



EX-POST EVALUATION OF THE EU-SADC ECONOMIC PARTNERSHIP AGREEMENT

SNAPSHOT OF PRELIMINARY FINDINGS
OCTOBER 2023

THE EU-SADC ECONOMIC PARTNERSHIP AGREEMENT

The EU-SADC Economic Partnership Agreement (EPA) is a development-oriented free trade agreement between the European Union (EU) and six Parties of the Southern African Development Community (SADC): Botswana, Eswatini, Lesotho, Mozambique, Namibia and South Africa. It was signed on 10 June 2016 and has been provisionally applied since October 2016, except for Mozambique, for which provisional application started in February 2018. Negotiations about Angola's accession to the EPA are about to start.

The EPA provides asymmetric goods market access to the Parties: The EU provides duty-free and quota-free (DFQF) market access for all goods (except arms and ammunition) to all SADC EPA States except South Africa, which receives such treatment for 94.4% of its exports (in terms of tariff lines), with another 3.2% benefitting from partial liberalisation. The SADC EPA States except Mozambique – i.e. the members of the Southern African Customs Union (SACU) – gradually grant the EU DFQF treatment to 84.9% of tariff lines, with an additional 12.9% benefitting from reduced tariffs or tariff rate quotas. As a Least Developed Country (LDC), Mozambique liberalises a smaller percentage of imports from the EU (74% in terms of trade volume). The EPA also contains a Trade and Sustainable Development (TSD) Chapter which covers social and environmental matters. Trade in services and investment are not presently covered, but the Agreement foresees their potential future negotiation.



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The views expressed in this document do not represent the official point of view of the European Commission.

STRUCTURE OF THE EU-SADC EPA

PART	CHAPTER	ARTICLE	
PART I	SUSTAINABLE DEVELOPMENT AND OTHER AREAS OF COOPERATION	CHAPTER I: GENERAL PROVISIONS	ARTICLES 1 - 5
		CHAPTER II: TRADE AND SUSTAINABLE DEVELOPMENT	ARTICLES 6 - 11
		CHAPTER III: AREAS OF COOPERATION	ARTICLES 12 - 19
PART II	TRADE AND TRADE-RELATED MATTERS	CHAPTER I: TRADE IN GOODS	ARTICLES 20 - 31
		CHAPTER II: TRADE DEFENCE INSTRUMENTS	ARTICLES 32 - 38
		CHAPTER III: NON-TARIFF MEASURES	ARTICLES 39 - 40
		CHAPTER IV: CUSTOMS AND TRADE FACILITATION	ARTICLES 41 - 50
		CHAPTER V: TECHNICAL BARRIERS TO TRADE	ARTICLES 51 - 58
		CHAPTER VI: SANITARY AND PHYTOSANITARY MEASURES	ARTICLES 59 - 67
		CHAPTER VII: AGRICULTURE	ARTICLE 68
		CHAPTER VIII: CURRENT PAYMENTS AND CAPITAL MOVEMENTS	ARTICLES 69 - 71
		CHAPTER IX: TRADE IN SERVICES AND INVESTMENT	ARTICLES 72 - 74
PART III	DISPUTE AVOIDANCE AND SETTLEMENT	CHAPTER I: OBJECTIVE AND SCOPE	ARTICLES 75 - 76
		CHAPTER II: CONSULTATIONS AND MEDIATION	ARTICLES 77 - 78
		CHAPTER III: DISPUTE SETTLEMENT PROCEDURES	ARTICLES 79 - 87
		CHAPTER IV: COMMON PROVISIONS	ARTICLES 88 - 96
PART IV	GENERAL EXCEPTIONS		ARTICLES 97 - 99
PART V	INSTITUTIONAL PROVISIONS		ARTICLES 100 - 103
PART VI	GENERAL AND FINAL PROVISIONS		ARTICLES 104 - 122
ANNEXES I - III	TARIFF SCHEDULES (AND TRQS, WHERE APPLICABLE) BY THE EU, SACU, AND MOZAMBIQUE, RESPECTIVELY		
ANNEX IV	AGRICULTURAL SAFEGUARDS		
ANNEX V	BLNS TRANSITIONAL SAFEGUARDS		
ANNEX VI	SPS PRIORITY PRODUCTS AND SECTORS		
PROTOCOL 1	RULES OF ORIGIN AND METHODS OF ADMINISTRATIVE COOPERATION		
PROTOCOL 2	MUTUAL ADMINISTRATIVE ASSISTANCE IN CUSTOMS MATTERS		
PROTOCOL 3	GEOGRAPHICAL INDICATIONS AND TRADE IN WINES AND SPIRITS		
PROTOCOL 4	RELATIONSHIP BETWEEN THE TDCA AND THE EPA		

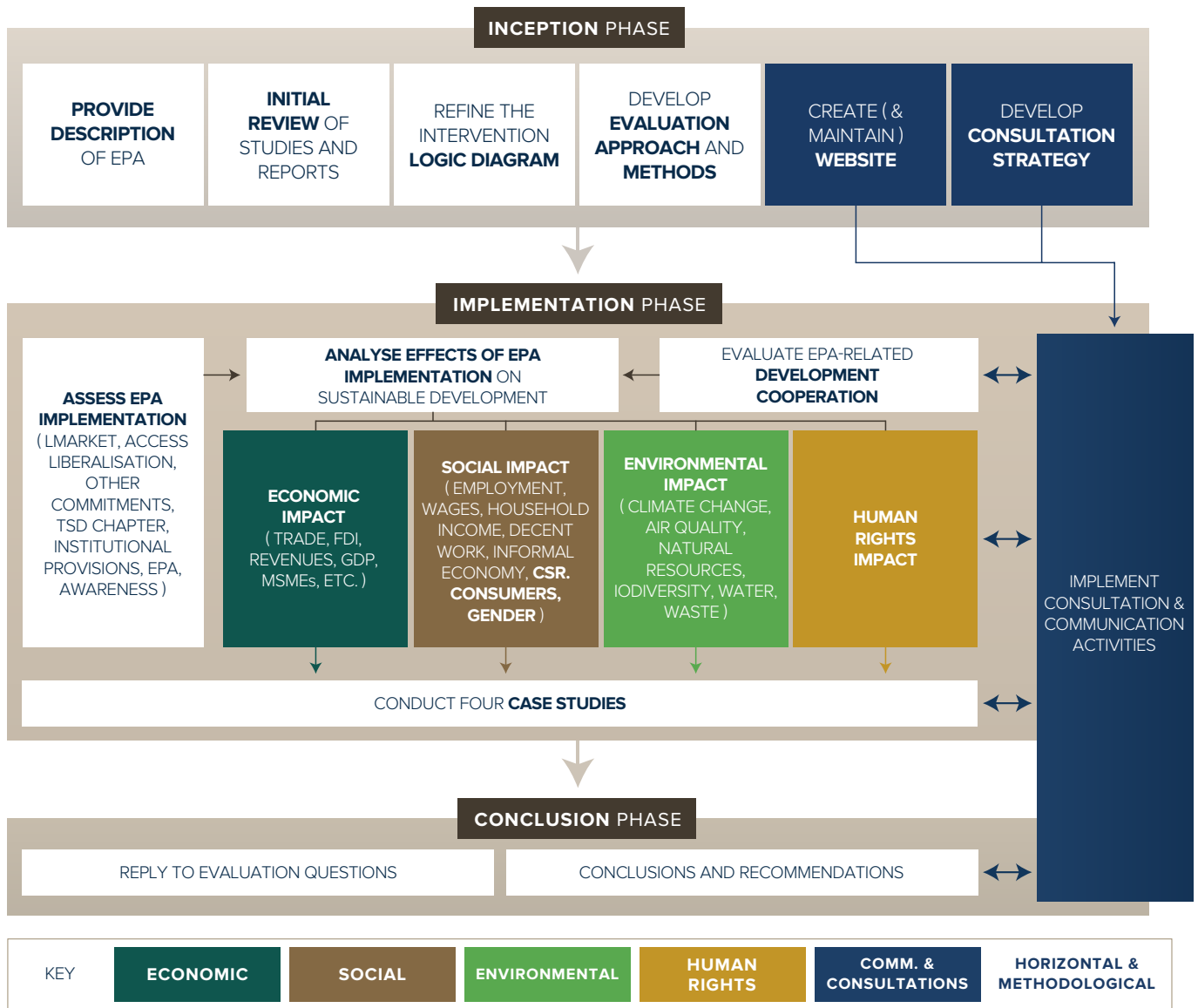
EVALUATION OF THE EU-SADC EPA

Evaluation Objectives

The evaluation has a dual objective: First, it analyses the implementation of the EPA, i.e. the extent to which the Parties have implemented their respective commitments made in the agreement, as well as the functioning of the institutions under the EPA – the Joint Council, - and cooperation between the Parties, including development cooperation. Second, it analyses the economic, social and environmental, and human rights (including labour rights) impacts of the EPA's implementation.

The findings of the evaluation are also hoped to inform the joint review of the EPA by the Parties, which started in late 2021 and is currently ongoing. However, the evaluation is not directly related to the joint review but undertaken independently, commissioned by the European Commission's Directorate-General for Trade, by a team of evaluators led by BKP Economic Advisors, a German research and consulting firm.

OVERVIEW OF THE EVALUATION APPROACH



Evaluation Process

The evaluation started in March 2023, and an inception report was published in May 2023, explaining the methodology and approach. An interim report will be published shortly, and the draft final report in March 2024. Important ongoing consultation activities are:

- A series of workshops is organised in Mozambique (26 October 2023), South Africa (also covering Eswatini and Lesotho; 08 November 2023), Namibia (16 November 2023), and Botswana (28 November 2023);

- An online survey on the performance of the EPA is open until 30 November 2023.

Detailed information, including the evaluation reports, is available from the evaluation website:

<http://eu-sadc.fta-evaluation.eu>

For further details, please get in touch by email:

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EU-SADC TRADE SNAPSHOT

Trade before and since the EPA

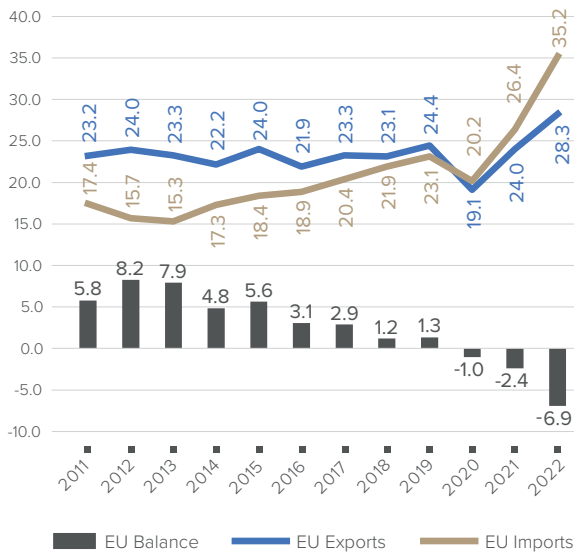
Trade between the EU27 and the six SADC EPA partners had stagnated between 2011 and 2016, at about € 41 billion, but **since 2016 increased substantially** - with a drop only in 2020, driven by COVID-19 – to €63 billion in 2022. Much of this increase came from EU imports from the partner countries (Figure 1). The EU’s bilateral trade balance with the SADC EPA States decreased from a surplus of €8.2 billion in 2012 to €3.1 billion in 2016 – already before the EPA – and then further in the following years, turning into a deficit in 2020 for the first time. This deficit rapidly widened in 2021 and 2022, reaching €6.9 billion.

Growth rates in bilateral trade before and after the EPA’s start of application further illustrate these difference in

performance but also indicate the positive developments for EU27 imports and exports since the EPA started (Figure 2): both average EU exports to and imports from the partners in the EPA period (2017-2022) were higher than in the years preceding the EPA (2011-2016), although this growth was much more limited for exports (2.6%) than for imports (42.8%). But **average annual growth rates** both for EU **exports and imports** were **higher in the EPA period** than before (4.3% for exports after an average annual decline of 1.1% in the years before the EPA, and 10.9% for imports, after 1.6% previously). **This is in line with the expectation that the EPA would encourage bilateral trade.**

Figure 1

EU27-SADC EPA State bilateral trade, 2011-2022 (€ billion)

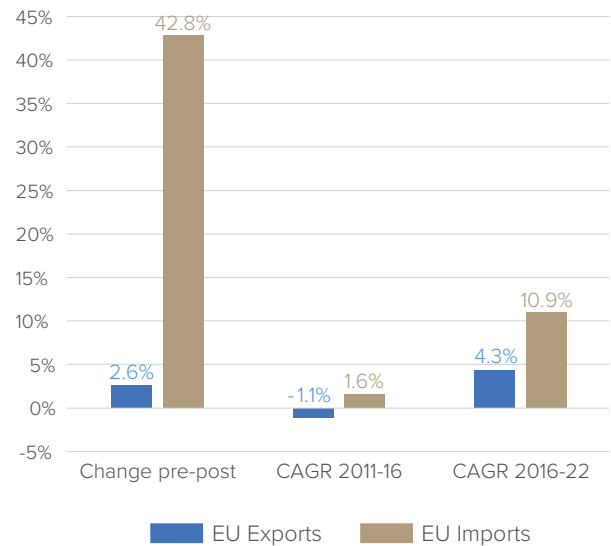


Source: Own calculations based on Eurostat COMEXT data.

Trade between the EU and the six partner countries is roughly proportionate to the relative economic size of the six partners (South Africa accounts for close to 90% of the six countries’ combined GDP, followed by Botswana, Mozambique, and Namibia, each with about 3% of the regional GDP).

Figure 2

EU27-SADC EPA State bilateral trade, growth rates before and after the EPA’s start of application



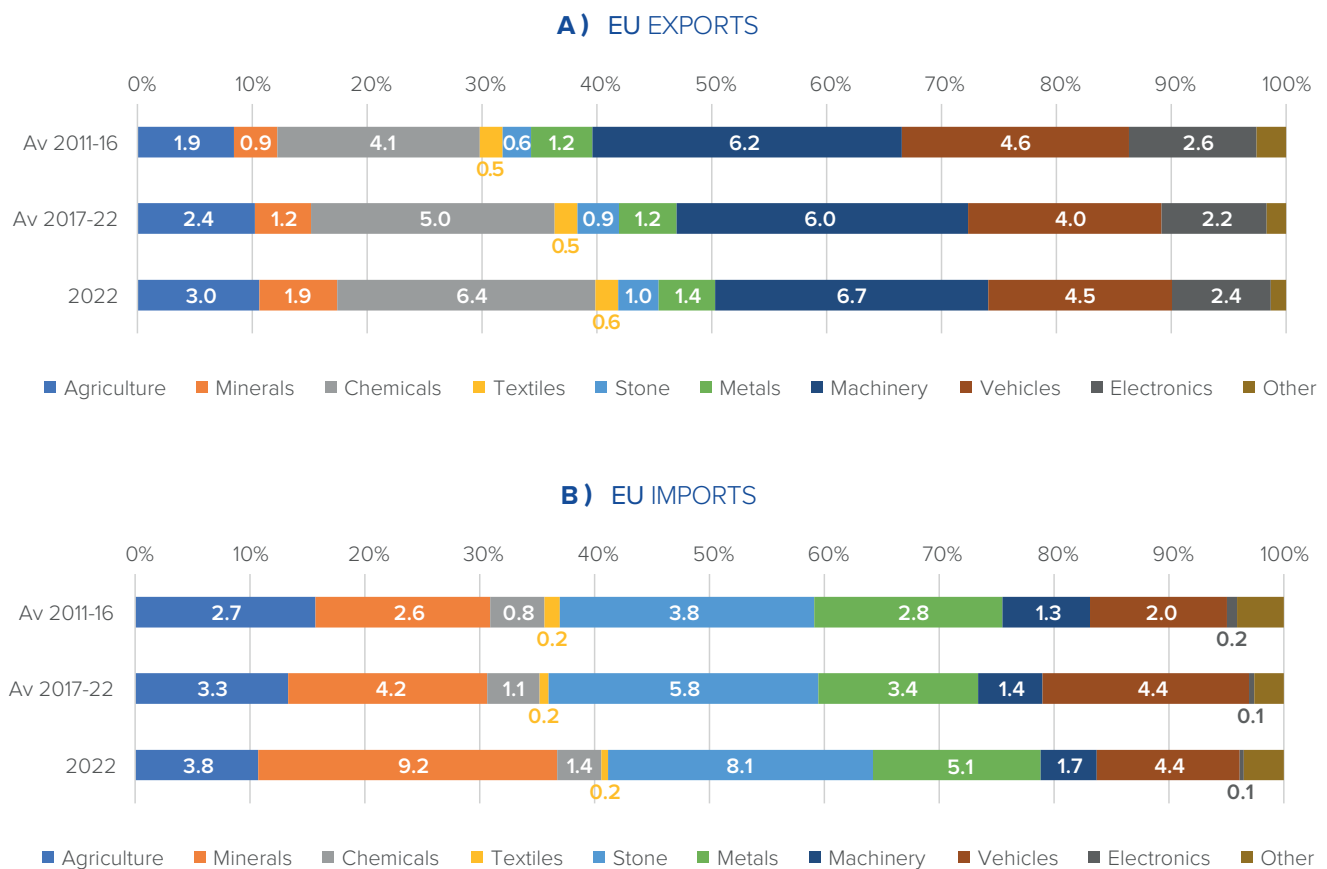
Trade by Sector

By broad sector, machinery, chemicals and vehicles account for the largest EU exports to the SADC EPA States - both before the EPA started to be applied and since then (Figure 3a). Comparing the average performance in the years 2017 to 2022 with the pre-EPA period, exports of about half of the sectors grew by up to 50% (stone), but electronics (-15.4%), vehicles (-12.6%), metals (-3.5%), and machinery (-3.4%) decreased. However, much of this decrease is owed to declines in the earlier years, and in fact annual growth from 2016 to 2022 exceed the performance in the years up to 2016 for virtually all sectors, and all EU sectors except vehicles exported more to the SADC EPA States in 2022 than in 2019 before COVID-19.

EU imports from the SADC EPA States are led by five broad sectors: stone (mostly precious minerals), vehicles, minerals, metals, and agriculture (ordered by average export value over the period 2017 to 2022), all of which saw substantial increases in value when comparing performance in the five years leading up to the start of application of the EPA with the five years thereafter (Figure 3b). Machinery and chemicals also constitute sizable sectors with a stable performance over the years, whereas imports of textiles and electronics are comparatively modest. These last two sectors are also the only ones for which average imports in the period 2017 to 2022 were lower than in the years leading up to 2016; all others saw mostly rapid increases of up to 115% (vehicles). Other sectors that expanded more than the average of 43% are minerals and stone. At the same time, the growth in vehicles imports stalled in more recent years.

Figure 3

EU27-SADC EPA States trade by broad sector, before and since EPA (€ billion)



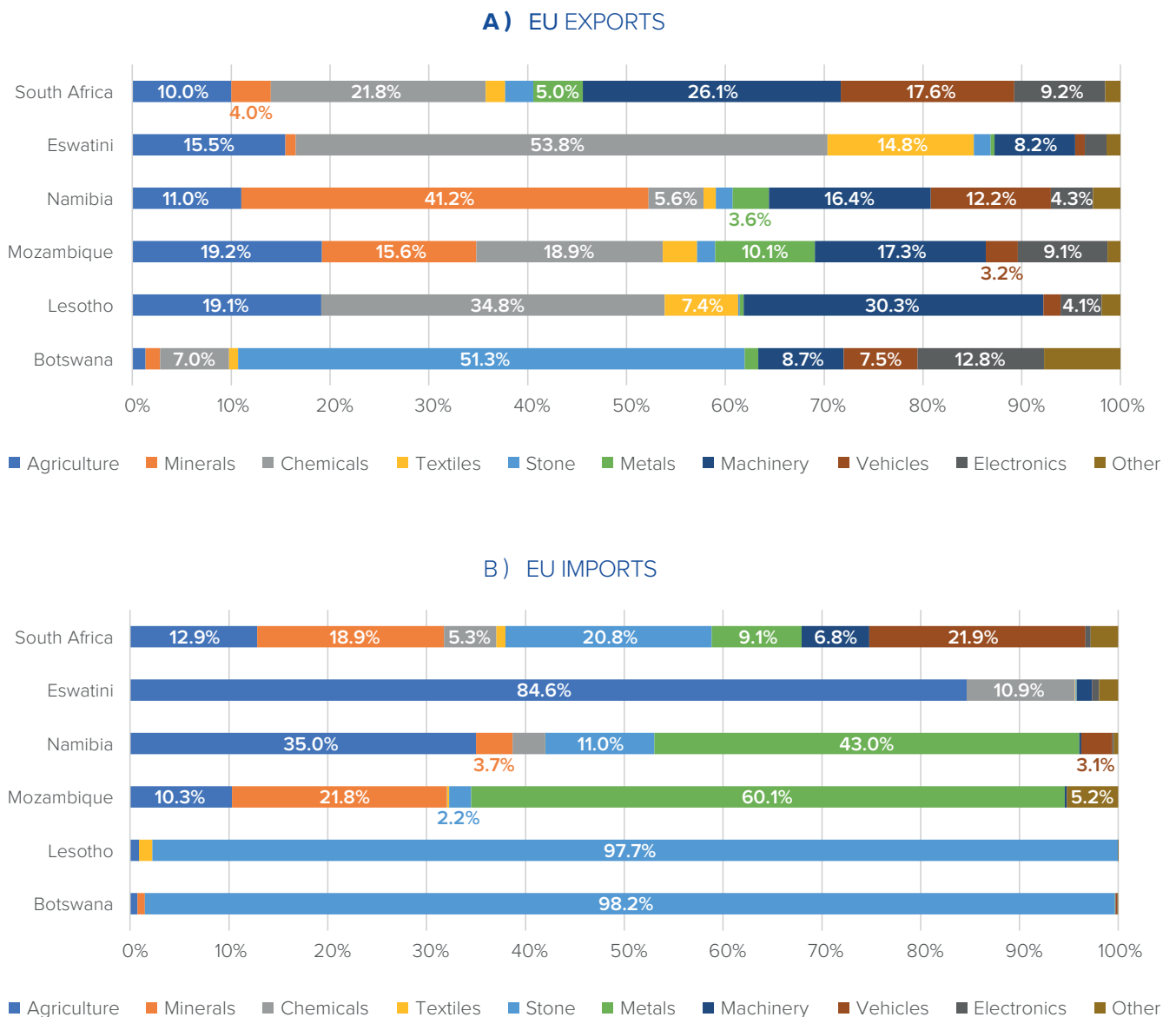
Source: Own calculations based on Eurostat COMEXT data.

Significant differences in sectoral trade patterns exist across the bilateral trade relationships between the EU and individual partners. This is illustrated in Figure 4, which e.g. shows that EU chemicals exports accounted for between 7.0% (to Botswana) and 53.8% (to Eswatini)

of the EU's total exports to the partner country in the years since the EPA started to be applied. Import patterns (Figure 4b) vary even stronger. The sections that follow provide a summary of sectoral trade patterns for each of the six bilateral trade relationships covered by the EPA.

Figure 4

EU27-SADC EPA States trade by broad sector, annual averages by partner country for EPA period* (% of total bilateral exports/imports)



* 2019-2022 for trade with Mozambique, 2017 to 2022 for all other partners.

Source: Own calculations based on Eurostat COMEXT data.

Trade between the EPA Parties versus Total Trade

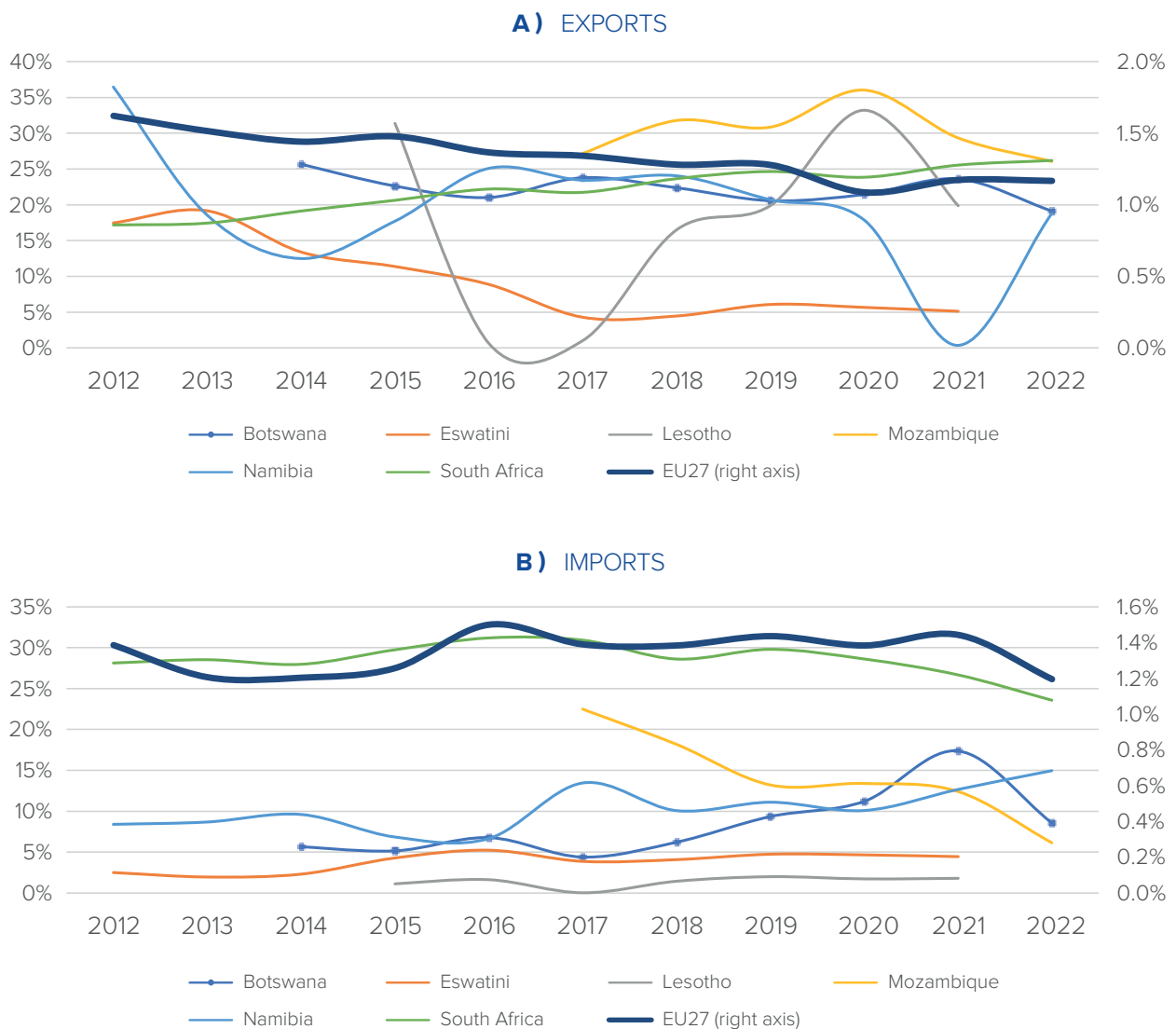
Exports (Figure 5a): The share of EU exports destined to the SADC EPA States has been on a downward trend since before the EPA started to be applied. In contrast, the importance of the EU27 as an export market for the SADC EPA States varies considerably, as does the performance over time: In terms of importance, the EU absorbs between 5% (Eswatini) and about 30% (Mozambique) of SADC EPA States' total exports.

Imports (Figure 5b): For the EU27, the share of imports coming from the SADC EPA States has hardly changed since 2017 but during the EPA period was slightly higher

than in most years prior to the EPA. The importance of the EU27 as a supplier for most SADC EPA States – except South Africa and Eswatini for most years – is lower than its role as an export market. South Africa used to purchase about 30% of its total imports from the EU before the EPA as well as in its first years. However, since 2019 this share decreased steadily. A rapid decrease in imports from the EU also took place in Mozambique. In contrast, the EU27 became a more important supplier to Namibia and Botswana. For Eswatini and Lesotho, the EU's share in total imports remained largely stable over time, and limited.

Figure 5

Share of bilateral trade between the EU and SADC EPA States in the Parties' total trade, 2012-2022 (EU27 for each SADC EPA State; SADC EPA States combined for the EU27)



Source: Own calculations based on UN COMTRADE data.

PRELIMINARY EVALUATION FINDINGS

Implementation of the EPA

Market access liberalisation

The main commitments made by the Parties under the EPA relate to market access preferences, specifically **tariff preferences**. Therefore, the evaluation assesses the degree to which the Parties actually implemented the tariff-reduction commitments by comparing the actual tariffs applicable in 2023 with those that would apply according to the commitments made in the EPA. This analysis includes a review of the changes in the customs classification of goods by the Parties caused by the moves between tariff nomenclatures (from HS 2012, used in the EPA schedules, to HS 2017 and HS 2022) and the introduction of new tariff lines that were not covered by the tariff reductions in the EPA.

At present, the analysis has been preliminarily conducted for the EU and SACU.¹ No major compliance issues could be identified so far; both economies in 2023 apply tariffs on imports from the other Party that appear to be broadly in line with the commitments made in the EPA. The very few instances where applied tariffs may exceed the commitments concern non-strategic products with limited bilateral imports.

The degree of **preference utilisation** by SADC EPA State exporters² is generally high, at 90% and more, and has mostly increased over time. An exception is Mozambique, which overwhelmingly continues to use the EBA rather than the EPA, and Lesotho, whose exports are mostly duty-free in the EU under MFN treatment. The utilisation of **tariff rate quotas** (TRQs) has been uneven across products and over time.

Implementation of the Trade and Sustainable Development (TSD) Chapter

In the TSD chapter, the EU and the SADC EPA States have committed to integrate the principle of sustainable development (economic development, social development, and environment protection) in their trade and wider economic relations, and to implement their obligations related to the ratified Multilateral Environmental Agreements (MEAs) and the International Labour Organization (ILO) conventions.

Regarding environment protection and climate change, the SADC EPA States have made improvements in governance and implementation of policies resulting from MEAs. The review of the evidence, however, has

not revealed a clear causal relation with the EPA (see further detail in section on effects on the environment and climate change). In the absence of a dedicated TSD Committee, the Trade and Development Committee is supposed to provide a forum for discussion and cooperation on trade and sustainable development, however, no such discussions or monitoring activities have taken place to date, only three presentations delivered by the EU side regarding legislative developments in the EU related to climate change, raw materials and CO2 standards for cars and vans.

In labour-related aspects, the Parties have made progress in ratification of the ILO fundamental, priority and other up-to-date Conventions. The SADC EPA States have also taken steps to improve their implementation, e.g., by adoption of new or revision of the existing legislation, and adoption of action plans and other measures, such as provision of training and awareness raising campaigns, or financial support to families with children. These activities do not seem, however, to be linked to the EPA, but rather to the domestic policy or other commitments. Moreover, further efforts are needed in legislative alignment with the ILO fundamental Conventions, their implementation and enforcement.

The EU-SADC EPA does not foresee establishment of a body bringing together civil society representatives from the Parties. Civil Society Dialogue meetings were held in 2017 and 2018, but no long-term arrangements have been made.

Use of trade defence instruments and disputes

Between the time the EPA's start of application and the end of September 2023, South Africa initiated 22 anti-dumping (and no countervailing) investigations. Of these, nine (or 41%) were aimed against EU exports of pasta (Latvia, Lithuania), bone-in chicken portions (Denmark, Ireland, Poland, Spain) and frozen potato chips (Belgium, Germany, Netherlands). Anti-dumping duties were imposed in all nine investigations. In addition, of six sunset reviews against EU Members, three resulted in the maintenance of duties. All investigations and reviews took more than 12 months to complete (as required by Article 5.10 of the WTO Anti-Dumping Agreement). During the same period, South Africa imposed four safeguard investigations (into steel screws with hexagon heads;

¹ The analysis for Mozambique still remains to be done.

² Preference utilisation of EU exports to the SADC EPA States remains to be analysed; not all corresponding data have so far been obtained by the evaluation team.

fully threaded fasteners; bolts; and structural steel), all of which impacted exports from the EU. Research shows that effectively all South Africa's anti-dumping investigations are WTO inconsistent, which also makes them EPA-inconsistent.

To date, South Africa/SACU has imposed one safeguard measure (on poultry) under the EPA. The EU disputed this decision, and the Tribunal ruled in the EU's favour. However, a number of shortcomings in the Tribunal process were identified. This includes that although the Tribunal was properly constituted, this was not recognised, with the effect that the days within which the Tribunal had to render its decision lapsed even before one arbitrator resigned, and was only counted from some time after a replacement arbitrator had been appointed. This significantly delayed the whole process and resulted in the verdict only being handed down after the measure had already lapsed.

The EU has also applied trade remedies affecting the SADC EPA States, notably the inclusion of South Africa in the EU's safeguards on steel in April 2022.³

Implementation of customs and trade facilitation-related provisions and rules of origin

Customs and trade facilitation measures and reforms were adopted and implemented by all Parties. First, by September 2023 all Parties have ratified and started implementing the WTO Trade Facilitation Agreement (TFA) – it entered into force in February 2017 – which is aligned with the objectives of the EU-EPA. Second, new customs laws and procedures were adopted or updated. SADC EPA States migrated their customs tariff books to the HS 2022 nomenclature; and the e-certification of origin was approved by the Committee of Ministers of Trade in June 2019. Third, few issues related to customs and trade facilitation affecting trade between the Parties have been raised in the meetings of the Special Committee on Customs and Trade Facilitation or by traders consulted to date. Last, in line with Article 41(d), SADC EPA States have recently benefited from the implementation of key regional and national EU-funded technical assistance support programmes in the area of customs and trade facilitation. It is too early to assess the effectiveness of these interventions.

No major issues have been identified so far with respect to compliance with **rules of origin**. However, diagonal

cumulation, which allows SADC EPA States to use inputs from other SADC EPA States (and selected other countries), has been activated by SACU only in 2023, and not yet by Mozambique, hampering the creation and utilisation of regional value chains. Also, some stakeholders in SADC EPA States suggested that the compulsory use of the EUR.1 certificate of origin limits the utilisation of the EPA.

Technical barriers to trade (TBT) and sanitary and phytosanitary (SPS) measures

SPS and TBT issues are extremely important for both Parties of the EU-SADC EPA. Annex VI of the EPA defines a set of SPS priority products and sectors, which are divided in two groups, namely for (i) SADC EPA States' harmonisation (e.g., fresh meat and cereals) and (ii) SADC EPA states' exports to the EU (e.g., fish and aquaculture products and fruits and nuts). In view of this importance both Parties agreed, inter alia, to cooperate in order to facilitate and increase trade in goods between them, by identifying, preventing and eliminating unnecessary barriers to trade within the terms of the WTO SPS and TBT Agreements.

SPS issues have been one of the more difficult areas of the EPA's implementation. Issues were regularly raised by all Parties in the meetings of the TDC, concerning a variety of products including poultry, game, ostriches, horses and citrus, and a variety of measures respectively acceptance of standards applied by the respective other Party, including the regionalisation principle, market re-opening after the declaration of pest-free status, and others. A number of goods rejections at the border due to non-compliance with SPS issues was also registered, although the number of shipments affected was very low in relation to the overall level of trade. For example, from 2020 to 2022 there has been a total of 29 cases of EU border rejections of exports from SADC EPA states. Stakeholders consulted by the evaluation team in the SADC EPA states confirmed that SPS requirements in the EU were increasingly strict and more and more difficult to meet. To help address such challenges, some technical support has been provided by the EU (see below).

By comparison, **TBTs** have not been very prominent in the discussions between the Parties. The main concerns raised by most key stakeholders from the SADC EPA States interviewed by the evaluation team appear to be on the weak infrastructure for conformity

3 Commission Implementing Regulation (EU) 2022/664 of 21 April 2022 amending Implementing Regulation (EU) 2019/159 imposing a definitive safeguard measure against imports of certain steel products, OJ L 121/12, 22.04.2022.

4 SPS measures are applied to protect human or animal life from risks arising from additives, contaminants, toxins or disease-causing organisms in their food; to protect human life from plant or animal-borne diseases; to protect animal or plant life from pests, diseases, or disease-causing organisms; to prevent or limit other damage to a country from the entry, establishment or spread of pests; and to protect biodiversity. TBT measures refer to technical regulations and procedures of assessment of conformity with technical regulations, excluding measures covered by the chapter on sanitary and phytosanitary measures.

assessments, which limit the scope of services at national level but also hinder access into the EU market; again, technical cooperation and support have been provided (see below).

Geographical indications

At present, geographical indications (GIs) under the EPA apply only to South Africa, not the five other SADC EPA States. South Africa recognises 250 EU GIs, while the EU recognises 105 South African GIs, with the possible protection for another 30 guaranteed in the EPA. In South Africa, geographical indications (GIs) are regulated under various pieces of legislation. In March 2019, South Africa promulgated GI Regulations⁵ that provide both for the registration of South African and foreign GIs. As far as could be ascertained, no GIs have yet been recorded on the South African register, although an application has been made for the registration of Karoo Lamb.⁶

Further consultations will have to be held with relevant stakeholders, i.e. producers and traders of GI-protected products, such as certain spirits, raw-processed meat products, or feta, to determine whether GI protection has provided it with any tangible benefits.

Implementation of institutional provisions

The EPA envisages the establishment of joint EU-SADC institutions to manage the implementation of the Agreement. They include the Joint Council, the Trade and Development Committee (TDC), Special Committees on Customs and Trade Facilitation, and on Geographical Indications and Trade in Wine and Spirits (this one only with South Africa), and an Agricultural Partnership. Other aspects, such as TBT, SPS or TSD (where there is no dedicated body) can be addressed by the TDC.

The analysis conducted to date suggests that all institutions have been set up and adopted their rules of procedure. Meetings have taken place with diverse frequency, depending on the body. At the technical level, they have been constructive and provided a framework to exchange information about developments in policy and legislation, discuss interpretation of certain EPA provisions and implementation-related issues. When necessary, training has been provided or additional activities, like workshops have been organised to build capacity and improve understanding and implementation of the Agreement. However, there is still room for improvement in the operation of the institutions, and

how they address certain aspects, e.g., TSD or engage with stakeholders, including business associations, trade unions and NGOs.

Awareness for the EPA

Awareness for the EPA appears to be uneven across SADC EPA States as well as across different types of stakeholders: whereas public sector entities dealing with trade matters are well informed about the EPA in all countries, other government entities are generally less aware of the EPA. Similarly, outside of businesses and organisations that are directly involved in trading, awareness for the EPA appears to be limited; this applies especially to civil society organisations. And knowledge of the EPA is particularly limited in the two LDCs Lesotho and Mozambique, where the EU's preferential Everything But Arms (EBA) arrangement continues to function and appears to be the preferred trading arrangement for exporters. Stakeholders noted that EPA outreach activities targeting businesses directly were limited.

Development cooperation

In the EPA, the Parties agreed that development cooperation is a crucial element of their Partnership and an essential factor for the achievement of the objectives of the Agreement. Development cooperation was to be provided by the EU and its Member States, and the establishment of a regional development financing mechanism such as an EPA fund was to be considered.

Indeed, the EU and its Member States have provided assistance and technical support to the SADC EPA States, in various areas. For example, SADC Trade Related Facility, which ran from February 2015 to March 2021 provided support in different areas, including upgrading quality infrastructures. More recently, the SADC Trade Facilitation Programme (2019-2024) is being implemented to address barriers to trade and facilitate the harmonisation and recognition of trade tools with the aim of increasing intra-regional and international trade and reaping the benefits of the EU-SADC EPA. At the national level, the EU also has been providing technical assistance to SADC EPA States, such as the Promove Comércio Programme in Mozambique, and programmes aimed at supporting various SADC EPA States in the implementation of their national EPA implementation plans.

Despite the support provided, stakeholders in SADC

⁵ Regulations relating to the protection of geographical indications used on agricultural products intended for sale in the Republic of South Africa, N 447 in GG 42324 of 22 March 2019.

⁶ <https://www.factssa.com/news/geographical-indicators-whats-in-a-name/>
<https://www.mondaq.com/southafrica/product-liability-safety/977468/geographical-indications-are-they-on-the-map-in-south-africa>
Note that <https://onlinelibrary.wiley.com/doi/full/10.1111/jwip.12255> indicates that South Africa has 88 registered GIs, but the reference to the register does not exist.

EPA States have noted that more, more targeted (in terms of focussing on SADC EPA States rather than SADC overall) and stronger technical support was required in various areas, including productive capacity, customs, or SPS issues (this is already being addressed through the support programmes for the national EPA implementation plans).

A dedicated regional financing mechanism, as envisaged in the EPA text, has not so far been established.

Economic Effects

Based on preliminary results of a computable general equilibrium (CGE) model simulation, if the EPA did not exist and the Parties instead continued to apply the trade regime that existed prior to the EPA,⁷ then the following situation would have existed in 2022, all other things being equal:

- The EPA lowers the trade-weighted tariff facing EU exporters to the SADC EPA States from 5.74% to 0.5%; at the same time, it reduces the EU trade-weighted tariff on imports from the SADC EPA States from 1.44% to a negligible 0.03%. This reduction is estimated to have **expanded two-way trade substantially between the EU and the SADC EPA States by about 5.9%**. The major part of the impact is due to additional trade with South Africa. The impact of the EPA on exports and imports varies considerably across the SADC EPA States: for example, Namibia's impact is mostly on its exports to the EU, while Mozambique's and Lesotho's impacts are largely on their imports from the EU. Botswana and Eswatini have more balanced impacts on their trade flows with the EU (although quite limited).
- The increased trade contributed to a **positive impact on real GDP for all Parties**, (on the order of 0.0018% for the EU but sixteen times that for SADC at 0.029%. The real GDP gains vary across the SADC EPA States: Lesotho (0.14%), Mozambique (0.11%) and Namibia (0.07%) have above-average gains while Botswana, Eswatini, and South Africa cluster around 0.03%. Economic welfare improved as a result of the EPA, both within the EU (a gain of €543 million) and across the SADC EPA region as a whole (a gain of €452 million).
- At the sector level, **the majority of SADC EPA sectors witness an increase in bilateral exports to the EU**, although some see a modest decline due to reallocation of expenditures in the EU towards products

benefiting from tariff reductions. These latter effects are small, however. By far the largest increase in EU imports from SADC EPA States is in the motor vehicles and parts sector (an increase of almost €1.4 billion). Other sectors seeing an increase in exports to the EU include metal products (€695 million), minerals (€324 million), prepared foods (€210 million), sugar (€209 million), and vegetables fruits and nuts (€198 million). SADC EPA States also experience an increase in trade services exports to the EU, reflecting the increased flow of bilateral trade.

If one compares the EPA with a situation under which trade between the Parties took place under MFN treatment except for the unilateral preferences granted by the EU ("scenario B"), the EPA impact is substantially greater. Two-way trade expanded by about 20%, contributing to real GDP gains that are about 36% larger for the EU (a gain of 0.0025%) and almost 50% greater for the SADC EPA States (a gain of 0.043%). Economic welfare improved as a result, both within the EU (a gain of €591 million) and across the SADC region (a gain of almost €1.6 billion).

Non-Economic Sustainable Development Effects

Social effects

While the overall social effects of the EPA are limited, they are likely to be more tangible at the sectoral level or locally. For example, increased exports to the EU by the SADC EPA States in sectors such as – depending on the country – motor vehicles and parts, metals, minerals, food products, sugar, fruits and vegetables, nuts, and tobacco have supported the existing employment and further job creation for men and women. Export opportunities may also facilitate economic diversification and job creation (against a background of high unemployment levels in SADC EPA States) and thus help to reduce poverty and child labour.

Certain imports from the EU that benefit from tariff preferences in SADC EPA States, such as machinery or equipment, may improve production capacities in the region and facilitate production of more and better goods for the domestic market and exports, for the benefit of SADC economies as well as consumers in SADC, the EU and elsewhere. Also, imports of medicines or vaccines may have supported healthcare services in SADC EPA States.

⁷ In that situation, which is modelled as "scenario A", the following trade regimes would have applied: On the SADC EPA State side: South Africa (and the other SACU members) would have applied the Trade, Development and Cooperation Agreement (TDCA) between South Africa and the EU, and Mozambique would have applied most favoured nation (MFN) treatment. The EU would have applied the TDCA for South Africa, the Generalised Scheme of Preferences (GSP) for Eswatini, the Everything But Arms (EBA) arrangement for Lesotho and Mozambique, and MFN for Botswana and Namibia.

In the Agreement, the Parties have also committed to implement the ratified ILO Conventions. The analysis suggests that they have made progress in the ratification of the ILO Conventions and SADC EPA States have also taken steps to improve their implementation. They have prepared proposals for new or a revision of the existing legislation (in some cases, such legislation has also been adopted). Moreover, action plans in areas such as fight against child labour or trafficking in persons have been adopted and other measures have been taken, e.g., to support poor families or facilitate job creation for youth. These activities do not seem, however, to be linked to the EPA, but rather to the domestic policy agenda, other commitments (e.g., the SDGs) or cooperation with the ILO and implementation of Decent Work Country Programmes.

Effects on the enjoyment of human rights and labour rights

Evidence from the economic modelling results suggests that the EU-SADC EPA has not had a major impact on human rights overall, both in the EU and in the SADC EPA States. The GDP and welfare effects calculated by the model point to an almost negligible impact on the right to an adequate standard of living both in the EU and in SADC Partners, with a slightly more pronounced effect for Namibia and South Africa. At sector level, job creation in such sectors as motor vehicles & parts, other prepared food, sugar, and vegetables, fruit and nuts indicate a limited but positive impact on the right to an adequate standard of living of workers in these sectors in the SADC EPA States, again with a more prominent impact recorded for South Africa and Namibia. An opposite but also marginal impact on jobs has materialised in the wheat sector, where jobs losses linked to the EPA have been identified. Given the high level of poverty and social inequality in most SADC countries, the positive impact is likely to have been felt mainly by some workers in the sectors actively involved in trade under the EPA (e.g. in the citrus fruit sector in South Africa).

Regarding labour rights, most SADC EPA States (with the exception of South Africa) are characterised by high levels of informality, especially in agriculture. This generally implies that protection of workers is insufficient as a country's legal framework does not extend to these workers. In some countries the level of informality reaches 85% (e.g. in Mozambique). The quality of jobs created as a result of the EU-SADC EPA are to be studied further to assess if the EPA contributed to improved labour standards.

The review of human rights issues in exporting sectors indicates concerns regarding land rights, child labour,

pollution and its impact on the right to water and right to health in SADC EPA States. However, the economic analysis pointed to no significant impact on these issues that could be linked to trade under the EPA. So no evidence has been found so far to support these concerns in relation to trade under the Agreement.

The review of the United Nations Human Rights Office of the High Commissioner (UN OHCHR) reports notes that some EPA Parties have made progress regarding the ratification of international human rights treaties and took efforts to implement them since the EU-SADC EPA started to be applied. For instance, Botswana ratified the UN Convention on the Rights of Persons with Disabilities in 2021, and South Africa ratified the Optional Protocol to the UN Torture Convention in 2019. However, while these efforts may have been encouraged by the EPA, they do not seem to be directly linked to it. Rather, national political developments, intense advocacy of civil society organisations, and cooperation with the UN treaty bodies, specialised agencies and programmes are seen as driving forces behind ratification.

Effects on the environment and climate change

A review of evidence indicates that the EU-SADC EPA overall has not had major impacts on environmental issues both in the EU and the SADC countries. Some effects seem to have resulted from increased exports to the EU, but no major structural effects have been identified in relation to a diversification of exports. The review of major environmental issues and major exporting sectors has identified important ongoing environmental concerns such as increased greenhouse gas (GHG) emissions (especially South Africa) as well as increased pressure on land use and water use from increased production. There are continued strong environmental concerns linked to mining.

Increased trade could directly result in an increase in GHG emissions, among others from enhanced land conversion in response to increased agricultural production, from increased fertiliser use in agriculture and from increased traffic. The economic analysis, however, has identified that the trade effects of the EPA were relatively limited and there is no reason to believe that GHG emissions would have other than similar small increases.

The EPA countries have made improvements in governance and implementation of policies resulting from MEAs. The review of the evidence, however, has not revealed a clear causal relation with the EPA, as other major developments, including increasing flooding and drought in some countries as a result of climate change, may have also triggered these improvements.