The Tripartite Free Trade Area project
Integration in southern and eastern Africa

SUMMARY

The African continent could soon witness an important milestone on its path towards economic integration with the completion of the Tripartite Free Trade Area covering 26 countries and representing more than half the continent's gross domestic product (GDP). The establishment of this area would be the logical consequence of integration efforts in three regional economic communities in the eastern and southern parts of the continent, which have already concluded preferential trade agreements with considerable economic benefits in their own regions and are moving forward with integration.

The proposed Tripartite Free Trade Area is based on three main pillars – market integration, infrastructure development and industrial development – reflecting the fact that there are multiple obstacles to trade in the region and it requires efforts to increase and diversify industrial production and improve transport infrastructure. The trade negotiations include two phases: in the first phase, they will deal with the liberalisation of trade in goods, by removing tariff and non-tariff barriers, and with ensuring the free movement of business people; in a second phase, they will tackle the gradual liberalisation of trade in services.

Although the expected direct gains are moderate and will mainly benefit the more economically powerful countries, the real advantages should be broader, including an improved business environment, more foreign direct investment, enhanced economic development in general, and, most importantly, bringing impetus to the realisation of the continental free trade area, a project currently led by the African Union. The completion of the Tripartite Free Trade Area would also simplify the complicated geography of regional integration schemes, and would fit into the integration efforts promoted in the framework of the Economic Partnership Agreements already negotiated by the EU with two of the regional groupings involved.

Durban port: well-placed to benefit from the TFTA.

In this briefing:

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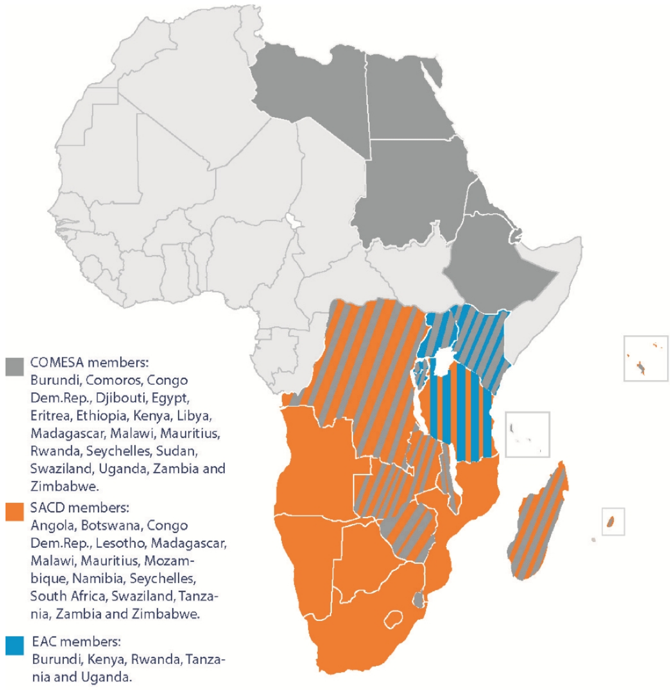
Issue

An ambitious plan to launch a free trade area covering half the countries on the African continent – the Tripartite Free Trade Area (TFTA) – could become a reality in May 2015, after failure to meet the previous deadline for its launch, December 2014. In October 2014, it seemed that a breakthrough had occurred when the sectoral ministries of the countries concerned, meeting in Burundi, announced the launch of the free trade area for December 2014. The free trade agreement should have been concluded in Cairo in December 2014 and the free trade area then launched immediately afterwards. However, things did not go as planned, seemingly because of South Africa's reluctance to join, fearing competition from lower cost producers from other participating countries.

Figure 1 – Proposed Tripartite Free Trade Area



The development of the TFTA is part of an overarching project to integrate all the countries on the African continent economically, and it could be a major step towards the creation of a pan-continental free trade area in 2017 or later. The Abuja Treaty on the Establishment of an African Economic Community (1994) provided a detailed roadmap for economic integration on the continent. In accordance with this roadmap, until now, transnational economic integration in Africa has mainly taken place at the level of the African regional economic communities (RECs). The African Union has recognised eight RECs, often with overlapping memberships, as pillars of economic integration. In accordance with the schedule set out in the treaty, at the current stage, integration should start shifting gear towards the continental level, with a view to the completion of the continental customs union by the indicative date of 2019.

The TFTA is an inter-REC integration initiative, launched independently of the framework of the African Union, but readily embraced by it as a decisive step forward that could bridge the gap between regional and continental integration efforts, and encourage the establishment of a continental free trade area (CFTA).

Towards a TFTA

The TFTA is a planned free trade area (FTA) that should integrate the members of three African regional organisations, namely **COMESA**, **SADC** and **EAC**. Once completed, it will stretch from Egypt to South Africa, almost completely covering the eastern and southern parts of the continent. It will include 26 countries (almost half the continent's countries) with a combined population of 625 million and gross domestic product (GDP) of US$1 trillion, amounting to 58% of the continent's total GDP.[1]

The COMESA-EAC-SADC-Tripartite Arrangement

A cooperation arrangement, known as the COMESA-EAC-SADC-Tripartite Arrangement (or simply as 'the Tripartite'), is already in place between the three RECs. It has the overarching objective of accelerating economic integration and achieving sustainable economic development in the region.

The Tripartite was initiated in 2005. In 2008, the first Tripartite Summit, bringing together the heads of state or government of the participating states, agreed on a programme to harmonise trade rules between the RECs. A second summit in 2011 endorsed a project to launch the TFTA. The Declaration launching the negotiations to establish an FTA issued at this summit laid out an approach based on three pillars: **market integration**, **infrastructure development** and **industrial development**. The summit also adopted negotiating principles and a roadmap for establishing the FTA.

Although it has no formal institutional status, the Tripartite has a governing structure composed of several bodies which meet regularly, as provided for in the Memorandum of Understanding between the RECs. The highest body is the Tripartite Summit, composed of heads of state or government and is supposed to meet at least once every two years; in practice, it has only met twice, in 2008 and 2011. The Tripartite Task Force of the Secretariats of the three RECs is the coordinating body and has met at least twice a year since 2006. The Council of Ministers and the Tripartite Sectoral Ministerial Committee on Trade, Finance, Customs, Economic Matters and Home/Internal Affairs are the organs mandated to guide and supervise the TFTA negotiations. The Tripartite Committee of Senior Officials (TCSO) and the Tripartite Trade Negotiating Forum (TTNF) have been the negotiating bodies.

Until now, the Tripartite has focused on harmonising RECs' programmes in the areas of trade and infrastructure. Accordingly, the Tripartite Task Force has defined a list of priority infrastructure projects in the energy, transport and telecom sectors. Its trade-related efforts have focused on harmonising trade regimes and eliminating non-tariff barriers (NTBs). A common computerised system has been created in order to identify non-tariff barriers and to facilitate their resolution. The main efforts have converged towards the establishment of a common free trade area.

A draft agreement on the establishment of a free trade area was first presented in 2009 and then in a revised form in 2010, providing the basis for political negotiations.

The draft TFTA agreement

The revised draft agreement, together with its 15 annexes finalised in 2010-11, has served as the starting point for the negotiations. The general objectives mentioned in the draft refer to rapid socio-economic development in the region, the creation of a large single market with free movement of goods, services, and business people, and eventually a customs union, as well as resolution of the challenges posed by multiple memberships of RECs. The specific objectives listed in the draft agreement include, in the first place, the elimination of all tariffs and non-tariff barriers to trade. The promotion of trade in services is also included, but this would follow a more gradual approach, based on defining priority sectors for liberalisation and putting in place a progressive services-liberalisation programme.

Other objectives identified in the revised draft agreement go beyond trade, in the strict sense of the term, and include promotion of investment and mobility of business people (including foreign nationals residing in a TFTA member state), cooperation on infrastructure development, promotion of an equitable society and of social justice. The TFTA will also put in place an institutional structure. Its implementation will be overseen by a Tripartite Committee and Sub-Committees on Trade and Customs, at ministerial, senior officials' and technical experts' level.

The revised draft agreement explicitly states that the TFTA shall be built on the principle of '**variable geometry**', allowing groups of countries to progress at different speeds in their integration efforts in various areas. This principle is complementary to the principle of the *acquis*, whereby what has already been concluded at REC level will remain valid. According to Annex 1, which deals with the negotiating principles, the Tripartite would 'build upon and consolidate the RECs' *acquis*'. Further clarified in 2012,[2] this principle implies that preferential terms of trade already enjoyed between countries within the same REC will not have to be renegotiated. Countries outside this category will have to negotiate their mutual terms of trade, basing themselves on the TFTA rules. The TFTA will not replace the RECs' FTAs, but will allow them to coexist with any new trading agreements reached during the negotiations, adding a layer of complexity.[3] The negotiating principles also include a provision regarding flexibility, and special and differential treatment, which is meant to take into consideration the different degrees of economic development and the specific challenges facing the countries involved, especially during the transitional period.

'Variable geometry' is the price paid for attracting sufficient support from all countries involved, but in practice, it will lead to an increase in the complexity of regional integration arrangements, instead of their simplification, as originally intended. Ultimately, there will not be a single FTA, but a complex structure of multiple trade agreements. Moreover, it is not clear how institutional relations between the TFTA and the three RECs will be implemented in practice, as these will not be part of the agreement. The draft agreement only specifies that in case of conflict or inconsistency, the Tripartite Agreement will have precedence over the RECs' legal instruments.

Other basic principles mentioned in the revised draft agreement are 'most favoured nation' treatment (member countries will extend to all other member countries any new preferential trade conditions awarded to each other or to third countries) and 'national treatment' (products originating in other member states will be treated no less favourably than national products).

Annex 1, revised in 2011, divides negotiations into two phases. The first, which is under way, comprises tariff liberalisation, rules of origin, dispute resolution, customs and transit procedures, non-tariff barriers, trade remedies, technical barriers to trade, and sanitary and phyto-sanitary measures. The first phase is governed by the principle of a 'single undertaking' (mentioned as a negotiating principle in Annex 4), which means that the agreement must include all aspects if there is to be an agreement at all. The free movement of business people has to be tackled in this first phase, but as a separate area. The second phase will cover trade in services, intellectual property rights, competition policy, and trade development and competitiveness.

In its October 2014 decision to recommend the launch of the free trade area by the end of the year (which did not materialise), the Sectoral Committee of Ministers took 'into account the fact that the majority of the Tripartite Member/Partner States have made ambitious tariff offers'.[4] Despite the declared adherence to the principle of a 'single undertaking', recent news reports reveal that not all negotiations on aspects included in the first phase will have been finalised by the time the TFTA is launched and that it would be possible to deal with outstanding issues at a later stage, especially in respect of rules of origin, trade remedies and dispute settlement. Once signed by the states parties, the agreement should enter into force after it has been ratified by two thirds of the member states, according to the revised 2010 draft agreement.[5]

The three regional economic communities (RECs) in the TFTA

The TFTA will comprise three RECs, which have achieved different degrees of integration. The most advanced is the **East African Community (EAC)**, which has completed its free trade area, launched a customs union and is implementing a common market. The **Common Market for Eastern and Southern Africa (COMESA)** is in the process of implementing its free trade area, which is not yet completed, as several member states have not ratified the protocol. Its customs union, although officially launched, is not developing as planned. The **Southern African Development Community (SADC)** is in a similar situation since not all its members participate in the FTA it has launched, and its customs union has been in the planning phase for some time, without much progress being made. Some of its members, however, participate in the Southern African Customs Union (SACU) created in 1910.

COMESA

The Common Market for Eastern and Southern Africa (COMESA) has 19 member states, stretching from Egypt in the north to Swaziland in the south. Its origins go back to the Preferential Trade Areas for Eastern and Southern African States launched in 1982. Once

COMESA came into being in 1994, it formally replaced this preferential trade arrangement. Its FTA was launched in 2000 and initially comprised nine members, and now has 14. Because of its membership in SACU, Swaziland enjoys a special status: it benefits from free trade access to the countries in the FTA without having to reciprocate. The Democratic Republic of the Congo (DRC), Eritrea, Ethiopia and Uganda do not yet participate in the FTA. The first three were urged to join by the end of 2014 at the COMESA Summit, which took place in early 2014, and have committed to doing so, but so far this has not happened. Ethiopia has been the most reluctant to join for fear of endangering its manufacturing sector through competition from similar industries in Kenya and South Africa. Ethiopia has also imposed price controls on essential commodities to keep inflation under control, thus distorting free trade.

Figure 2 – Membership of the RECs and their FTAs

Country	COMESA	COMESA FTA	EAC	SADC	SADC FTA
Angola*				X	
Botswana				X	X
Burundi	X	X	X		
Comoros	X	X			
Congo (Dem. Rep.)	X			X	
Djibouti	X	X			
Egypt	X	X			
Eritrea	X				
Ethiopia	X				
Kenya	X	X	X		
Lesotho				X	X
Libya	X	X			
Madagascar	X	X		X	X
Malawi	X	X		X	X
Mauritius	X	X		X	X
Mozambique				X	X
Namibia				X	X
Rwanda	X	X	X		
Seychelles	X			X	
South Africa				X	X
Sudan	X	X			
Swaziland	X			X	X
Tanzania			X	X	X
Uganda	X		X		
Zambia	X	X		X	X
Zimbabwe	X	X		X	X

Data source: COMESA, SADC, EAC, 2014

*Countries not highlighted in green are not yet members of any FTA. All EAC countries are in the EAC customs union and FTA.

Progress has been steady among the countries that are part of the FTA. Trade liberalisation has gone beyond tariff barriers to include the elimination of non-tariff barriers and more recently also services and capital. Micro-, small and medium-sized enterprises are among the main beneficiaries, and were reported in early 2014 to generate some 40% of intra-COMESA trade. Growth in trade has been substantial. According to the organisation itself, by the end of 2012 intra-COMESA trade had increased six-fold to US$19.3 billion since the establishment of the FTA in 2000, when trade stood at US$3.1 billion.

The situation is different with regard to the COMESA customs union, which was launched in 2009 with a three-tier common external tariff: 0% for capital goods and raw materials, 10% for intermediate goods and 25% for finished products. When it was launched, the customs union was intended to become fully operational after a transition period of three years, yet in 2012 the COMESA Authority decided to extend this period by a further two years. According to the agreement establishing the FTA, the total transition period should not exceed five years, but this deadline passed in the summer of 2014 without the objectives being met. The COMESA Summit in February 2014 did not adopt any measure to speed up implementation and only requested those member states that had not implemented the necessary measures, to provide yearly updates. This could indicate a shift in the interest of the organisation, the new priority becoming the establishment of the TFTA.

SADC

The Southern African Development Community (SADC) traces its origin back to the first Southern African Development Coordination Conference (SADCC), which was held in 1979. In 1992, the ten SADCC member states signed a Treaty establishing the Southern African Development Community, which came into existence in 1993, replacing SADCC. Today the organisation has 15 member states.

In 1996, SADC member states signed the Protocol on Trade, providing for the establishment of a regional free trade area. The Protocol was amended in 2000, entered into force in 2001, and was again amended in 2007 and 2008, with new provisions being added on rules of origin, customs cooperation, safeguard measures, settlement of disputes and trade in sugar. Twelve countries participate in the FTA, while Angola, the DRC and the Seychelles are not yet party to it. The FTA was formally launched in 2008, when 85% of intra-regional trade became duty free. Maximum tariff liberalisation was only attained in 2012, once tariffs had also been removed for sensitive products. The results achieved by the FTA are significant: since 2000, when FTA implementation started, intra-SADC trade has more than doubled, from about US$13.2 billion in 2000 to about US$34 billion in 2009. In relative terms, growth has been moderate; intra-SADC trade has grown from 15.7% to 18.5% of total SADC trade in the same period.

Progress with the SADC customs union has however been more elusive and is behind schedule. The customs union should have been implemented by 2010, but this deadline was not respected, and further developments in this area are not planned, suggesting that the plans have been shelved. Theoretically, the organisation has ambitious integration objectives, aspiring to create a common market by 2015, a monetary union by 2016 and a single currency by 2018, but no clear practical steps have been taken so far to achieve these objectives. The establishment of the customs union has been complicated by the fact that five SADC members (Botswana, Lesotho, Namibia, South Africa and Swaziland) are already in the Southern African Customs Union.

EAC

The Eastern African Community (EAC) comprises five states located in Eastern Africa. The first step towards its creation took place in 1993, with the signing of the Agreement for the Establishment of the Permanent Tripartite Commission for East African Cooperation. The Treaty for the Establishment of the East African Community was signed in 1999 and came into effect in 2000, after ratification by all three member countries (Kenya, Tanzania and Uganda). Rwanda and Burundi became members in 2007.

A customs union came into existence in 2005 and a Common Market in 2010, although the latter has only been partially implemented. The EAC customs union has a three-tier common external tariff: 0% for raw materials, 10% for intermediate products and 25% for finished goods, like the COMESA customs union. Although it is at an advanced stage, efforts to achieve its full implementation still faced obstacles in 2014. The EAC common market, also being implemented, extends free movement to capital, services and labour, but important constraints on these freedoms persist. EAC has plans to create a monetary union and introduce a common currency in the future, and to evolve into a political federation.

Achievements and challenges of the RECs

The picture that the three RECs present in terms of trade is very similar to that of Africa in general. Africa's total trade is low, accounting for only 3% of world trade, and the share of intra-African trade in total African trade is similarly low. Between 2000 and 2010, intra-African imports amounted to around 14% of total African imports on average, while intra-African exports represented around 10% of total African exports. Against this backdrop, the three RECs have been successful in improving regional trade. Following the formation of FTAs in the tripartite region, intra-regional trade is reported to have grown significantly: exports rose from US$7 billion in 2000 to US$27 billion in 2008 and imports grew from US$9 billion in 2000 to US$32 billion in 2008. This growth was made possible by trade liberalisation in the three RECs. The COMESA and EAC share in intra-African trade also increased between 1995 and 2009 (more than two-fold in the latter case), while SADC's share has stagnated.[6]

An important practical step towards integration among the three RECs has been achieved with the implementation of a common computerised online system for reporting, monitoring and eliminating NTBs. Businesses that encounter obstacles in their cross-border trading operations can register complaints in the computerised database and monitor the resolution provided by the relevant authorities. The system increases transparency as the reported cases and their follow-up are accessible to the public.

The three RECs have evolved differently, as explained above. However, there are also areas of convergence between them. The common external tariffs of COMESA and EAC are harmonised and their rules of origin are similar, which should facilitate the establishment of the TFTA. However, SADC rules of origin are different and more complex, being product specific. Agreement on the rules of origin will be vital for the launch of the TFTA, as free market access granted to goods originating in an FTA member state extends only to those effectively produced in that state. It seems that the majority of states have reached agreement on interim rules of origin to be applied once the TFTA is launched, while negotiations would continue on product-specific rules of origin. The final outcome is hard to predict. Although the provisions of Annex 4 of the Tripartite Draft Agreement favour a single value-added rule as in the EAC and COMESA regional agreements, the focus has shifted during negotiations from a percentage-based approach towards a product-specific approach, which will involve defining specific rules for numerous product categories (those covered by divergent rules of origin at REC level). This new approach will make finding agreement more complex and time consuming.[7]

The most important challenge which the proposed TFTA has to tackle is overlapping membership in the three RECs. Of the 26 countries belonging to the three RECs, 12 belong to two different RECs. A number of countries are also negotiating to join different customs unions, as COMESA and SADC prepare to become customs unions. COMESA and SADC have seven member states in common, which are not yet part of a customs union but are involved in preparing the respective customs unions; the five members of EAC which is already a customs union, are also involved in the COMESA and SADC plans. Furthermore, the SACU members plan a second customs union, together with the other SADC members. Belonging to two customs unions could create incompatibility, as a country cannot be part of two customs unions applying two different common external tariffs. This creates the need for the TFTA, once established, to be transformed into a common customs union at a later stage.

Benefits and challenges of the proposed TFTA

Benefits

The Tripartite Free Trade Area is expected to bring significant benefits. The direct positive effects refer to the increase in trade among the countries involved, some diversion of trade with the rest of the world towards intra-FTA trade and, most importantly, gains to consumers, as they get access to cheaper and better quality products. The gains would be moderated by the fact that the countries with greatest economic weight are already members of at least one regional free trade area. Those which are not in this situation – namely the DRC and Angola[8] – could actually benefit the most from joining the TFTA. A study covering 16 countries and carried out in 2011 by the United Nations Economic Commission for Africa (UNECA), found that there would be general welfare gains as a result of the establishment of the TFTA, although they would be very unequally distributed, with a very small number of countries reaping almost all the gains (Egypt, South Africa, and Zimbabwe accounting for over 90% of the welfare gains).[9] Another important benefit would be the increase in industrial production, as aggregate demand in the region rises and industrial production is realigned between countries.

The TFTA would generate far more benefits than just directly quantifiable ones. For instance, it would open new opportunities for businesses through an improved and harmonised trade regime that would bring down their operating costs, and through an inflow of foreign direct investment into the region. The TFTA would speed up economic growth in African countries and permit them to implement a regional integration strategy that prioritises infrastructure development.

The TFTA's most important benefit could be its catalytic role in achieving economic integration at pancontinental level – a Pan-African **Continental Free Trade Area (CFTA) and Customs Union** – as foreseen in the Abuja Treaty. In recognition of this role, the African Union drafted a framework for the CFTA in 2011, in which the TFTA is envisaged as a potential a model for a new approach towards continental integration. This new approach is founded on the admission that African countries have been slow in making progress towards creating regional customs unions and implies that countries can move forward with integration beyond the REC level without completing this stage. The establishment of the CFTA is based on a schedule which includes the completion of the TFTA in 2014 as an important step. Negotiations about the CFTA should be launched in 2015, after the completion of the TFTA). Once this is done, the CFTA itself should be launched in 2017. The ninth Ordinary Session of the African Union Conference of Ministers of Trade, held in December 2014, sought to prepare the start of negotiations on the CFTA in 2015.

Challenges

The slow progress in achieving economic integration in Africa in general can be explained by a multiplicity of factors. There are obstacles of a structural nature, which apply in the case of the proposed TFTA as well. Many African countries export their raw materials and basic commodities outside the continent, and import manufactured goods from outside the continent. Most of Africa's trade is done with the EU and US, which are the leading destinations for its exports and major sources of its imports. A basic prerequisite for a significant increase in African trade would therefore be diversification of production.

Another structural challenge has to do with the fact that the economic power of African countries is very unequal and so is their share of trade. At continental level, intra-African trade is dominated by a few countries, ranked according to their trade weight: South Africa, Nigeria, Côte d'Ivoire, Kenya and Egypt. Together, they account for 62.3% of total intra-African exports.

The 2012 African Union Action plan for boosting intra-African trade identified a series of obstacles to trade including restrictive customs procedures, administrative and technical barriers; limitations in productive capacity; inadequacies of trade-related infrastructure, trade finance, and trade information; lack of market integration; and inadequate focus on internal market issues. The lack of adequate transport infrastructure is among the most adverse factors that impede trade. Transport costs in Africa are among the highest in the world. Transport is also slowed down by numerous road blocks and controls. Cumbersome administrative procedures and rent-seeking customs officials are also among the main obstacles hindering trade.[10] These obstacles apply to the planned TFTA as well.

Some specific challenges have been identified for the TFTA. Fears have been voiced that despite the TFTA being an African project meant to boost Africa's own production, the real big winners will be multinational corporations from outside the continent which have settled in big cities and would be provided with easy access to a multitude of markets. Another major problem is the potential loss of revenue for governments, as customs duties are a major source of government revenue. The governments of some countries, such as DRC, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Uganda, Tanzania and Zambia, collect up to half or even more of their revenue from customs duties. The potential loss of revenue could have implications for the provision of essential public services. The countries expected to lose most in terms of customs duties are DRC, Kenya, Angola, Tanzania and Zimbabwe.[11] However, no clear mechanism is planned at the level of the Tripartite to compensate for revenue lost in this way. While the first 2009 draft agreement provided for the establishment of a compensation fund, the revised draft from 2010 includes plans for the introduction of a development fund for trade and infrastructure development programmes.[12]

There are also concerns related to potential job losses, as less competitive industries may have to close because of increased competition. Ethiopia has been reluctant to join a free trade area for fear of endangering its uncompetitive manufacturing sector. Loss of jobs could also affect the big economies of the bloc – Egypt, Kenya and South Africa – insofar as they have similar industries, which would come into competition which each other. Kenya and South Africa have certain similar industries like food processing, textiles and metal processing, and could be affected by this problem. However, the draft agreement has provisions on protecting infant industries (Article 21) and on protecting industry through restrictions on exports of domestic materials vital for industry (Article 40(h)).

An important issue is whether the TFTA will also benefit small, informal traders. Informal cross-border trade has a significant share of trade on the African continent: in the case of SADC it is estimated to represent 30 to 40% of total intra-regional trade. However, it faces many regulatory and administrative hurdles at national level. In 2007, COMESA and EAC launched a simplified trade regime for selected goods, based on simplified customs documentation and duty-free access for goods of a limited value. So far the negotiations on the TFTA have not covered the issue of informal cross-border trade.[13]

The most important challenge for the TFTA could however be implementation itself. As in the case of many other regional integration instruments in Africa, governments could drag their feet on implementing the agreements, as they have already done with the TFTA launch. They may not be effective enough in removing the multiple barriers to trade in the region, or might even maintain them or institute new ones in order to protect their producers. It remains to be seen whether the dispute settlement mechanism provided for in Annex 13 will provide sufficient protection against this.

EU trade relations with the TFTA countries

EU trade relations with the countries involved are the object of negotiations that should lead to the conclusion of Economic Partnership Agreements (EPAs). EPAs are the new form of trade agreements that the EU aims to conclude with the African, Caribbean and Pacific (ACP) countries. They are comprehensive reciprocal trade agreements that include a development component and provide immediate tariff- and quota-free access to the EU market, while the EU's partner countries have only to open their markets gradually and can maintain some tariffs on sensitive products. The countries participating in the Tripartite arrangement fall into three groups for the purpose of concluding EPAs with the EU, but the overlap of these three groups with the three RECs is only partial, as the EPAs cannot take into account the multiple memberships of RECs. These groups are: the SADC EPA Group (including some of the SADC countries), the EAC and the ESA EPA Group (Eastern and Southern Africa – a disparate group of countries from COMESA). The negotiations with the SADC EPA Group and the EAC were concluded in 2014 and the agreements are waiting to be signed and ratified. There is already a bilateral free trade agreement between the EU and South Africa, the Trade, Development and Cooperation Agreement. The creation of the TFTA and finally of a CFTA is important in the context of EPAs, as it would avoid a potential situation in which EU goods could enjoy better access to local markets than products originating in other African RECs, with potential negative effects on African producers.[14]

One of the purposes of the EPA negotiations is to reinforce regional integration among the countries involved, by bringing them all under the same trade regime and by providing technical assistance. The EU has been supporting the Tripartite integration process by providing funding through the 10th European Development Fund for the negotiations and for the Project Preparation and Implementation Unit, which is tasked with the preparation, coordination, management and monitoring of infrastructure projects in the Tripartite framework.

The ACP-EU Joint Parliamentary Assembly (composed of EP Members and members of ACP countries' parliaments) adopted a Resolution on EPAs in 2013, which recalled that one of the express objectives of the EPA negotiations is to reinforce regional integration, and highlighted the importance of regional integration for ACP countries.

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[2] The new negotiating principles are quoted in The Agreement preceding the Agreement: how the negotiating principles decided the Tripartite FTA game plan / Gerhard Erasmus, 2013, p. 6 and f.

[3] According to the Erasmus paper, quoted above, this would represent an entire overhaul of the initial plan and would not help achieve the initial aim of simplifying regional integration and increasing trade (see p. 8 and f.).

[4] According to Sindiso Ngwenya, COMESA Secretary General and Chairman of the Tripartite Task Force.

[5] It seems that this provision was changed during the negotiations to simple majority.

[6] The data in this paragraph come from the UNECA ARIA V Report (2012)

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