

Position Statement on EU Economic Partnership Agreements

16 August 2024, Harare, Zimbabwe

1. Churches, Labour, Farmers, Exporters, Civil Society and Academia convened on the SADC People's Summit to develop shared positions and meaningful alternatives around the European Union's Economic Partnership Agreements with SADC (EU-SADC EPA), and with Eastern and Southern African countries (EU-ESA iEPA). EPAs are reciprocal free trade agreements through which the EU and ESA countries commit to non-reciprocal trade liberalisation. Continued negotiations and implementation of EPAs constitute a significant threat to the SADC Vision 2050 which envisions a peaceful, inclusive, competitive middle to high income industrialised region where all citizens enjoy sustainable economic wellbeing, justice and freedom.

2. Despite decades of trade relations with the EU, trade benefits with the EU (duty-free, quota-free access to the EU), EPAs have yielded marginal benefits for poverty reduction and sustainable development in SADC. In particular, they have failed to respond to the five key challenges facing ESA countries: i. extractivist economic models that are over-reliant on primary commodity exports; ii. Limited industrialisation and domestic manufacturing capacities; iii. Jobless economic growth and extreme inequality; iv. Marginalisation of rural and the informal economy; v. vulnerability to externalities particularly climate change, global economic shocks and geo-strategic conflicts.

3. The promised benefits of trade liberalisation have not led to increased competitiveness, diversification or sustained economic growth for SADC countries. Rather, efforts to liberalise trade with unequal trading partners such as the EU have resulted in negative development outcomes including the displacement of nascent local producers, capital flight, tariff losses, and the marginalisation of the developmental needs and interests of vulnerable groups. We, therefore, call upon SADC leaders to accelerate the implementation of the SADC Industrialisation Strategy and Roadmap (2015 - 2063) as a means to increase intra-SADC trade (currently at 17% of total SADC trade).

4. Within the context of deepening globalisation and geo-political competition for strategic resources, EPAs have become an instrument of power and influence to advance the ideological and material interests of the EU. These ideological and material interests manifest in the EU's sustained efforts to extract strategic resources and to pressure ESA countries to adopt unfavourable neoliberal policy prescriptions. Given the surge in demand for Critical Energy Transition Minerals (CETMs) and SADC's role as a major CETM producer, we urge SADC leaders to develop a forward-looking common framework to shape the future of critical minerals, including a focus on increasing beneficiation and value addition of these vital resources. We also call upon SADC leaders to protect local food producers from agricultural liberalisation policies which potentially open local food markets to unjust competition from heavily subsidised European farmers.

5.EU-EPAs have continued to undermine the prospects of regional integration in SADC and Africa. Whilst a united and empowered EU regional bloc negotiates EPAs as a block with a clearly defined agenda, ACP countries have been put into different negotiating blocs some with divergent interests and priorities. In addition to these geographic divisions, EPAs also divide countries by development status like Least Developed Countries (LDC) and non-LDC countries as well as through special initiatives like the Everything But Arms (EBAs) which excludes other countries.

The prospects for regional integration, a supposed objective of the EPAs, are further jeopardized. In Africa, these controversial negotiations and partial agreements have pitted neighbouring countries against each other, and existing regional integration groupings and mechanisms are being distorted to promote European interests in Africa. We therefore urge SADC leaders to unite and negotiate with the EU as a common bloc, guided by the SADC Trade Protocol. Until this unity is achieved, we demand the abandonment of the EPA processes, i.e. negotiations, ratifications and/or implementation.

6.The SADC Countries take action to address the challenges of investment and trade with the EU in the broader context of new challenges and opportunities in the evolving global economy, geopolitical situation and in line with their own initiatives. We thus, call upon EU countries in support of these measures, in their own long-term interests, to give the SADC countries the space they need by offering them one of the alternative trade regimes at their disposal. We also call upon SADC countries to take ownership of funding their development agenda to reduce reliance on aid.

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