



Plenary sitting

A9-0012/2024

29.1.2024

RECOMMENDATION

on the draft Council decision on the conclusion, on behalf of the European Union, of the Economic Partnership Agreement between the European Union, of the one part, and the Republic of Kenya, Member of the East African Community, of the other part
(15958/2023 – C9-0468/2023 – 2023/0338(NLE))

Committee on International Trade

Rapporteur: Alessandra Mussolini

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the draft Council decision on the conclusion, on behalf of the European Union, of the Economic Partnership Agreement between the European Union, of the one part, and the Republic of Kenya, Member of the East African Community, of the other part (15958/2023 – C9-0468/2023 – 2023/0338(NLE))

(Consent)

The European Parliament,

- having regard to the draft Council decision (15958/2023),
 - having regard to draft Economic Partnership Agreement between the European Union, of the one part, and the Republic of Kenya, Member of the East African Community, of the other part (13573/2023),
 - having regard to the request for consent submitted by the Council in accordance with Article 207(4), first subparagraph, and Article 218(6), second subparagraph, point (a) (v), of the Treaty on the Functioning of the European Union (C9-0468/2023),
 - having regard to Rule 105(1) and (4) and Rule 114(7) of its Rules of Procedure,
 - having regard to the opinion of the Committee on Development,
 - having regard to the letter from the Committee on Agriculture and Rural Development,
 - having regard to the recommendation of the Committee on International Trade (A9-0012/2024),
1. Gives its consent to the conclusion of the agreement;
 2. Instructs its President to forward its position to the Council, the Commission and the governments and parliaments of the Member States and of the Republic of Kenya.

EXPLANATORY STATEMENT

The Economic Partnership Agreement between the Republic of Kenya, Member of the East African Community of the one part, and the European Union, of the other Part ('EU-Kenya EPA'), aims at the bilateral implementation of the provisions of the EPA between the EU and the EAC Partner States (Burundi, Kenya, Rwanda, Tanzania, and Uganda), the 'EU-EAC EPA', for which negotiations were concluded on 16 October 2014. The regional EU-EAC EPA was never provisionally applied as not all EAC members signed and ratified the agreement which was a requirement of the EU-EAC EPA for its entry into application.

In February 2021, the EAC Ordinary Summit of Heads of State decided to allow individual EAC countries to proceed with the bilateral implementation of the EU-EAC EPA under the principle of 'variable geometry'. On 4 May 2021, Kenya notified the European Commission requesting to move forward in this context. On 17 February 2022, Executive Vice-President Valdis Dombrovskis, on behalf of the EU, and Ambassador Raychelld Omamo, on behalf of Kenya, signed a Joint Statement at the margins of the EU-African Union Summit agreeing to advance negotiations on the EU-Kenya EPA which will remain open for other EAC Partners States.

Negotiations between the EU and Kenya aiming at introducing the necessary adjustments to bilaterally implement the provisions of the EU-EAC EPA were concluded on 19 June 2023 at political level.

The EU-Kenya EPA contains provisions on trade in goods, customs and trade facilitation, technical barriers to trade, sanitary and phytosanitary measures, agriculture and fisheries, development cooperation, dispute avoidance and settlement, and a trade and sustainable development (TSD) annex. The Agreement also includes two Joint Statements concerning the applicability respectively of the TSD and Rules of Origin (RoO) provisions.

The EU-Kenya EPA was explicitly integrated as a key deliverable of the EU-Kenya Strategic dialogue, launched in June 2021, and it is a crucial component of EU's Africa engagement strategy. It will remain open to accession of other EAC Partner States.

The Agreement will be reviewed after five years from the date of its entry into force and every five years thereafter. It includes an undertaking to negotiate new areas to be included thereto ('rendez-vous clause'), including provisions on trade in services, and trade-related rules addressing sustainable development, competition policy, investment and private sector development, intellectual property rights and transparency in public procurement. The results of the negotiations of these areas are envisaged to be added within five years following its entry into force.

In accordance with Article 218(6) TFEU, the consent of the European Parliament is required in order for the Council to adopt a decision on the conclusion of the Agreement.

In the light of the above, the Rapporteur recommends the Parliament to give its consent to the conclusion of the Agreement.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The rapporteur declares under her exclusive responsibility that she did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.

8.12.2023

OPINION OF THE COMMITTEE ON DEVELOPMENT

for the Committee on International Trade

on the proposal for a Council Decision on the conclusion, on behalf of the European Union, of the Economic Partnership Agreement between the Republic of Kenya, Member of the East African Community of the one part, and the European Union of the other Part
0000/2023 – C9-0000/0000 – 2023/0338(NLE))

Rapporteur for opinion: Tomas Tobé

SHORT JUSTIFICATION

On 19 June 2023, Kenya, as the first Member of the East African Community (EAC) concluded negotiations on an economic partnership agreement (EPA) with the EU.

The original purpose was to negotiate and conclude an EPA with the EU that covers all EAC partner countries ('bloc-to-bloc', an EU-EAC EPA): EPAs are generally negotiated with regional blocs rather than individual countries in order to foster regional integration, which would help the development of the countries concerned. However, EAC partner countries have different views regarding the EU-EAC EPA, and this has impeded progress.

In contrast to the other EAC partner states, Kenya is no longer a least developed country and is therefore interested in concluding an agreement in order to keep duty-free and quota-free access to the EU market. Against this background, the other EAC partner states agreed in February 2021 that Kenya negotiates a bilateral EPA with the EU, pending progress on the EAC-wide EPA.

Kenya is the by far most important trading partner of the EU among the EAC partner countries, representing nearly half of EU imports from the EAC and more than half of its exports to the EAC.

The EU-Kenya EPA is to a very large extent based on the draft EU-EAC EPA. It means in practice that the draft EU-EAC EPA is implemented bilaterally between the EU and Kenya.

In terms of content, it is a goods-only agreement but contains a 'rendez-vous clause', obliging the Parties to conclude negotiations on trade in services and other trade-related issues within five years from the entry into force of the EPA. The EPA provides for flexibility through the possibility to introduce temporary export taxes. It allows for asymmetric market access for EAC products. The objectives of the agreement include, inter alia, references to sustainable development, regional integration and good governance.

The EPA's comprehensive development pillar aims at addressing EAC partners' adaptation challenges by foreseeing support in terms of building capacity and fostering structural

transformation. It also states that financing relating to development cooperation shall prioritise support to the implementation of this agreement, striving to maximise its expected benefits. The EPA also recognizes the potential fiscal losses of phasing out tariffs, which the EU commits to cover transitionally whilst also engaging in an enhanced dialogue on the issue of fiscal reforms.

It should be noted that the EU-Kenya EPA contains an improvement compared to the underlying draft EU-EAC EPA insofar as it includes an annex with binding provisions on trade and sustainable development (TSD), and a transparent dispute resolution mechanism.

Regrettably, no role for parliaments is foreseen in the monitoring process of the EPA. On the other hand, the EPA provides for a joint consultative committee to promote dialogue and cooperation between representatives of the private sector, organisations of civil society, including the academic community, and social and economic partners. The joint consultative committee can pronounce itself on all matters covered under the EPA.

Any agreement is only as good as its implementation. The rapporteur therefore underlines the importance of an effective monitoring mechanism which can identify and help to address potential implementation hurdles. Equally important is appropriate financial support to partner countries to help them implement trade and sustainable development provisions, including their international obligations, referred to in Annex V of the EPA. Development concerns should remain an essential element of the EPA's implementation and inform all EU's actions, in line with its PCD obligations.

The rapporteur believes that, overall, the EPA has the potential to act as a catalyst for inclusive and sustainable development and growth in Kenya and also in the neighbouring EAC region.

The Committee on Development calls on the Committee on International Trade, as the committee responsible, to recommend approval of the proposal for a Council decision on the conclusion, on behalf of the European Union, of the Economic Partnership Agreement between the Republic of Kenya, Member of the East African Community of the one part, and the European Union of the other Part.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR FOR THE OPINION HAS RECEIVED INPUT**

The rapporteur declares under his exclusive responsibility that he did not receive input from any entity or person to be mentioned in this Annex pursuant to Article 8 of Annex I to the Rules of Procedure.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Economic Partnership Agreement between the Republic of Kenya, Member of the East African Community of the one part, and the European Union of the other Part
References	2023/0338(NLE)
Committee responsible	INTA
Rapporteur for the opinion Date appointed	Tomas Tobé 25.10.2023
Date adopted	7.12.2023
Result of final vote	+: 10 –: 4 0: 1
Members present for the final vote	Stéphane Bijoux, Mercedes Bresso, Udo Bullmann, Catherine Chabaud, Christophe Clergeau, Charles Goerens, Mónica Silvana González, Pierrette Herzberger-Fofana, Erik Marquardt, Miguel Urbán Crespo, Bernhard Zimniok
Substitutes present for the final vote	Caroline Roose, Carlos Zorrinho
Substitutes under Rule 209(7) present for the final vote	Jarosław Duda, Aušra Maldeikienė

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

10	+
PPE	Jarosław Duda, Aušra Maldeikienė
Renew	Stéphane Bijoux, Catherine Chabaud, Charles Goerens
S&D	Mercedes Bresso, Udo Bullmann, Christophe Clergeau, Mónica Silvana González, Carlos Zorrinho

4	-
The Left	Miguel Urbán Crespo
Verts/ALE	Pierrette Herzberger-Fofana, Erik Marquardt, Caroline Roose

1	0
ID	Bernhard Zimniok

Key to symbols:

+ : in favour

- : against

0 : abstention

24.1.2024

LETTER OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

Mr Bernd Lange
Chair of the Committee on International Trade
BRUSSELS

Subject: Opinion on Council decision on the conclusion, on behalf of the Union, of the Economic Partnership Agreement between the European Union, of the one part, and the Republic of Kenya, Member of the East African Community, of the other part (2023/0338(NLE))

Dear Mr Chair,

I refer to the Commission proposal for a Council decision on the conclusion, on behalf of the European Union, of the Economic Partnership Agreement with Kenya [2023/0338 (NLE)].

The Committee on Agriculture and Rural Development considered the matter at its meeting of 24 January.

The Committee agreed with the conclusion of the above agreement with Kenya, and asked me to convey its opinion to you pursuant to Rule 56.

Yours sincerely,

Norbert Lins

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PROCEDURE – COMMITTEE RESPONSIBLE

Title	Economic Partnership Agreement between the Republic of Kenya, Member of the East African Community of the one part, and the European Union of the other Part	
References	15958/2023 – C9-0468/2023 – 2023/0338(NLE)	
Date of consultation or request for consent	18.12.2023	
Committee responsible Date announced in plenary	INTA 25.1.2024	
Committees asked for opinions Date announced in plenary	DEVE 25.1.2024	AGRI 25.1.2024
Rapporteurs Date appointed	Alessandra Mussolini 24.10.2023	
Discussed in committee	28.11.2023	
Date adopted	24.1.2024	
Result of final vote	+: 32 -: 2 0: 5	
Members present for the final vote	Barry Andrews, Anna-Michelle Asimakopoulou, Tiziana Beghin, Saskia Bricmont, Jordi Cañas, Daniel Caspary, Markéta Gregorová, Roman Haider, Heidi Hautala, Karin Karlsbro, Miapetra Kumpula-Natri, Danilo Oscar Lancini, Bernd Lange, Margarida Marques, Gabriel Mato, Sara Matthieu, Emmanuel Maurel, Carles Puigdemont i Casamajó, Samira Rafaela, Inma Rodríguez-Piñero, Ernő Schaller-Baross, Helmut Scholz, Joachim Schuster, Sven Simon, Dominik Tarczyński, Kathleen Van Brempt, Marie-Pierre Vedrenne, Jörgen Warborn, Jan Zahradil, Juan Ignacio Zoido Álvarez	
Substitutes present for the final vote	Michiel Hoogeveen, Włodzimierz Karpiński, Liudas Mažylis	
Substitutes under Rule 209(7) present for the final vote	Hildegard Bentele, Izaskun Bilbao Barandica, Paolo Borchia, Antonio Maria Rinaldi, Domènec Ruiz Devesa, Lucia Vuolo	
Date tabled	29.1.2024	

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

32	+
ECR	Michiel Hoogeveen, Dominik Tarczyński, Jan Zahradil
ID	Paolo Borchia, Roman Haider, Danilo Oscar Lancini, Antonio Maria Rinaldi
NI	Tiziana Beghin, Ernő Schaller-Baross
PPE	Anna-Michelle Asimakopoulou, Hildegard Bentele, Daniel Caspary, Włodzimierz Karpiński, Gabriel Mato, Liudas Mažylis, Sven Simon, Lucia Vuolo, Jörgen Warborn, Juan Ignacio Zoido Álvarez
Renew	Barry Andrews, Izaskun Bilbao Barandica, Jordi Cañas, Karin Karlsbro, Samira Rafaela, Marie-Pierre Vedrenne
S&D	Miapetra Kumpula-Natri, Bernd Lange, Margarida Marques, Inma Rodríguez-Piñero, Domènec Ruiz Devesa, Joachim Schuster, Kathleen Van Brempt

2	-
The Left	Emmanuel Maurel, Helmut Scholz

5	0
NI	Carles Puigdemont i Casamajó
Verts/ALE	Saskia Bricmont, Markéta Gregorová, Heidi Hautala, Sara Matthieu

Key to symbols:

+ : in favour

- : against

0 : abstention