# **European Parliament**

2019-2024



# Committee on Development

2023/2065(INI)

9.10.2023

# AMENDMENTS 1 - 35

**Draft opinion Karsten Lucke** (PE751.832v02-00)

Implementation of the EU-Southern African Development Community (SADC) Economic Partnership Agreement (EPA) ((2023/2065(INI))

AM\1287703EN.docx PE754.660v01-00



# Amendment 1 Antoni Comín i Oliveres

# Draft opinion Paragraph 1

# Draft opinion

1. Welcomes the first ex post evaluation of the EU-Southern African Development Community (SADC) Economic Partnership Agreement (EPA); stresses that the EPA envisages trade and investment contributing to the goal of sustainable development in its economic, social and environmental dimensions;

#### Amendment

1. Welcomes the first ex post evaluation of the EU-Southern African Development Community (SADC) Economic Partnership Agreement (EPA); stresses that the EPA envisages trade and investment contributing to the goal of sustainable development in its economic, social and environmental dimensions; notes, however, that many challenges remain in SADC partner countries in relation to economic diversification, competitiveness, growth, rule of law, poverty reduction, labour rights, land grabbing and environmental protection;

Or. en

Amendment 2 Ryszard Czarnecki on behalf of the ECR Group Beata Kempa

Draft opinion Paragraph 1 a (new)

Draft opinion

### Amendment

1a. Stresses that since the application of the agreement, trade between the EU and SADC countries has increased significantly, and that 2022 was a record year in which the total value of trade was EUR 63.2 billion, with a 20% share of exports and a 21% share of imports;

Or. pl

# Amendment 3 Marlene Mortler

Draft opinion Paragraph 1 a (new)

Draft opinion

#### Amendment

1a. Highlights the importance of development cooperation and technical and financial assistance as essential factors for the achievement of the objectives of the Agreement and for a beneficial cooperation between the Parties;

Or. en

Amendment 4 Marlene Mortler

Draft opinion Paragraph 2

# Draft opinion

2. Points out that regional integration features prominently in the EPA; stresses that regional integration *is* essential to effectively integrate developing countries into the world economy; stresses, furthermore, that the EU's development finance cooperation with SADC countries must assist their regional economic cooperation and integration efforts;

### Amendment

2. Points out that regional and subregional integration features prominently
in the EPA as they represent a powerful
instrument to achieve the objectives of the
treaty; stresses that regional and subregional integration are essential to
effectively integrate developing countries
into the world economy; stresses,
furthermore, that the EU's development
finance cooperation with SADC countries
must assist their regional economic
cooperation and integration efforts;

Or. en

Amendment 5 Antoni Comín i Oliveres

Draft opinion Paragraph 2

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# Draft opinion

2. Points out that regional integration features prominently in the EPA; stresses that regional integration is essential to *effectively* integrate developing countries into the world economy; stresses, furthermore, that the EU's development finance cooperation with SADC countries must assist their regional economic cooperation and integration efforts;

#### Amendment

2. Points out that regional integration features prominently in the EPA; stresses that regional integration is essential to *promote regional value chains in SADC* and Africa broadly, and sustainably integrate developing countries into the world economy; stresses, furthermore, that the EU's development finance cooperation with SADC countries must assist their regional economic cooperation and integration efforts in a way that boosts wider intra-African trade;

Or. en

Amendment 6
Pierrette Herzberger-Fofana
on behalf of the Verts/ALE Group

Draft opinion Paragraph 2

# Draft opinion

2. **Points out that** regional integration features prominently in the EPA; stresses that regional integration is essential to effectively integrate developing countries into the world economy; stresses, furthermore, that the EU's development finance cooperation with SADC countries must assist their regional economic cooperation and integration efforts;

### Amendment

2. Acknowledges that the importance of economic regional integration in Africa has been a long-lasting stumbling block for concluding EPAs; stresses that the EU-SADC EPA shall support effectively the integration of regional markets; stresses, furthermore, that the EU's development finance cooperation with SADC countries must assist their regional economic cooperation and integration efforts;

Or. en

Amendment 7 Antoni Comín i Oliveres

Draft opinion Paragraph 3

# Draft opinion

3. Points out that the EPA should contribute to diversifying value chains in SADC countries and their economies, creating added value and jobs locally and thereby helping to reduce and eventually eradicate hunger and poverty in a sustainable manner;

#### Amendment

3. Recognizes that SADC partner countries can only benefit from the EPA insofar as it increases their ability to boost economic diversification and produce value-added manufactured products; points out that the EPA should therefore contribute to diversifying value chains in SADC countries and their economies. creating added value and jobs locally and thereby helping to reduce and eventually eradicate hunger and poverty in a sustainable manner; stresses, in this regard, that the largest export increases of most SADC countries to the EU have taken place in commodities and foodstuffs, thereby highlighting the need for further support in diversification and the implementation of strong industrial policies to promote structural transformation;

Or. en

Amendment 8 Charles Goerens

Draft opinion Paragraph 3

### Draft opinion

3. Points out that the EPA should contribute to *diversifying* value chains in SADC countries and their economies, *creating* added value and jobs locally and thereby *helping* to reduce and eventually eradicate hunger and poverty in a sustainable manner;

### Amendment

3. Points out that the EPA should contribute to *diversify* value chains in SADC countries and their economies, *encourage trade and development policies based on the promotion of human rights, rule of law and democracy, create* added value and jobs locally and *help to fight inequalities and* thereby to reduce and eventually eradicate hunger and poverty in a sustainable manner;

# Amendment 9 Pierrette Herzberger-Fofana on behalf of the Verts/ALE Group

# Draft opinion Paragraph 3

### Draft opinion

3. Points out that the EPA should contribute to diversifying value chains in SADC countries and their economies, creating added value and jobs locally and thereby helping to reduce and eventually eradicate hunger and poverty in a sustainable manner;

### Amendment

3. Points out that the EPA should contribute to diversifying value chains in SADC countries and their economies, which necessitates fair and prodevelopment global trade rule, creating added value and jobs locally and thereby helping to reduce and eventually eradicate hunger and poverty in a sustainable manner;

Or. en

Amendment 10 Pierrette Herzberger-Fofana on behalf of the Verts/ALE Group

Draft opinion Paragraph 3 a (new)

Draft opinion

#### Amendment

Highlights that the Southern 3a. African Development Community (SADC) countries are rich in natural resources and in most of them their extractive industries extract and export natural resources with little industrial processing; recalls that developing countries see export taxes as a means to move up the value chain, to develop domestic industries and manufacturing capacity, creating jobs and diversifying the economy and exports; however, recalls that SADC EPA countries are allowed to apply export taxes only in "exceptional circumstances";

# Amendment 11 Antoni Comín i Oliveres

Draft opinion Paragraph 3 a (new)

Draft opinion

### Amendment

3a. Underlines the financial and technical difficulties that local SMEs experience in fulfilling EU regulations and standards that are required before exporting to the EU market, which may exclude most SMEs from EPA benefits; stresses the need to provide adequate assistance to SMEs to ensure their compliance with EU requirements and access to EU markets, and to raise awareness about the utilization of tariff rate quotas;

Or. en

Amendment 12 Marlene Mortler

Draft opinion Paragraph 3 a (new)

Draft opinion

Amendment

3a. Stresses that EPA should contribute to enhance competitiveness and sustainable economic growth in SADC EPA States thanks to a fair trade and investment system which takes into account the disparities in the level of development between the EU and its SADC EPA partners;

Or. en

Amendment 13 Pierrette Herzberger-Fofana

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# on behalf of the Verts/ALE Group

# Draft opinion Paragraph 3 b (new)

Draft opinion

#### Amendment

3b. Stresses that the EU request to ban export taxes on raw materials has been a long-lasting stumbling block in the negotiation process on EPAs, considering that export taxes/duties are not prohibited under the WTO regime; recalls the right of African countries to regulate raw materials in their public interest; accordingly, calls on the EU to refrain from adopting a trade policy that prohibits, as a general rule, developing countries from levying export taxes on raw materials, insofar as it is WTO-compatible;

Or en

Amendment 14
Pierrette Herzberger-Fofana
on behalf of the Verts/ALE Group

# Draft opinion Paragraph 4

# Draft opinion

4. Underlines the importance of good governance and assistance in building capacity for sustainable development, in particular with regard to establishing sustainable fiscal systems and fighting tax evasion, in order to help unlock fiscal capacity for further economic and social development and to protect the environment;

# Amendment

4. Recalls that SADC EPA States were impacted by the pandemic through reduced fiscal revenues, driven e.g. by the reduced economic activity and fluctuating commodity prices and trade flows; in this context, underlines the importance of good governance and assistance in building capacity for sustainable development, in particular with regard to establishing sustainable fiscal systems and fighting tax evasion, in order to help unlock fiscal capacity for further economic and social development and to protect the environment;

# Amendment 15 Antoni Comín i Oliveres

# Draft opinion Paragraph 4

# Draft opinion

4. Underlines the importance of good governance and assistance in building capacity for sustainable development, in particular with regard to establishing sustainable fiscal systems and fighting tax evasion, in order to help unlock fiscal capacity for further economic and social development and to protect the environment;

#### Amendment

4. Underlines the importance of good governance and assistance in building capacity for sustainable development, in particular with regard to establishing sustainable fiscal systems and fighting tax evasion, in order to help unlock fiscal capacity for further economic and social development and to protect the environment; recalls that the EU needs to strongly support the strengthening of institutions and comprehensive capacity-building in the public sector of partner countries;

Or. en

Amendment 16 Marlene Mortler

Draft opinion Paragraph 4 a (new)

Draft opinion

### Amendment

4a. Stresses that the EPA should support a new trade dynamic between the Parties by means of the progressive asymmetrical liberalisation of trade between them and that it can reinforce, broaden and deepen cooperation in all areas relevant to trade, thus also enhancing the partnership between the SADC countries and the EU; Stresses the importance of the principle of asymmetric liberalisation of trade as a tool to foster the economic growth and sustainable

Or en

Amendment 17 Dominique Bilde

Draft opinion Paragraph 4 a (new)

Draft opinion

#### Amendment

4a. Is concerned, in this regard, that South Africa and Mozambique are on the Financial Action Task Force's list of jurisdictions under increased monitoring of 23 June 2023, and stresses the need for these countries to step up their financial transparency efforts<sup>1</sup> a;

Or. fr

Amendment 18 Pierrette Herzberger-Fofana on behalf of the Verts/ALE Group

Draft opinion Paragraph 5

### Draft opinion

5. **Stresses** that the EPA **should contribute** to establishing an effective, predictable and transparent regional regulatory framework for trade and investment, provide a sustainable foundation for the implementation of the African Continental Free Trade Area and thereby attract private capital, which is indispensable for fostering sustainable

### Amendment

5. Calls on the EU to ensure that the EPA contributes to establishing an effective, predictable and transparent regional regulatory framework for trade and investment in full respect of e.g. the 2018 UN Declaration on the Rights of Peasants and Other People Working in Rural Areas; the FAO Voluntary Guidelines of Tenure; the principle of

<sup>&</sup>lt;sup>1 a</sup> https://www.fatfgafi.org/en/publications/High-risk-andother-monitored-jurisdictions/Increasedmonitoring-june-2023.html

development and achieving the goals of the 2030 Agenda;

Free, Prior and Informed Consent (FPIC) as set out in the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and the ILO Convention 169; emphasises that Economic Partnership Agreements (EPAs) shall contribute to provide a sustainable foundation for the implementation of the African Continental Free Trade Area and thereby attract private capital, contribute to the building of resilient and sustainable regional value chains, boosting and diversifying intra-African trade, which is indispensable for fostering sustainable development and achieving the goals of the 2030 Agenda; believes that the African Continental Free Trade Area and the ongoing regional integration efforts provide a good opportunity to rebalance the international investment regime so that it becomes responsible, equitable and conductive to sustainable development; takes the view that EU support to African Continental Free Trade Agreement (AfCFTA) should go along the development of regulative frameworks, to prevent a "race to bottom" of social and environmental norms;

Or. en

Amendment 19 Antoni Comín i Oliveres

Draft opinion Paragraph 5

# Draft opinion

5. Stresses that the EPA should contribute to establishing an effective, predictable and transparent regional regulatory framework for trade and investment, provide a sustainable foundation for the implementation of the African Continental Free Trade Area and thereby attract private capital, which is indispensable for fostering sustainable development and achieving the goals of the

# Amendment

5. Stresses that the EPA should contribute to establishing an effective, predictable and transparent regional regulatory framework for trade and investment *in a way that positively contributes to* the implementation of the African Continental Free Trade Area and *the attraction of* private capital, which is indispensable for fostering sustainable development and achieving *most* goals of

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Or en

**Amendment 20 Charles Goerens** 

Draft opinion Paragraph 5

# Draft opinion

5. Stresses that the EPA should contribute to establishing an effective, predictable and transparent regional regulatory framework for trade and investment, provide a sustainable foundation for the implementation of the African Continental Free Trade Area and thereby attract private capital, which is indispensable for fostering sustainable development and achieving the goals of the 2030 Agenda;

#### Amendment

5. Stresses that the EPA should contribute to establishing an effective, predictable and transparent regional regulatory framework for trade and investment, provide a sustainable foundation for the implementation of the African Continental Free Trade Area and thereby attract private capital, which is indispensable for fostering sustainable *long-term* development and achieving the goals of the 2030 Agenda;

Or. en

Amendment 21 Pierrette Herzberger-Fofana on behalf of the Verts/ALE Group

Draft opinion Paragraph 5 a (new)

Draft opinion

#### Amendment

5a. Recalls that the current EPA's Trade Sustainability Development (TSD) Chapter has a limited scope of binding commitments and provisions on dialogue with civil society; believes that EPAs should systematically integrate a mandatory and enforceable sustainable development chapter which reflect the highest labour & environmental standards to achieve the goals of the 2030 Agenda, which entails e.g. the inclusion

of strong sustainability commitments related to the Paris Climate Agreement; the Kunming-Montreal Global Biodiversity Framework; international core labour standards and gender equality and women's empowerment; in particular, recalls that, to be effective, TSD chapter should be covered by the dispute settlement mechanism; welcomes the integration of a TSD chapter in the remit of the EU EPA with Kenya; urges the Commission to build upon it and to strive for the strengthening of the EPA's TSD Chapter in the ongoing review process of the SADC EPA;

Or. en

Amendment 22 Antoni Comín i Oliveres

Draft opinion Paragraph 5 a (new)

Draft opinion

### Amendment

5a. Recalls the importance of allowing exceptions to the National Treatment principle and the obligation to eliminate export taxes in order to promote and protect infant industries that are key to diversifying the economies of partner countries, thereby boosting their development, in line with Article XVII: C) and Article XXIV of the GATT.

Or. en

Amendment 23 Ryszard Czarnecki on behalf of the ECR Group Beata Kempa

Draft opinion Paragraph 5 a (new)

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#### Amendment

5a. Points out that, despite increasing trade and investment flows, political issues and trade irritants are disrupting multilateral trade negotiations; stresses that some SADC countries oppose liberalisation, minimise the role of the private sector or have strong diplomatic ties with Russia;

Or. pl

Amendment 24 Antoni Comín i Oliveres

Draft opinion Paragraph 6

# Draft opinion

6. Highlights the importance of broadly, systematically and meaningfully involving local and regional civil society in the EPA's implementation and the ex post evaluations thereof.

#### Amendment

Highlights the importance of broadly, systematically and meaningfully involving local and regional civil society in the EPA's implementation and the ex post evaluations thereof; notes that the scope of provisions of the EPA on dialogue with civil society are limited when compared with other recent EU trade agreements; stresses the need to enhance the consultation role of civil society; calls to establish a formal mechanism for civil society engagement, while recalling that existing platforms like the multistakeholder national monitoring frameworks of the African Union's Agenda 2063 can also be leveraged for engagement with civil society in the EPA context;

Or. en

**Amendment 25 Charles Goerens** 

**Draft opinion** 

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# Paragraph 6

# Draft opinion

6. Highlights the importance of broadly, systematically and meaningfully involving local and regional civil society in the EPA's implementation and the ex post evaluations thereof.

#### Amendment

6. Highlights the importance of broadly, systematically and meaningfully involving *development partners and* local and regional civil society in the EPA's implementation and the ex post evaluations thereof *to ensure the EPA meets the needs of the population while guaranteeing the fundamental principles of sustainable development;* 

Or. en

Amendment 26 Ryszard Czarnecki on behalf of the ECR Group Beata Kempa

Draft opinion Paragraph 6

# Draft opinion

6. Highlights the importance of broadly, systematically and meaningfully involving local and regional civil society in the EPA's implementation and the ex post evaluations thereof.

#### Amendment

6. Highlights the importance of broadly, systematically and meaningfully involving local and regional civil society, *academia, trade unions and private sector representatives* in the EPA's implementation and the ex post evaluations thereof;

Or. pl

Amendment 27
Pierrette Herzberger-Fofana
on behalf of the Verts/ALE Group

Draft opinion Paragraph 6

Draft opinion

6. Highlights the importance of

Amendment

6. Highlights the importance of

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broadly, systematically and meaningfully involving local and regional civil society in the EPA's implementation and the ex post evaluations thereof.

broadly, systematically and meaningfully involving local and regional civil society in the EPA's implementation, *monitoring* and the ex post evaluations thereof.

Or. en

Amendment 28 Dominique Bilde

Draft opinion Paragraph 6 a (new)

Draft opinion

#### Amendment

6a. Insists on the application of all the provisions of the Cotonou Agreement, including Article 13 thereof<sup>1</sup> ; is concerned, in this regard, about the migration situation in the French department of Mayotte, and calls on the countries concerned to cooperate with a view to the readmission of their nationals who are illegally present in France<sup>1</sup> c.

Or fr

<sup>&</sup>lt;sup>1 b</sup> https://eurlex.europa.eu/resource.html?uri=cellar:ee bc0bbc-f137-4565-952d-3e1ce81ee890.0004.04/DOC\_2&format=P DF

<sup>1</sup> c 'Il évoque des départs plus compliqués à mettre en œuvre pour les Africains des Grands lacs. Gérald Darmanin prévoit, après les vacances estivales, compte pour cela se muer en "ambassadeur de l'Intérieur" en allant au Burundi, Rwanda, Tanzanie et Mozambique pour "négocier des accords de réadmission" de leurs ressortissants', https://outremers360.com/bassin-indienappli/mayotte-gerald-darmanin-annonce-une-nouvelle-formule-pour-loperation-wuambushu-sorte-de-shikandra-2

**Amendment 29 Charles Goerens** 

Draft opinion Paragraph 6 a (new)

Draft opinion

Amendment

6a. Underlines that while EPAs can provide significant advantages for ACP countries, they also come with their own set of challenges and drawbacks; insists therefore that policymakers carefully consider these factors and work to ensure that EPAs are implemented in a way that maximizes benefits for all parties involved;

Or. en

Amendment 30 Marlene Mortler

Draft opinion Paragraph 6 a (new)

Draft opinion

Amendment

6a. Recalls that all the Parties should always act on the basis of the principles of solidarity and mutual interest in order to enhance a fruitful collaboration to fulfil their commitments and obligations and to facilitate the capacity of the SADC EPA States to continue to implement the Agreement;

Or. en

**Amendment 31 Charles Goerens** 

Draft opinion Paragraph 6 b (new)

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# Draft opinion

#### Amendment

6b. Recalls that implementing EPAs can be challenging for smaller ACP countries that lack the resources and infrastructure; calls on the EU and its members states to assist their partner developing countries in a way that they can fully take advantage of the opportunities presented by EPAs;

Or. en

Amendment 32 Marlene Mortler

Draft opinion Paragraph 6 b (new)

Draft opinion

Amendment

6b. Recalls the need to commit to international standards and agreements in light of an efficient international cooperation;

Or. en

**Amendment 33 Charles Goerens** 

Draft opinion Paragraph 6 c (new)

Draft opinion

Amendment

6c. Underlines the importance of the EU's commitment to multilateral cooperation, and securing Europe's own trade interests while at the same time addressing some of the key interests of ACP states – particularly with regard to regional integration;

**Amendment 34 Charles Goerens** 

Draft opinion Paragraph 6 d (new)

Draft opinion

Amendment

6d. Recalls the two-pillar solution for addressing the tax challenges arising from the digitalisation and globalisation of the economy, as agreed by the members of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting;

Or. en

**Amendment 35 Charles Goerens** 

Draft opinion Paragraph 6 e (new)

Draft opinion

Amendment

6e. Calls on the EU and its Member States to ensure that the agreed global minimum corporate tax rate of 15% for Multinational Enterprises is effectively applied; underlines that this minimum tax is estimated to generate around USD 150 billion in additional global tax revenues annually.