the provision currently in force which protects the local market of the French overseas departments from ESA sugar exports in line with article 349 of the Treaty on the Functioning of the European Union and the Commission strategy for the Outermost regions.

Appendix I. Overview of the five ESA countries

The five ESA countries vary greatly in terms of their economic and human development and their environmental context. The table below provides an overview of key indicators across these dimensions.

Table 20: Key economic, environmental, social, gender and human rights indicators (2019 or latest year available)

	Comoros	Madagascar	Mauritius	Seychelles	Zimbabwe
GDP/Capita in US\$ (2019) ²²	1,370	523	11,099	17,448	1,464
Surface area (km ²) ²³	1,861	587,295	2,040	460	390,760
Total Population (2019) ²⁴	850,886	26,969,307	1,265,711	97,625	14,645,468
Human Development Index (2018) ²⁵	0.538	0.521	0.796	0.801	0.563
Poverty rate (dates vary) ²⁶	18.1%	77.6%	0.1%	..	34%
Female employment (2019) ²⁷	34.9%	81.8%	40.6%	61.6%	73.8%
Yale EPI (Env. Perf. Index, 2020) ²⁸	32.1	26.5	45.1	58.2	37
ND-GAIN score (2017) ²⁹	39.2	32.9	55.6	48.4	33.1

Source: World Bank, UNDP, ILO, Yale University, University of Notre Dame.

The data for these indicators predate the Covid-19 pandemic, whose impact on the region and individual countries is not yet clear, but it is expected to have far-reaching health and economic consequences. Nonetheless, these indicators show that the five ESA countries vary greatly in terms of economic, environmental, social and human rights conditions.

Comoros is a small lower-middle-income island economy with a comparatively low level of human development. Poverty affects nearly one-fifth of the population. It faces multiple challenges in terms of adequate health, housing and food. Biodiversity is severely degraded, and its islands are prone to natural disasters and vulnerable to climate change impacts. Comoros faces challenges in providing adequate drinking water and sanitation.

²² GDP per capita (current US\$) – 2019 data for Comoros, Madagascar, Mauritius, Seychelles, Zimbabwe. World Bank Data: <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=KM-MG-MU-SC-ZW>

²³ Surface area in square kilometres – 2018 data for Comoros, Madagascar, Mauritius, Seychelles, Zimbabwe. World Bank Data: <https://data.worldbank.org/indicator/AG.SRF.TOTL.K2?locations=KM-MG-MU-SC-ZW>

²⁴ Population, total – 2019 data for Comoros, Madagascar, Mauritius, Seychelles, Zimbabwe. World Bank Data: <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=KM-MG-MU-SC-ZW>

²⁵ A summary measure of average achievement in key dimensions of human development on a scale of 0 (low) to 1 (high). UNDP data: <http://hdr.undp.org/en/data>

²⁶ Share of population below international poverty line. 2019 data for Mauritius and Zimbabwe, 2012 for Comoros, 2013 for Madagascar. World Bank data from <https://sdg-tracker.org/no-poverty#targets>

²⁷ Employment of female population, 15+. ILO Data: https://www.ilo.org/shinyapps/bulkexplorer54/?lang=en&segment=indicator&id=EMP_2WAP_SEX_AGE_RT_A

²⁸ The Environmental Performance Index (EPI) provides a quantified summary of the environmental performance of countries around the world. It uses 32 performance indicators across 11 issue categories. The EPI uses a score of 0 to 100 (the maximum value). 2020 EPI Results: <https://epi.envirocenter.yale.edu/epi-topline>

²⁹ The Notre Dame Global Adaptation Initiative (ND-GAIN) score is an index assessing a country's vulnerability to climate change and its resilience and readiness vis-à-vis climate impacts. Overall, 45 indicators contribute to developing the country index, with 36 indicators assessing vulnerability and 9 assessing readiness. Scores range from 0 to 100. Notre Dame Global Adaptation Initiative: <https://gain.nd.edu/our-work/country-index/rankings/>

Madagascar is a low-income economy. It is a large island and has the highest population of the five ESA countries. Poverty levels are extremely high despite an abundance of natural resources. Poverty negatively affects its social conditions, with limited rights to health, food, education, and housing. Biodiversity is severely degraded, and deforestation is a significant challenge. Moreover, Madagascar is highly vulnerable to climate change impacts.

Mauritius is a small upper-middle-income country whose service industry has grown considerably in the past ten years. Rights to food, housing and health care are at comparatively high levels, as is human development. The country's biodiversity is highly threatened, and despite high readiness, Mauritius remains vulnerable to climate impacts.

Seychelles is a small high-income country island with comparatively high-level human development,³⁰ including a high literacy level³¹ and a well-developed housing market. The right to health and food has improved in recent years. Though it has a relatively high readiness level, Seychelles is highly vulnerable to climate change impacts.

Zimbabwe is a lower-middle-income, landlocked country whose economy, social conditions and environment have suffered from political crisis. Rights to food, housing and health are extremely poor. Although about one-quarter of the country has been protected, biodiversity is threatened, and deforestation continues. The country is highly vulnerable to climate change and has a low readiness score.

³⁰ Central Bank of Seychelles, *Annual Report 2018*, available at: <https://www.cbs.sc/Downloads/publications/Annual%20Report%202018.pdf>.

³¹ World Bank, 'Literacy rate, youth total (% of people ages 15-24) - Comoros, Madagascar, Mauritius, Seychelles, Zimbabwe, World', available at <https://data.worldbank.org/indicator/SE.ADT.1524.LT.ZS?end=2019&locations=KM-MG-MU-SC-ZW-1W&start=2013&view=chart>

Appendix II. Indicators on legal system, trade barriers and regulations in ESA countries

1. Madagascar

Overview

Year	2013	2014	2015	2016	2017	2018
Economic Freedom Summary Index	6,64	6,43	6,40	6,25	6,14	6,20
Rank	100	111	111	118	126	125
Quartile	3	3	3	3	4	4

Source: Fraser Institute.

Size of Government, Legal System and Property Rights

Year	2013	2014	2015	2016	2017	2018
Size of Government	8,74	8,14	8,31	7,90	7,63	7,51
Judicial independence	3,35	3,47	3,68	3,59	3,52	3,48
Impartial courts	3,33	3,32	3,36	3,31	3,69	3,49
Protection of property rights	4,28	4,28	4,35	4,33	4,48	4,70
Integrity of the legal system	4,50	4,63	4,65	4,65	4,67	4,57
Legal enforcement of contracts	2,42	2,96	2,96	2,96	2,96	2,96
Legal System & Property Rights	2,99	3,05	3,09	3,06	3,21	2,92

Source: Fraser Institute.

Sound Money and Freedom to Trade Internationally

Year	2013	2014	2015	2016	2017	2018
Sound Money	8,06	8,04	8,05	7,90	7,63	7,65
Non-tariff trade barriers	5,02	5,42	3,52	4,12	1,95	4,83
Compliance costs of importing and exporting	7,01	4,62	5,07	5,07	5,07	5,09
Regulatory trade barriers	6,02	5,02	4,29	4,59	3,51	4,96
Financial Openness	4,16	4,16	4,16	1,66	1,66	1,66
Capital controls	0,00	0,77	0,77	0,77	0,77	0,77
Freedom of foreigners to visit	10,00	10,00	10,00	10,00	10,00	10,00

Controls of the movement of capital and people	4,72	4,98	4,98	4,14	4,14	4,14
Freedom to Trade Internationally	7,16	6,97	6,76	6,62	6,36	6,71

Source: Fraser Institute.

Regulation

Year	2013	2014	2015	2016	2017	2018
Credit market regulations	8,07	7,71	7,51	7,39	7,39	8,14
Labor market regulations	4,94	4,74	4,49	4,50	4,36	4,64
Administrative requirements	4,16	3,74	3,60	3,57	3,41	3,13
Regulatory Burden	2,44	2,44	2,44	2,44	3,33	3,56
Starting a business	9,60	9,12	9,22	9,37	9,40	9,43
Impartial Public Administration	1,11	1,11	1,35	1,35	3,07	3,07
Licensing restrictions	8,88	7,85	7,85	7,80	7,84	7,69
Tax compliance	7,95	7,95	7,95	7,95	7,95	7,95
Business regulations	5,69	5,37	5,40	5,41	5,83	5,80
Regulation	6,23	5,94	5,80	5,77	5,86	6,19

Source: Fraser Institute.

2. Mauritius

Overview

Year	2013	2014	2015	2016	2017	2018
Economic Freedom Summary Index	7,88	7,82	7,99	7,98	7,99	8,21
Rank	16	24	14	16	13	7
Quartile	1	1	1	1	1	1

Source: Fraser Institute.

Size of Government, Legal System and Property Rights

Year	2013	2014	2015	2016	2017	2018
Size of Government	7,81	7,68	7,98	7,88	8,15	8,15
Judicial independence	5,70	5,67	5,69	5,67	6,04	5,95
Impartial courts	5,67	5,70	5,56	5,43	5,54	5,47
Protection of property rights	6,34	6,33	6,26	6,18	6,22	6,74

Integrity of the legal system	4,69	4,69	6,95	6,96	6,79	6,77
Legal enforcement of contracts	4,64	4,64	5,03	5,03	5,25	5,25
Legal System & Property Rights	5,45	5,45	5,92	6,31	6,40	6,46

Source: Fraser Institute.

Sound Money and Freedom to Trade Internationally

Year	2013	2014	2015	2016	2017	2018
Sound Money	9,67	9,58	9,59	9,59	9,30	9,52
Non-tariff trade barriers	6,08	6,83	6,14	6,26	6,20	6,50
Compliance costs of importing and exporting	8,76	7,91	7,86	8,23	8,54	8,54
Regulatory trade barriers	7,42	7,37	7,00	7,25	7,37	7,52
Financial Openness	6,99	6,99	6,99	6,99	6,99	6,99
Capital controls	4,62	4,62	4,62	4,62	4,62	4,62
Freedom of foreigners to visit	10,00	10,00	10,00	10,00	10,00	10,00
Controls of the movement of capital and people	7,20	7,20	7,20	7,20	7,20	7,20
Freedom to Trade Internationally	8,50	8,50	8,42	8,47	8,52	8,53

Source: Fraser Institute.

Regulation

Year	2013	2014	2015	2016	2017	2018
Credit market regulations	8,50	8,55	8,78	8,63	8,51	8,95
Labor market regulations	7,60	7,16	7,38	6,36	6,41	7,90
Administrative requirements	4,83	4,90	4,67	4,38	4,42	5,02
Regulatory Burden	9,78	9,78	9,78	8,89	8,89	8,44
Starting a business	9,79	9,79	9,77	9,81	9,83	9,85
Impartial Public Administration	7,00	6,94	7,10	7,10	6,89	8,36
Licensing restrictions	6,92	8,37	8,37	9,32	9,32	9,36
Tax compliance	8,30	8,30	8,30	8,30	8,30	8,43

Business regulations	7,77	8,01	8,00	7,97	7,94	8,25
Regulation	7,96	7,91	8,05	7,65	7,62	8,36

Source: Fraser Institute.

3. Seychelles

Overview

Year	2013	2014	2015	2016	2017	2018
Economic Freedom Summary Index	7,29	7,48	7,43	7,44	7,37	7,49
Rank	57	49	52	52	57	52
Quartile	2	2	2	2	2	2

Source: Fraser Institute.

Size of Government, Legal System and Property Rights

Year	2013	2014	2015	2016	2017	2018
Size of Government	6,86	7,16	6,87	7,00	7,01	6,71
Judicial independence	5,03	5,04	4,98	4,93	5,09	5,27
Impartial courts	5,03	5,06	5,11	5,06	5,15	5,46
Protection of property rights	4,86	4,86	5,12	5,35	5,35	5,53
Integrity of the legal system	6,33	6,33	6,86	6,97	6,93	6,98
Legal enforcement of contracts	4,06	4,06	4,06	4,06	4,06	4,06
Legal System & Property Rights	5,16	5,16	5,42	5,54	5,59	5,54

Source: Fraser Institute.

Sound Money and Freedom to Trade Internationally

Year	2013	2014	2015	2016	2017	2018
Sound Money	8,26	9,10	9,33	9,00	9,07	9,26
Non-tariff trade barriers	5,70	5,70	5,70	6,05	6,04	5,87
Compliance costs of importing and exporting	7,76	5,24	5,32	5,32	5,32	5,33
Regulatory trade barriers	6,73	5,47	5,51	5,68	5,68	5,60
Financial Openness	10,00	10,00	10,00	10,00	10,00	10,00
Capital controls	8,46	8,46	8,46	8,46	8,46	8,46

Freedom of foreigners to visit	10,00	10,00	10,00	10,00	10,00	10,00
Controls of the movement of capital and people	9,49	9,49	9,49	9,49	9,49	9,49
Freedom to Trade Internationally	8,82	8,55	8,06	8,10	7,65	8,27

Source: Fraser Institute.

Regulation

Year	2013	2014	2015	2016	2017	2018
Credit market regulations	7,67	8,00	8,00	8,00	7,88	7,88
Labor market regulations	6,99	6,99	7,17	7,36	7,40	7,56
Administrative requirements	5,33	5,33	5,33	5,04	5,03	5,17
Regulatory Burden	6,00	6,00	6,00	6,00	6,00	5,78
Starting a business	8,67	8,83	8,83	8,84	8,83	8,84
Impartial Public Administration	6,22	6,22	6,22	6,64	6,64	7,89
Licensing restrictions	8,98	8,46	8,46	8,46	8,67	9,08
Tax compliance	9,01	9,05	9,05	9,05	9,05	9,05
Business regulations	7,37	7,31	7,31	7,34	7,37	7,63
Regulation	7,34	7,43	7,50	7,56	7,55	7,69

Source: Fraser Institute.

4. Zimbabwe

Overview

Year	2013	2014	2015	2016	2017	2018
Economic Freedom Summary Index	5,46	5,80	6,24	5,72	5,16	5,12
Rank	144	138	118	144	152	155
Quartile	4	4	3	4	4	4

Source: Fraser Institute.

Size of Government, Legal System and Property Rights

Year	2013	2014	2015	2016	2017	2018
Size of Government	6,51	6,58	6,78	5,14	4,29	4,51
Judicial independence	3,42	3,60	3,85	3,91	3,94	3,79
Impartial courts	3,40	3,50	3,61	3,49	3,48	3,36

Protection of property rights	3,08	3,30	3,41	3,37	3,67	3,86
Integrity of the legal system	5,15	5,16	5,16	5,05	5,23	4,94
Legal enforcement of contracts	2,37	2,37	2,37	2,37	2,37	2,37
Legal System & Property Rights	3,54	3,60	3,78	3,74	4,11	4,07

Source: Fraser Institute.

Sound Money and Freedom to Trade Internationally

Year	2013	2014	2015	2016	2017	2018
Sound Money	6,90	7,97	8,18	7,38	6,72	5,03
Non-tariff trade barriers	6,48	4,74	5,63	4,99	4,85	5,20
Compliance costs of importing and exporting	1,29	4,17	1,69	1,64	1,33	1,33
Regulatory trade barriers	3,89	4,45	3,66	3,32	3,09	3,26
Financial Openness	1,66	1,66	4,16	4,16	4,16	4,16
Capital controls	0,00	0,00	0,00	0,00	0,00	0,00
Freedom of foreigners to visit	8,85	8,85	8,85	8,85	8,85	8,85
Controls of the movement of capital and people	3,50	3,50	4,34	4,34	4,34	4,34
Freedom to Trade Internationally	5,46	5,78	5,88	5,79	3,97	5,73

Source: Fraser Institute.

Regulation

Year	2013	2014	2015	2016	2017	2018
Credit market regulations	6,00	6,00	9,33	9,10	9,10	7,44
Labor market regulations	4,55	5,09	6,05	6,12	6,12	6,24
Administrative requirements	3,07	2,63	2,26	1,82	1,92	2,41
Regulatory Burden	0,67	0,67	0,67	0,89	2,67	2,67
Starting a business	5,91	5,94	5,83	6,89	7,81	8,33
Impartial Public Administration	2,61	2,78	2,78	2,17	1,97	2,21
Licensing restrictions	4,99	4,95	6,99	7,00	7,49	7,99

Tax compliance	7,29	7,29	7,29	7,29	7,29	7,29
Business regulations	4,09	4,04	4,30	4,34	4,86	5,15
Regulation	4,88	5,04	6,56	6,52	6,69	6,28

Source: Fraser Institute.

Appendix III. Measures on key trade barriers imposed in ESA countries

Measures on technical barriers to trade (TBT) imposed by Madagascar, Mauritius, Seychelles and Zimbabwe, WTO I-TIP Goods database:

Member imposing	Partner affected	Initiation	In force	Product description	Keywords
Mauritius	World	03. Mai 05		Plastic Carry Bags	
Mauritius	World	03. Mai 05		Hazardous wastes	
Mauritius	World	23. Jul 12		Basmati Rice	Food standards, Protection of Human health or safety
Mauritius	World	20. Nov 14		Household electrical appliances	Protection of the environment
Mauritius	World	21. Jan 16	01. Jan 16	Non-woven polypropylene bags)	Protection of the environment
Mauritius	World	21. Jan 16	01. Jan 16	National tariff heading: 3923	Protection of the environment
Mauritius	World	05. Jul 16	01. Nov 16	Domestic and household appliances and similar equipment	Prevention of deceptive practices and consumer protection, Protection of Human health or safety
Mauritius	World	23. Nov 18		Steel Bars, Steel Wires and Steel Fabrics	Protection of Human health or safety
Mauritius	World	17. Dec 19		Control of Import and Export of Radiation Sources and Other Controlled Items	Protection of Human health or safety
Mauritius	World	19. Dec 19			Food standards, Protection of Human health or safety
Mauritius	World	05. Nov 20		Non-Biodegradable Single-Use Plastic products,	Protection of the environment

				Biodegradable Single-Use Products	
Mauritius	World	05. Nov 20		Non- biodegradable plastic bag and Biodegradable and compostable plastic bag	Protection of the environment
Mauritius	World	16. Dec 20		All tobacco and manufactured tobacco substitutes, including but not limited to HS codes starting with 2402 and 2403 and nicotine delivery systems, including components of such systems, including but not limited to HS codes starting with 2403, 3824 and 8543.	Protection of Human health or safety
Seychelles	World	17. Feb 16	06. Oct 15	Vest type plastic bags (3923.2120); Vest type plastic bags (3923.2920)	Protection of the environment
Seychelles	World	21. Apr 16	01. Dec 16	Tabacs bruts ou non fabriqués; déchets de tabac (SH 2401), Cigares (y compris ceux à bouts coupés), cigarillos et cigarettes, en tabac ou en succédanés de tabac (SH 2402), Autres tabacs et succédanés de tabac, fabriqués; tabac "homogénéisé" ou "reconstitué"; extraits et sauces de tabac (SH 2403)	Labelling, Protection of Human health or safety
Seychelles	World	07. Feb 17	02. Feb 17	392321:- Of polymers of ethylene ; 392329:- Of other plastics ; - Plastic carrier bags ; 392410:- Tableware	Protection of the environment

				<ul style="list-style-type: none"> and kitchenware ; - Plastic cups ; - Plastic plates ; - Plastic spoons ; - Plastic forks ; - Plastic knives ; - Plastic bowls ; - Plastic trays ; 392310:- Boxes, cases, crates and similar articles ; - Polystyrene take-away boxes 	
Seychelles	World	25. Oct 18	01. Jan 19		Protection of the environment
Zimbabwe	World	04. Apr 16	01. Mar 16	The following categories of products are inspected under the CBCA Programme: Food and agriculture; Building and civil Engineering; Packaging material; Electrical/electronic appliances; Body care; Automotive and transportation; Clothing and textile; Toys	Prevention of deceptive practices and consumer protection, Protection of Human health or safety, Protection of the environment, Quality requirements
Zimbabwe	World	02. Apr 20		Household Refrigerator; Television (Plasma, LCD or CRT); Air conditioner; Induction cook stove; Domestic Fan (Wall, desk, pedestal or ceiling); Performance and construction of electric circulating fans and regulators.	Protection of the environment

Source: WTO.

State trading enterprises measures imposed by Madagascar, Mauritius, Seychelles and Zimbabwe, WTO I-TIP Goods database:

Member imposing	Partner affected	Initiation	In force	Product description	Keywords
Mauritius	World	01. Jan 74	01. Jan 74	Cattle, Goats	
Mauritius	World	08. Oct 92	08. Oct 92	Long Grain White Rice, Wheat Flour, Petroleum Products [White Oil], [Black Oil], Liquefied Petroleum Gas, Basmati rice	
Mauritius	World	01. Jan 63	01. Jan 63	Dry whole onions, Fresh whole garlic, Fresh whole potatoes, Garlic seeds, Onion seeds, Potato seeds, Bycatch fish (frozen fish)	

Source: WTO.

SPS measures imposed by Madagascar, Mauritius, Seychelles and Zimbabwe, WTO I-TIP Goods database:

Member imposing	Partner affected	Initiation	In force	Product description	Keywords
Madagascar	European Union, France	18. Apr 16	03. Feb 16	Live poultry, poultry meat and eggs	Animal diseases, Animal health, Avian Influenza, Food safety, Human health, Protect humans from animal/plant pest or disease, Regionalization, Zoonoses
Madagascar	European Union, South Africa, United States of America	14. Mar 17	20. Dec 16	Fresh lychees	Food safety, Human health, Plant protection
Madagascar	World	09. Apr 10	01. Mar 10	Bees and bee products	Animal diseases, Animal health, Food safety, Human health,

					Protect humans from animal/plant pest or disease, Protect territory from other damage from pests, Territory protection
Madagascar	World	31. Oct 11	30. Sep 11	Food products of plant origin for export	Animal feed, Food safety, Human health, Protect humans from animal/plant pest or disease
Madagascar	World	31. Oct 11	12. Oct 11	Food products of plant origin for export.	Food safety, Human health, Protect humans from animal/plant pest or disease
Madagascar	World	10. Jul 18		Day-old chicks and hatching eggs; Products intended for animal feed; Birds for commercial or family breeding and live Suidae, domestic or wild; Bird or pig seed; Fresh and frozen meat of domestic or wild birds and Suidae, etc.	Animal diseases, Animal health, Avian Influenza, Food safety, Human health, Zoonoses
Madagascar	World	11. Apr 08		All foodstuffs intended for human consumption	Food safety, Human health, Protect humans from animal/plant pest or disease
Madagascar	World	11. Apr 08		All livestock and live wild animals, foods of animal origin and veterinary products.	Animal health, Food safety, Human health, Protect humans from animal/plant pest or disease,

					Protect territory from other damage from pests, Territory protection, Veterinary drugs
Madagascar	World	09. Apr 10		Crustaceans and products thereof	Animal diseases, Animal health, Food safety, Human health
Madagascar	World	13. Apr 10		Guano (bat guano and seabird guano)	Human health, Plant health, Plant protection, Protect humans from animal/plant pest or disease
Madagascar	World	23. Apr 10	01. Jan 11	Honey	Food safety, Human health, Veterinary drugs
Madagascar	World	23. Apr 10	01. Jan 11	All food of animal origin	Food safety, Human health, Labelling
Madagascar	World	23. Apr 10	01. Jan 11	All food of animal origin	Certification, control and inspection, Food Safety, HACCP Plan requirements, Human health
Madagascar	World	23. Apr 10	01. Jan 11	All food of animal origin	Certification, control and inspection, Food Safety, Human health
Madagascar	World	27. Jul 15		Public health pesticides and agricultural pesticides	Animal health, Food safety, Human health, Pesticides, Plant health, Plant protection
Madagascar	World	27. Jul 15		Public health pesticides and agricultural pesticides	Animal health, Food safety, Human health, Pesticides,

					Plant health, Plant protection
Madagascar	World	27. Jul 15		Public health pesticides and agricultural pesticides	Animal health, Food safety, Human health, Pesticides, Plant health, Plant protection
Madagascar	World	27. Jul 15		Public health pesticides and agricultural pesticides	Animal health, Food safety, Human health, Pesticides, Plant health, Plant protection
Madagascar	World	27. Jul 15		Public health pesticides and agricultural pesticides	Animal health, Food safety, Human health, Pesticides, Plant health, Plant protection
Madagascar	World	27. Jul 15		Public health pesticides and agricultural pesticides	Animal health, Food safety, Human health, Labelling, Pesticides, Plant health, Plant protection
Madagascar	World	27. Jul 15		Public health pesticides and agricultural pesticides	Animal health, Food safety, Human health, Pesticides, Plant health, Plant protection
Madagascar	World	27. Jul 15		Public health pesticides and agricultural pesticides	Animal health, Food safety, Human health, Pesticides, Plant health, Plant protection
Madagascar	World	15. Feb 16	28. Feb 17	All food and feed of animal or plant origin	Animal feed, Food safety, Human health
Madagascar	World	09. Mar 16		Fishery and aquaculture products (HS Chapter 3) and Preparations of fishery and aquaculture	Animal health, Food safety, Human health

				products (HS Chapter 16)	
Madagascar	World	29. Jun 17		Treated and processed plants, plant products and foodstuffs of plant origin	Food safety, Human health, Plant health, Plant protection
Madagascar	World	09. Oct 17		Foods of plant origin	Food safety, Human health
Madagascar	World	09. Oct 17		Animals, food of animal origin and products of animal origin	Animal health, Food safety, Human health, Protect humans from animal/plant pest or disease
Madagascar	World	09. Oct 17		Animals, food of animal origin and products of animal origin	Animal feed, Animal health, Food safety, Human health, Protect humans from animal/plant pest or disease
Madagascar	World	09. Oct 17		Denrées alimentaires d'origine animale brutes, traitées et transformées et aliments pour animaux	Animal feed, Food safety, HACCP Plan requirements, Human health
Madagascar	World	09. Oct 17		Denrées alimentaires d'origine végétale brutes, traitées et transformées	Food safety, Human health
Madagascar	World	09. Oct 17		Raw, processed and processed foods of plant origin	Food safety, HACCP Plan requirements, Human health
Madagascar	World	09. Oct 17		Raw, processed and processed foods of plant origin	Food safety, Human health, Protect humans from animal/plant pest or disease
Madagascar	World	16. Nov 17		food products of plant origin	Food safety, Human health

Madagascar	World	16. Nov 17		Plants and plant products	Plant health, Plant protection
Madagascar	World	16. Nov 17		Plants and plant products	Plant health, Plant protection
Mauritius	China, European Union, Iran, Italy, Korea, Republic of, Switzerland, World	23. Mar 20		Live animals, including fish, only	Animal diseases, Animal health, Food safety, Protect humans from animal/plant pest or disease, Regionalization
Mauritius	World	25. Jan 01		Temporary ban on importing fish and fish products from the Republic of South Africa from incoming travellers and mandatory analytical test for commercial purposes.	Bacteria, Food safety, Human health
Mauritius	World	10. Apr 01		Ban on importing all meat products, except poultry and canned pork meat, from the European Communities with immediate effect.	Animal diseases, Animal health, Foot and mouth disease
Mauritius	World	10. Apr 01		Ban on import of all livestock and livestock products from the United Kingdom with immediate effect.	Animal diseases, Animal health, Foot and mouth disease
Mauritius	World	23. Apr 01		Temporary suspension of importation of live cattle, sheep and goats with immediate effect	Animal diseases, Animal health, Foot and mouth disease
Mauritius	World	21. Mai 01		Temporary ban on importation of horses and other Equidae into Mauritius with immediate effect	Animal diseases, Animal health, Foot and mouth disease

Mauritius	World	03. Dec 03		Fruits and vegetables	Fruit fly, Pests, Plant health
Mauritius	World	15. Sep 04		All importation of live poultry and pigs, including their frozen and chilled products intended for consumption, animal feed, agricultural use and industrial use	Animal diseases, Animal health, Avian Influenza, Food safety, Human health, Zoonoses
Mauritius	World	18. Jul 17		Plant, plant products and other regulated products under the Plant Protection Act of 2006	Plant health, Plant protection, Protect territory from other damage from pests, Territory protection
Mauritius	World	01. Sep 99		Food and Food commodities from Europe (European Communities), including Belgium, will be allowed in Mauritius subject to documentary evidence emanating from relevant Government Health Authorities in that country certifying that such products are not contaminated with Dioxin.	Contaminants, Dioxins, Food safety, Human health
Mauritius	World	08. Nov 01		Lifting of ban on import of chilled processed pork products from France and importing live cattle from South Africa with immediate effect.	Animal diseases, Animal health, Foot and mouth disease
Mauritius	World	08. Apr 02		Chilled processed pork products and live cattle	Animal diseases, Animal health, Foot and mouth disease

Mauritius	World	08. Apr 02		Pork and pork products, live cattle, live sheep and live goat	Animal diseases, Animal health, Foot and mouth disease
Mauritius	World	04. Apr 03		Livestock feed	Animal diseases, Animal feed, Animal health, Food safety, Human health, Transmissible Spongiform Encephalopathy (TSE), Zoonoses
Mauritius	World	31. Jul 18		Agricultural Produce and Pesticides	Animal health, Food safety, Human health, Maximum residue limits (MRLs), Pesticides, Plant health, Plant protection, Protect territory from other damage from pests, Seeds
Seychelles	World	27. Apr 18		All food products	Bacteria, Contaminants, Food safety, Human health, Toxins
Zimbabwe	World	20. Dec 11	15. Aug 12	Bottled drinking water other than mineral water (HS Code: 22)	Beverages, Food safety, Human health
Zimbabwe	World	17. Apr 13	10. Sep 13	This notification refers to food intended for human consumption, whether locally produced, imported or exported in Zimbabwe.	Food safety, Human health
Zimbabwe	World	17. Apr 13	10. Sep 13	The notification refers to food	Certification, control and

				products intended for human consumption, whether locally produced or imported in Zimbabwe	inspection, Food Safety, HACCP Plan requirements, Human health
Zimbabwe	World	18. Apr 13	20. Oct 13	This notification refers to packaged drinking natural mineral water sold or distributed for human consumption in Zimbabwe.	Beverages, Food safety, Human health
Zimbabwe	World	30. Aug 16	02. Jan 17	All pre-packaged foods for human consumption	Biotechnology, Food safety, Genetically modified organisms, Human health, Labelling, Protect humans from animal/plant pest or disease
Zimbabwe	World	30. Aug 16	02. Jan 17	Edible vegetable oils, maize meal, edible common salt, sugar and wheat flour	Food safety, Human health

Source: WTO.

Safeguard measures imposed by Madagascar, Mauritius, Seychelles and Zimbabwe, WTO I-TIP Goods database:

Member imposing	Partner affected	Initiation	In force	Product description	Keywords
Madagascar	World	20. Sep 18		Pasta	
Madagascar	World	31. Dec 18			
Madagascar	World	20. Sep 18	25. Jun 19	Blankets and Travelling Rugs	Animal health, Food safety
Madagascar	World	14. Aug 19	01. Jan 21	Edible vegetable oils and margarine.	Human health
Madagascar	World	14. Aug 19	01. Jan 21	Lubricating oils	Labelling, Nutrition information
Madagascar	World	31. Dec 18	25. Jun 19	Detergent powder	
Madagascar	World	18. Jul 19	20. Feb 20	Pasta	

Madagascar	World	14. Aug 19	01. Jan 21	Soap	Certification, control and inspection, Conformity assessment, Labelling
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Source: WTO.

Quantitative restrictions measures imposed by Madagascar, Mauritius, Seychelles and Zimbabwe, WTO I-TIP Goods database:

Member imposing	Partner affected	Initiation	In force	Product description	Keywords
Mauritius	World		30. Sep 16	Dry Whole Onions	
Mauritius	World		30. Sep 16	Fresh whole potato	
Mauritius	World		30. Sep 16	HCFCs refrigerants are administratively controlled through a quota system. Importers are required to seek clearance from the Ministry of Environment, SD&, DBM (Focal Point for Montreal Protocol). An import permit, under the Dangerous Chemicals Control Act, is granted once clearance is secured.	
Mauritius	World		30. Sep 16	Orchids under CITES	
Mauritius	World		30. Sep 16	Endemic plant varieties and endangered species	
Mauritius	World		30. Sep 16	The following items containing Chlorofluorocarbons (CFCs) and Hydrochlorofluorocarbons (HCFCs) as refrigerant or blowing agent Refrigerators, freezers, refrigerating cabinets, showcases, counters and other refrigerating or freezing furniture, chilling units, coolers, air conditioners (including motor vehicle air conditioners), automatic beverage-vending machines, incorporating	

				refrigerating devices, cold-room equipment, refrigerated transport vehicles, refrigerator insulation, freezer insulation, foam packings, dehumidifiers, fishing boat refrigeration equipment, and styrofoam	
Mauritius	World		30. Sep 16	The import, manufacture, sale or supply of a plastic bag, with or without handles or gussets, and irrespective of their size or type, is banned and includes a non-woven polypropylene bag. The regulations specifically target plastic bags designed to carry goods purchased at a point of sale such as a wholesale or retail outlet, a market, a fair and a hawker. However, the import or manufacture of biodegradable and compostable plastic bags has to conform with standards prescribed in the Third Schedule of the Regulations	
Mauritius	World		30. Sep 16	Dioxins, Furans and PCBs for the Industrial Chemicals; Aldrin, Chlordane, DDT, Dieldrin, Endrin, Heptachlor, HCB, Mirex and Toxaphene for the Agricultural Chemicals; Dioxins, Furans and PCBs for the Industrial Chemicals; Aldrin, Chlordane, DDT, Dieldrin, Endrin, Heptachlor, HCB, Mirex and Toxaphene for the Agricultural Chemicals	

Mauritius	World		30. Sep 16	There is an administrative ban on halons, carbon tetrachloride, methyl chloroform. Methyl bromide is also banned, except for specific critical uses during pre-shipment and quarantine.	
Seychelles	World		30. Sep 16	Live trees and other plants; bulbs, roots and the like; cut flower and ornamental foliage.	
Seychelles	World		30. Sep 16	Brooms and brushes of other vegetable materials (Except Coconut Fibres)	
Seychelles	World		30. Sep 16	Fuelwood. Other tropical wood specified in subheading note 1 of chapter 44. Wood chips or particles. Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared. Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness exceeding 6mm.	
Seychelles	World		30. Sep 16	Edible vegetables and certain roots and tubers (Excluding Heading 07.10 to 07.13). Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content.	

Seychelles	World		30. Sep 16	Banana, including plantains (excluding dried). Citrus fruit (excluding dried). Coconut, brazil nuts, cashew nuts, whether or not shelled or peeled (excluding dried). Dates, figs, pineapples, avocados, Dates, figs, pineapples, avocados, Fresh grapes, Fresh melons and papayas, apples, pears and quinces, apricots, cherries, peaches (including nectarines), plums and soles, other fresh fruit, Mangoes, Other, Other nuts, whether or not shelled or peeled (excluding dried). Others (guavas and mangosteens (excluding dried)	
Seychelles	World		30. Sep 16	Fresh mixtures of spices, Ginger, Other fresh spices	

Source: WTO.

Import licencing measures imposed by Madagascar, Mauritius, Seychelles and Zimbabwe, WTO I-TIP Goods database:

Member imposing	Partner affected	Initiation	In force	Product description	Keywords
Madagascar	World			Goods in Annex I of Decree No. 92 424 of 4 April 1992	Not specified
Madagascar	World			Goods in Annex II of Decree No. 92 424 of 4 April 1992	Not specified
Madagascar	World			Goods in Annex III of Decree No. 92 424 of 4 April 1992	Not specified
Madagascar	World			Prohibited goods in Annex I of Decree No. 92 424 of 4 April 1992	Not specified
Madagascar	World			Prohibited goods in Annex III of Decree No. 92 424 of 4 April 1992	Not specified
Mauritius	World			Controlled goods	Environment, Human health/life
Mauritius	World			Refined table salt	Quantitative Restrictions
Mauritius	World			Aerosol spray containing benzene; round logs and timber products; jelly confectionery; Asbestos fibres; Ball valve bottles; Batteries containing mercury; Containers; Cosmetic products; Crocidolite; water heater; Explosive and guns; Fishing hook; etc.	Not specified
Zimbabwe	World			Certain agricultural products and fuel	Animal health/life, Human health/life, Other, Plant health/life, Statistics

Source: WTO.