

Southern African Development Community European Union Economic Partnership Agreement



Wesgro
cape town & western cape
tourism, trade & investment

This booklet has been developed as a brief guide to the Southern African Development Community (SADC) – European Union (EU) Economic Partnership Agreement (EPA) that entered into force in 2016, and to highlight opportunities that the agreement offers for Western Cape exporters to the EU. The EPA replaces SA – EU Trade, Development, and Cooperation Agreement (TDCA). The analysis in this booklet focuses on new and expanded duty free market access to the EU and other trade benefits under the EPA.

The agreement provides significant opportunities for agricultural, agri-processing, and fisheries sectors.

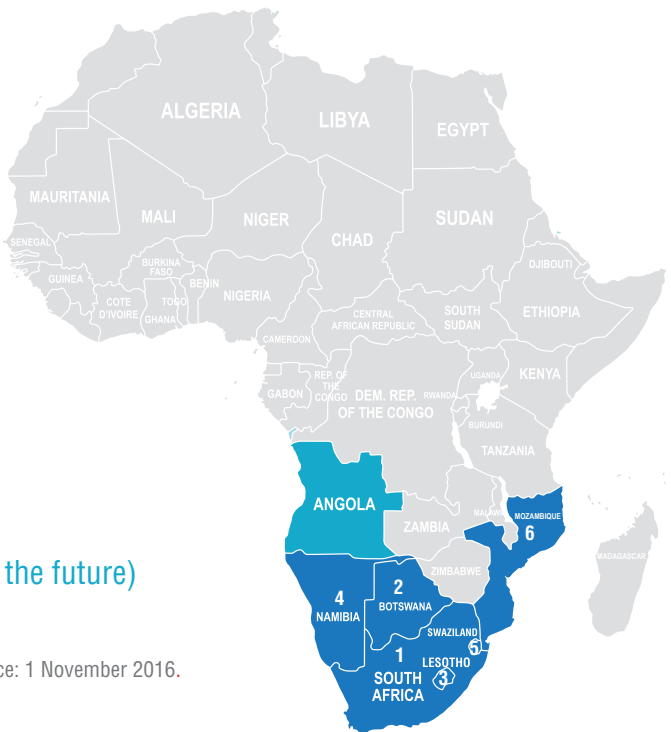


Opportunity: The Western Cape exports 53% of SA's agriculture and fishing products, 71% of SA's beverages, and 43% of SA's value added food products. The EU is the second largest export destination for Western Cape products.

The SADC – EU EPA is a comprehensive economic partnership agreement between:

European Union

- 1. South Africa**
- 2. Botswana**
- 3. Lesotho**
- 4. Namibia**
- 5. Swaziland**
- 6. Mozambique**



(Angola has option to join in the future)

Signed: 10 June 2016.

Market access provisions entered into force: 1 November 2016.

The SADC -EU EPA includes better trading terms and market access than the TDCA for agriculture & fisheries products:



New Duty Free

All fisheries, oranges and lemons (seasonal), cut flowers, whole milk powder, fermented milk products, whey and other natural milk products, sweetened pineapple juice, cultured yeast, dried baker's yeast and non sweetened pear juice



New Tariff Rate Quotas

Skimmed milk powder, butter, sugar, white crystalline powder, citrus jams, ethanol, active yeast



Improved Tariff Rate Quotas

Wine, frozen orange juice, apple juice, canned fruit



Unchanged Tariff Rate Quotas

Frozen strawberries, canned mixtures of tropical fruit

EPAs are trade and development agreements negotiated between the EU and regional economic communities within the African, Caribbean and Pacific (ACP) group of states.

Economic Partnership Principles

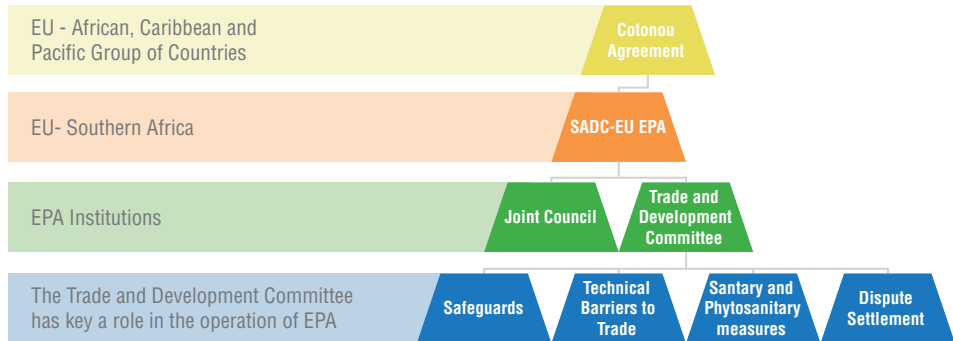
**Human
Rights**

Rule of Law

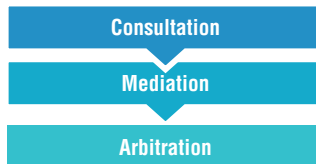
Democracy

**Regional
Integration**

Institutional Overview

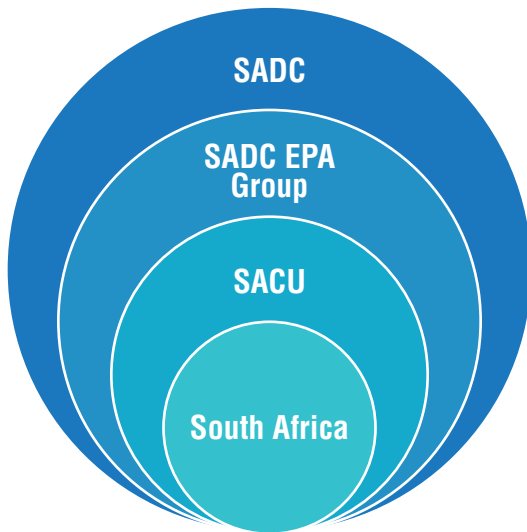


The SADC-EU EPA includes a 3 stage dispute settlement mechanism



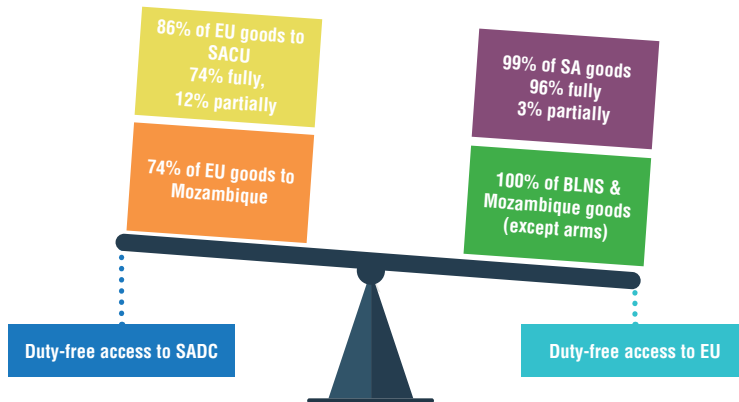
Regional Integration in Southern Africa

The EPA has a strong focus on regional integration and fostering regional value chains in the SADC EPA group of countries. The SADC EPA group of countries does not consist of the entire SADC bloc, but rather members of the Southern African Customs Union (SACU) plus Mozambique, with an option for Angola to join in the future.



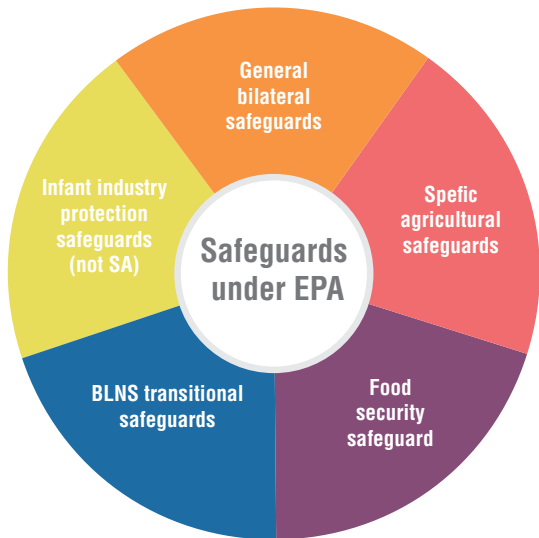
Reciprocal but Asymmetrical Trade Agreement

The SADC-EU EPA is a reciprocal trade agreement, meaning both the EU and the SADC EPA group offer preferential market access to each other; however the EU provides greater preferential and duty free access, while the SADC EPA group are allowed to maintain protection of sensitive sectors.



Exceptions: Safeguards and Infant Industries

A safeguard measure is a “safety valve”. It allows an importing member state to temporarily suspend reduced import duties, or increase duties to protect a specific domestic industry from a sudden increase in imports which causes serious injury to its domestic industry. The SADC EPA includes various types of safeguards.



EU export subsidies

Article 68 of the EPA prohibits the use of export subsidies by the SADC EPA states on agricultural goods traded between them. This was the first time the EU committed to this in a trade agreement.

General bilateral safeguards

Implementation of EPA obligations

Reduction of tariffs on imported cheese

(for example, cheese)

Increase in imports of cheese

Domestic cheese makers suffer

Institute safeguards for cheese (temporarily)

Further tariff reductions suspended/tariffs increased/tariff quotas

General bilateral safeguards

Implementation of EPA obligations by SACU

Reduction of tariffs on specified products

Designated annual volume of specified EU imports exceeded

Offal, worked cereals, meat preparations, long-life milk, preserved cucumbers and olives, chocolate

SACU can apply safeguard

Increased tariffs for remainder of calendar year or 5 month period.

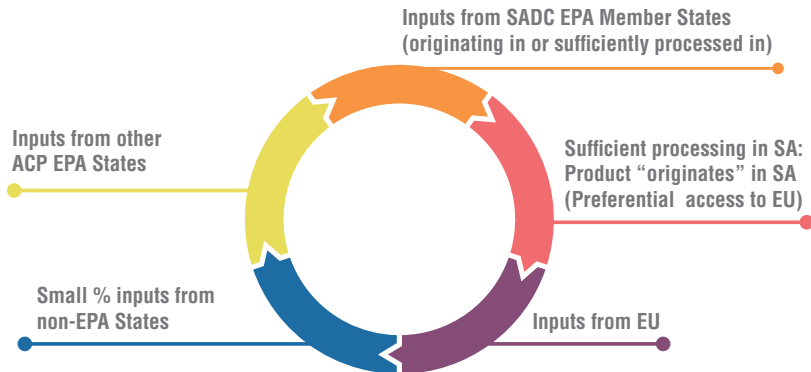
SACU can implement specific agricultural safeguards (an import duty) on 23 specified agricultural products imported from the EU if a designated volume is exceeded.

Rules of Origin and Promoting Value Chains

Rules of Origin (RoO): To be eligible for preferential treatment under a trade agreement, a product needs to originate (fully or partially) in a country that is party to the trade agreement. The criteria for what percentage of inputs can be sourced externally depends on the specific RoO contained in the agreement.

The SADC EPA RoO are formulated to support the development of regional value chains and enable producers to source inputs from various other countries without losing free access to the EU.

“Cumulation” allows originating products of, for example, Zimbabwe, to be further processed or added to products originating in, for example, South Africa, just as if they had originated in South Africa. The EPA makes provision for different types of cumulation. E.g.



Example: Clothing Manufacturing (Product specific rules)



Example: Anchovies



Opportunity to develop regional value chains.

NOTE: RoO cumulation arrangements between SADC EPA states and other states with whom cumulation is permitted has still to be negotiated.

SADC EPA GROUP EXPORTS TO THE EUROPEAN UNION

South Africa 80%

Top Products

- Motor vehicles
- Platinum
- Centrifuges

Top Markets

- Germany
- United Kingdom
- Netherlands

Swaziland negligible

Top Products

- Sugar
- Scents/ essences used in manufacturing
- Fruits and nuts

Top Markets

- Spain
- Italy
- United Kingdom

Lesotho 1%

Top Products

- Diamonds
- Women's clothing
- Dried fruit

Top Markets

- Belgium
- France
- Germany

Botswana 7%

Top Products

- Diamonds
- Meat
- Insulated wire or cable

Top Markets

- Belgium
- United Kingdom
- France

Namibia 6%

Top Products

- Copper, unrefined
- Fish
- Diamonds

Top Markets

- Belgium
- Italy
- Germany

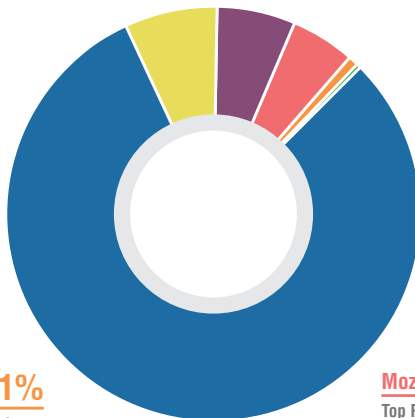
Mozambique 5%

Top Products

- Unwrought aluminium
- Aluminium bars and rods
- Unmanufactured tobacco

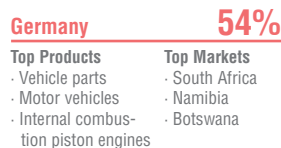
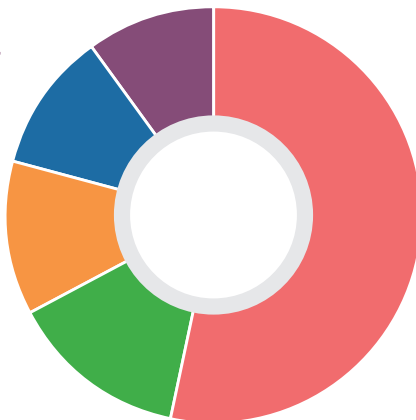
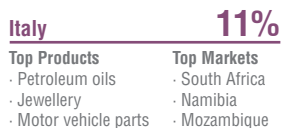
Top Markets

- Netherlands
- Italy
- United Kingdom



Source: Trademap, 2018

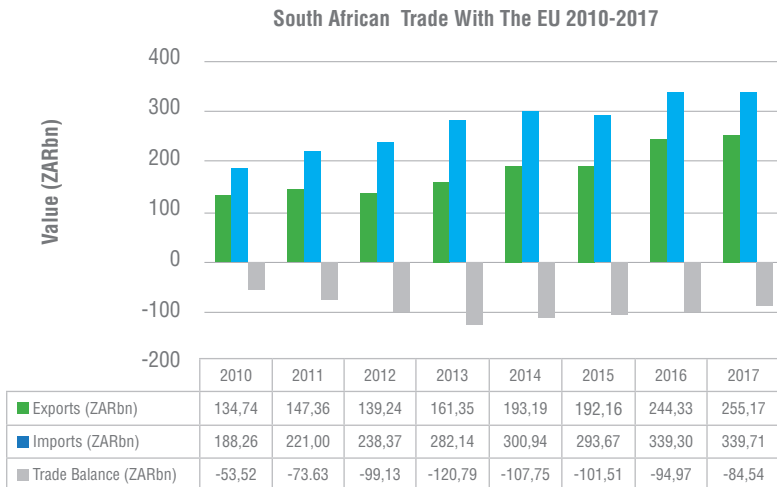
TOP 5 EUROPEAN UNION EXPORTERS TO SADC EPA GROUP



Source: Trademap, 2018

South African-EU Trade

The figure below illustrates the trend in South Africa-EU trade from 2010 to 2017. South Africa was a net importer of goods from 2010-2017. In 2017 exports to the European Union (EU) totalled ZAR255bn, growing by 4% in 2017 while imports remained neutral. The European Union is the largest destination sub-region for Western Cape exports, followed by SACU and SADC.



Source: Quantec, 2018



TOP 10 RSA EXPORTS TO THE EU, 2017

RANK	COUNTRY	VALUE 2017 (ZARbn)	% GROWTH 2013-2017
1	Motor cars for the transport of people	37.59	60.09
2	Platinum	30.70	16.73
3	Motor vehicles for the transport of goods	26.01	30.57
4	Centrifuges, incl. centrifugal dryers	14.35	5.82
5	Ferro-alloys	11.25	3.50
6	Iron ores and concentrates, incl. roasted iron pyrites	7.31	6.74
7	Citrus fruit	7.14	20.33
8	Coal; briquettes, avoids and similar solid fuels manufactured from coal	6.66	-0.94
9	Grapes	5.59	18.45
10	Diamonds, whether or not worked, but not mounted or set	5.27	3.25
TOTAL EXPORTS		255.17	13.33

TOP 10 RSA IMPORTS TO THE EU, 2017

RANK	COUNTRY	VALUE 2017 (ZARbn)	% GROWTH 2013-2017
1	Motor cars for the transport of people	27.15	7.28
2	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses	12.11	5.87
3	Refined petroleum oils	11.11	10.90
4	Parts and accessories for tractors, motor vehicles	9.06	12.03
5	Motor vehicles for the transport of goods,	4.45	8.07
6	Automatic data-processing machines and units thereof	4.00	10.49
7	Electric generating sets and rotary converters	3.83	62.71
8	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses	3.68	18.03
9	Powered aircraft "e.g. helicopters and aeroplanes"; spacecraft,	3.57	133.14
10	Centrifuges, incl. centrifugal dryers (excluding those for isotope separation)	3.35	14.56
TOTAL IMPORTS		339.71	7.65

Source: Quantec, 2018

Note the growth rate is based on Rand values and does not take exchange rate fluctuations into account

TOP 10 EU COUNTRIES FOR SA EXPORTS, 2017

RANK	COUNTRY	VALUE 2017 (ZARbn)	% GROWTH 2013-2017
1	Germany	77.29	19.34
2	United Kingdom	46.21	11.41
3	Netherlands	36.89	12.44
4	Belgium	32.91	17.42
5	Spain	16.76	17.84
6	Italy	14.00	5.67
7	France	10.95	10.20
8	Czech Republic	2.48	16.13
9	Sweden	2.41	10.23
10	Portugal	2.35	31.32
TOTAL EXPORTS		255.17	13.33

Source: Quantec, 2018

TOP 10 EU COUNTRIES FOR SA IMPORTS, 2017

RANK	COUNTRY	VALUE 2017 (ZARbn)	% GROWTH 2013-2017
1	Germany	127.12	22.81
2	United Kingdom	33.18	11.77
3	Italy	29.51	23.19
4	France	27.82	9.77
5	Spain	20.90	79.73
6	Netherlands	16.36	9.08
7	Sweden	12.06	-13.79
8	Belgium	11.73	5.61
9	Poland	10.36	29.56
10	Czech Republic	8.74	33.44
TOTAL IMPORTS		339.71	18.36

Western Cape-EU Trade

The figure below illustrates the trend in Western Cape EU trade from 2007 to 2017. The Western Cape was a net importer of goods from 2011-2017. In 2017 exports to the European Union (EU) totalled ZAR33bn, declining by 3% in 2017 while imports declined by 5% reaching ZAR35.7bn. Since 2015, Western Cape exports to the region have exceeded ZAR30bn. The European Union is the largest destination sub-region for Western Cape exports, followed by SACU and SADC. The EU was the second largest source market for Western Cape imports after Eastern Asia (ZAR36.9bn).

Western cape- Eu trade 2007-2017



Source: Quantec, 2018



TOP 10 WESTERN CAPE EXPORTS TO THE EU, 2017

TOP 10 WESTERN CAPE IMPORTS FROM THE EU, 2017

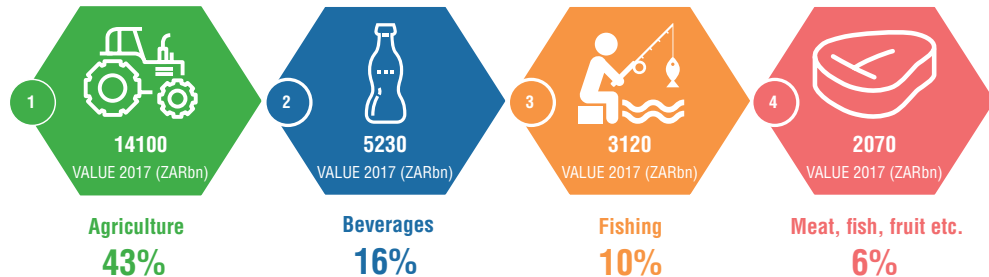
RANK	COUNTRY	VALUE 2017 (ZARbn)	% GROWTH 2013-2017	RANK	COUNTRY	VALUE 2017 (ZARbn)	% GROWTH 2013-2017
1	Wine of fresh grapes	4950	7.10	1	Crude petroleum oils and oils obtained from bituminous minerals	4805	2.83
2	Grapes, fresh or dried	4470	17.27	2	Undenatured ethyl alcohol of an alcoholic strength by volume of <80 % volume.	2233	4.46
3	Citrus fruit, fresh or dried.	4290	18.09	3	Machinery for the industrial preparation or manufacture of food or drink	569	31.00
4	Apples, pears & quinces, fresh.	2350	13.02	4	Meat and edible offal, of the poultry	529	1.63
5	Fish fillets and other fish meat (whether or not minced), fresh, chilled or frozen.	1160	17.02	5	Dish washing machines; machinery for cleaning /drying bottles or other containers; machinery for filling, closing, sealing or labelling bottles, machinery for capsuling bottles, jars, tubes and similar containers	509	20.24
6	Other fresh fruit	1160	30.48	6	Wheat and meslin	494	3319.77
7	Fresh apricots, cherries, peaches (including nectarines), plums and sloes	1020	15.30	7	Parts and accessories of the motor vehicles	459	9.07
8	Fish, frozen, excluding fish fillets and other fish meat of heading 03.04.	920	14.51	8	Preparations of a kind used in animal feeding	438	117.27
9	Molluscs	653	32.39	9	Coke and semi-coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon	396	-
10	Diamonds	639	-1.71	10	Paper and paperboard, coated on one or both sides with kaolin (China clay) or other inorganic substances	393	5.59
TOTAL EXPORTS		33000	10.40	TOTAL IMPORTS		35705	5.32

Source: Quantec, 2018

Note the growth rate is based on Rand values and does not take exchange rate fluctuations into account

The figure below shows the Western Cape's top 4 traded products for 2017 according to Standard Industrial Classification (SIC) codes.

TOP 4 PRODUCTS EXPORTED BY THE WESTERN CAPE TO THE EU BY SIC CODE, 2017



The top products (HS4) exported by the WC to the top EU markets are shown below:



UK
Wine of fresh grapes
(ZAR1.56bn)



Netherlands
Grapes
(ZAR2.4bn)



Germany
Wine of fresh grapes
(ZAR1.1bn)



Italy
Fish fillets and other fish meat
(ZAR405m)



France
Wine
(ZAR225m)

TOP 10 EU COUNTRIES FOR WC EXPORTS, 2017

RANK	COUNTRY	VALUE 2017 (ZARbn)	% GROWTH 2013-2017
1	United Kingdom	9040	11.55
2	Netherlands	9010	10.70
3	Germany	4800	9.85
4	Italy	1980	17.17
5	France	1590	13.01
6	Belgium	1520	3.59
7	Spain	1440	13.60
8	Portugal	936	23.80
9	Sweden	617	-0.43
10	Denmark	594	16.55
TOTAL EXPORTS		33000	10.40

Source: Quantec, 2018

The top products (HS4) imported by the top markets are shown below:



Germany

Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics.
(ZAR297m)



United Kingdom

Spirits, liqueurs and other spirituous beverages of less than 80 % vol.
(ZAR1.87bn)



Italy

Refined petroleum oils and oils obtained from bituminous minerals
(ZAR969m)



Netherlands

Refined petroleum oils and oils obtained from bituminous minerals
(ZAR1.6bn)



France

Casks, barrels, vats, tubs and other cooper's products and parts thereof, of wood
(ZAR205m)

TOP 10 EU COUNTRIES FOR WC IMPORTS, 2017

RANK	COUNTRY	VALUE 2017 (ZARbn)	% GROWTH 2013-2017
1	Germany	6080	8.47
2	United Kingdom	5880	2.96
3	Italy	5370	9.62
4	Netherlands	3880	-5.18
5	France	2540	4.55
6	Spain	2180	28.97
7	Belgium	1810	9.71
8	Poland	1400	51.52
9	Austria	1040	2.92
10	Finland	1040	4.42
TOTAL IMPORTS		35705	5.32

Source: Quantec, 2018

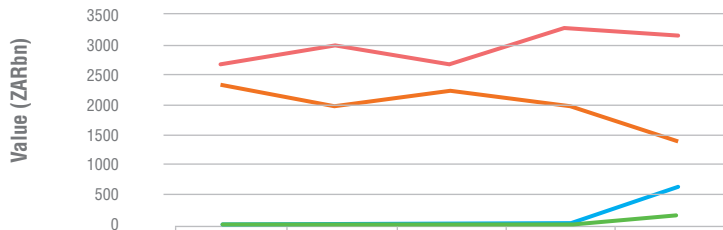
New tariff rate quotas for SA products entering the EU under the SADC-EU EPA

Tariff rate quotas provide access to markets at tariff rates that are reduced from the MFN rate (including to zero in some cases) for certain quantities of goods.

Skimmed milk powder (HS 040210)	500 metric tons enter duty free
Butter (HS 040510)	500 metric tons enter duty free
Raw and refined sugar (HS 17011310, HS 17011410, HS 17019910)	duty free access for 50 000 tons of refined sugar and 100 000 tons of raw sugar for refinery
White crystalline powder (HS 17023050)	500 metric tons enter duty free
Citrus jams (HS 20079130)	100 metric tons enter at 50% of the MFN applied tariff
Non-tropical canned fruit (HS 200840, HS 200850, HS 200870, HS 200897)	57156 tons enter at 45% of the MFN applied tariff which will be reduced by a further 4% annually until duty free
Frozen orange juice (HS 20091199)	1057 tons enter duty free, the in-quota quantity increases annually by 21 tons
Apple and pineapple juice (HS 20097100, HS 20097911, HS 20097919, HS 20097930, HS 20097991, HS 20097998)	3595 tons enters at 50% of the MFN applied tariff, the in-quota quantity increases annually by 117 tons for the first 10 years and thereafter by 70.5 tons
Active yeast (HS 21021090)	350 tons enter duty free
Bottled wine (27 HS 10 tariff lines between HS 2204219319 and HS 2204219881)	77741300 litres enter duty free
Bulk wine (75 HS 10 tariff lines between HS 2204219319 and HS 2204299881)	33317700 litres enter duty free; from 1 September each year, bulk wine can enter under the remaining quota for bottled wine for the remainder of the year
Ethanol (HS 22071000 and HS 22072000)	80000 tons enter duty free

Opportunity: 5 of top 10 Western Cape exports to the EU are products that have gained increased market or duty free access under the SADC EPA.

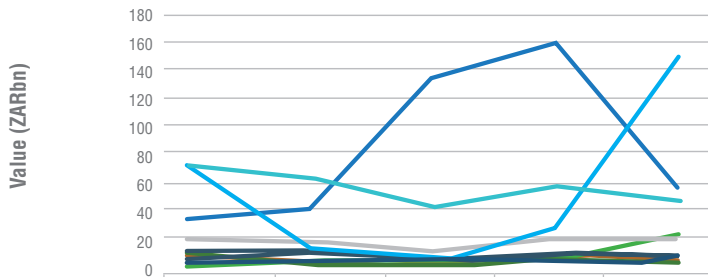
SOUTH AFRICA'S EXPORTS TO THE EUROPEAN UNION, 2013-2017 TARIFF RATE QUOTAS (Wine and Sugar)



	Value in 2013	Value in 2014	Value in 2015	Value in 2016	Value in 2017
— '22042141 Wine of fresh grapes, incl.fortified wines, and grape must whose fermentation has been arrested...	2673,6	2966,2	2707,4	3269,5	3151,3
— '22042941 Wine of fresh grapes, incl.fortified wines, and grape must whose fermentation has been arrested...	2319,0	1998,3	2240,6	2001,4	1383,5
— '17011400 Raw cane sugar, in solid form, not containing added flavouring or colouring matter (excluding ...	0,0	38,3	0,0	0,0	628,1
— '17019900 Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar ...	17,7	15,9	15,4	16,5	151,3

Source: Trademap, 2018

SOUTH AFRICA'S EXPORTS TO THE EUROPEAN UNION, 2013-2017 TARIFF RATE QUOTAS (excluding wine and sugar)



	Value in 2013	Value in 2014	Value in 2015	Value in 2016	Value in 2017
'22071000 Undenatured ethyl alcohol, of actual alcoholic strength of $\geq 80\%$	71,9	11,8	3,9	26,8	148,7
'20094900 Pineapple juice, unfermented, brix value > 20 at 20°C , whether or not containing added sugar ...	34,1	39,7	135,2	157,7	55,9
'20089700 Mixtures of fruits, nuts and other edible parts of plants, prepared or preserved, whether or ...	72,5	61,9	41,9	57,0	47,2
'20097900 Apple juice, unfermented, brix value > 20 at 20°C , whether or not containing added sugar or ...	10,0	13,1	5,6	5,3	22,7
'22042142 Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested ...	0,7	3,1	4,5	4,5	20,0
'20079100 Citrus fruit jams, jellies, marmalades, purées or pastes, obtained by cooking, whether or not ...	18,1	17,0	9,5	20,2	19,5

—'20094100 Pineapple juice, unfermented, brix value <= 20 at 20°C, whether or not containing added sugar ...	3,5	3,1	3,7	7,9	7,6
—'22042151 Wine of fresh grapes, incl. fortified wines, and grape must whose fermentation has been arrested ...	4,5	8,1	5,4	5,6	5,8
—'20097100 Apple juice, unfermented, brix value <= 20 at 20°C, whether or not containing added sugar or ...	9,5	10,8	5,9	2,8	2,3
—'22072000 Denatured ethyl alcohol and other spirits of any strength	8,7	0,0	0,1	2,8	2,1

Source: Trademap, 2018

The below products, not included in the graphs above, where negligible exports were made to the EU, despite the TRQ's. These products should then be a focus area for increased exports to the EU in order to take advantage of the EPA. Milk, butter and strawberries in particular can be a focus for the Western Cape in terms of relieving barriers and encouraging trade of these products.



Frozen strawberries



Milk and cream in solid forms



Certain raw cane sugar



Certain wine



Butter

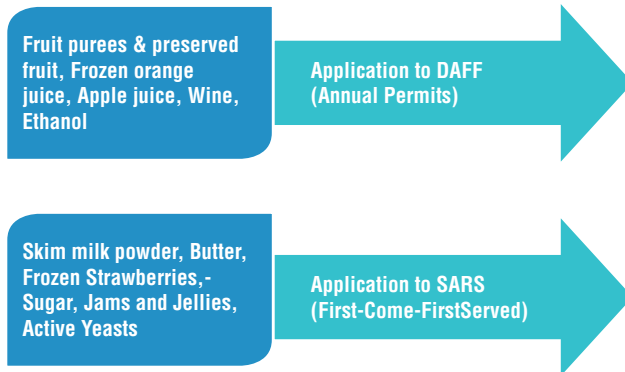


Glucose

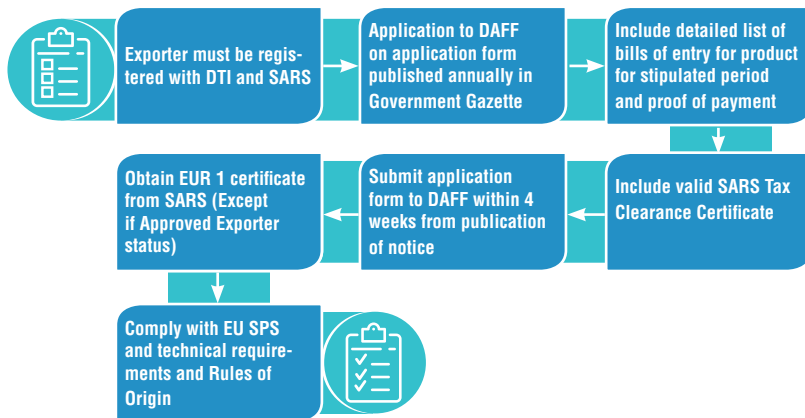
Application for Export Quotas under EPA TRQs

To benefit from preferential access under the EPA TRQs, exporters need to apply for quota allocation. Certain products require application to the Department of Agriculture, Forestry, and Fisheries (DAFF). Other products only need an application to SARS for a EUR1 certificate, and are allocated on a first-come-first-served basis.

Quota allocation by DAFF is based on their preferential market access allocation system. Permits are valid 1 January – 31 December.

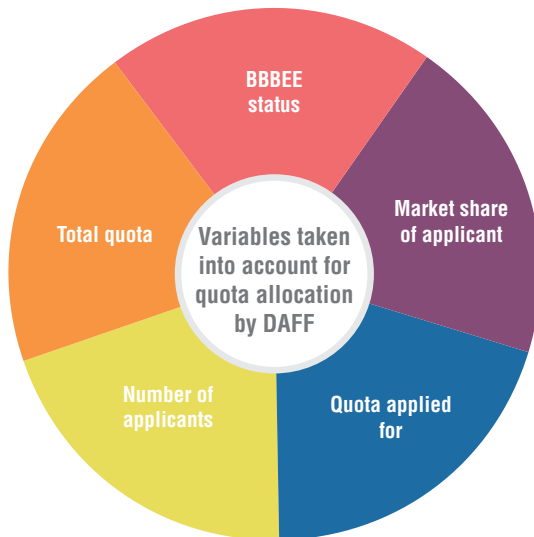


Application to DAFF for TRQ Annual Export Permit

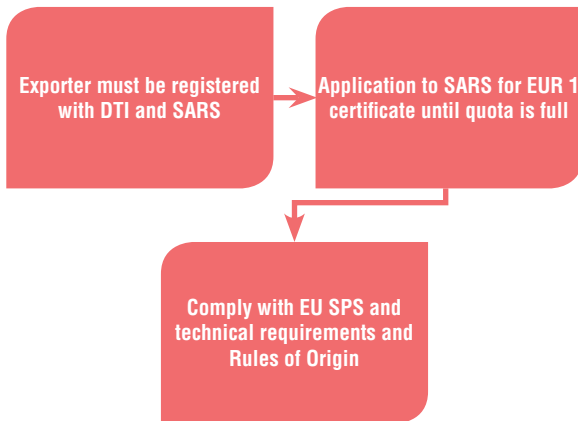


EUR 1 Certification: the certification that enables importers to import products at a reduced or nil rate of import duty in terms of the SADC-EU EPA

Quotas for TRQ products that require annual permits are allocated by DAFF based upon their preferential market access allocation system.



Application to SARS for TRQs granted on first-come-first-served basis



The EPA makes provision for customs authorities to issue “Approved Exporter status” upon application through SARS, which allows for paperless exports and self-declaration.

Geographical Indications

Protocol 3 between EU and South Africa.

“Geographical Indications”(GI) = a sign used on products that have a specific geographic origin and possess qualities, characteristics or a reputation that are due to that origin.” Example: Champagne.

The EPA protects 251 GIs from the EU and 105 GIs from South Africa.

SA GIs include 102 wine and 3 non-wine GIs. SA has the right to add up to 30 more GIs.

SA GIs

- Rooibos tea
- Honey bush tea
- Karoo Meat of Origin
- 102 wine production areas

EU GIs

- Cheeses, olive oils, meats
- Beers
- Wines
- Spirits

Rooibos:

Total export volume of rooibos for 2016 was 6338 tons, slightly down from 6560 tons in 2015.

26% of total rooibos exports go to Germany, and 5 out of the top ten destination markets are EU countries.

12700 tons of Rooibos were produced in 2016. Rooibos grows mainly in the Cederberg and Sandveld areas of the Western Cape and the Bokkeveld area of the Northern Cape.

Opportunities: GI status promotes differentiation and increases recognition and awareness of product and allows producers to obtain premium prices.

Identified challenge for Karoo Meat of Origin GI: South African meat products are not allowed in the EU.

Regulations for the protection and designation of geographical indications of agricultural products have been developed under the Agricultural Product Standards Act, but have not yet been promulgated. Currently agricultural GI's are protected under various pieces of legislation, e.g. Merchandise Marks Act and Trade Marks Act.



Challenges and Opportunities

TRQ Products	Allowed in EU	TRQ Utilisation 2018 and Opportunities
Cane / refined sugar	✓	0% utilisation of TRQ Jan -Jul Not a Western Cape product
Raw sugar	✓	70% utilisation of TRQ Jan -Jul Not a Western Cape product
Ethanol	✓	8% utilisation of TRQ Jan -Jul Value of exports increased from R4m in 2015 to R149m in 2017
Active yeast	✓	17% utilisation of TRQ Jan -Jul
White crystalline powder	✓	0% utilisation of TRQ Jan -Jul
Citrus jams	✓	0% utilisation of TRQ Jan -Jul 71% of SA's global exports are to EU MFN duty 20% + EUR 4.2 /100kg
Skimmed milk powder	X (SA currently does not meet EU requirements for the monitoring of residues and substances in dairy products)	0% utilisation of TRQ Jan -Jul South Africa exported 9601 tons of skim milk powder globally in 2017 Top destination markets are Mozambique, Botswana, and Swaziland The Western Cape is the largest milk producer, making up 31% of national milk production
Butter	X (SA currently does not meet EU requirements for the monitoring of residues and substances in dairy products)	0% utilisation of TRQ Jan -Jul South Africa exported 1175 tons of butter globally in 2017 Top destination markets being Namibia, Mozambique and Mauritius

Strawberries, frozen	✓	0% utilisation of TRQ Jan -Jul TRQ unchanged from TDCA TRQ under-utilised since 2010 Exports to EU but TRQ not triggered Exports of fresh strawberries have overtaken exports of frozen strawberries Fresh strawberry exports increased by 9535% over past 15 years Opportunity: TRQ increases annually
Canned mixtures of tropical fruit	✓	8% utilisation of TRQ Jan -Jul TRQ unchanged from TDCA 2018 Opportunity: TRQ increases annually
Non-tropical canned fruit	✓	25% utilisation of TRQ Jan -Jul
Frozen orange juice	✓	83% utilisation of TRQ Jan -Jul Opportunity: TRQ increases annually MFN 15%
Apple/ pineapple juice	✓	78% utilisation of TRQ Jan -Jul
Bottled wine	✓	40% utilisation of TRQ Jan -Jul 50% of SA's global exports are to EU GI protection under EPA Opportunity: TRQ increases annually by 741 300 litres South Africa's wine industry is based almost entirely in the Western Cape
Bulk wine	✓	69% utilisation of TRQ Jan -Jul 68% of SA's global exports are to EU GI protection under EPA Opportunity: TRQ increases annually by 317 700 litres



New Duty Free Products	Allowed in EU	Challenges and Opportunities
Oranges and lemons	✓ Challenges with citrus black spot (CBS)	The EU imposes strict phytosanitary measures on SA citrus entering the EU, increasing the cost for SA producers 36% of SA's global exports are to EU Despite CBS, SA citrus exports to the EU more than tripled over past 10 years to R7bn Opportunity: TRQ increases annually Citrus is a priority product for cooperation on SPS The Western Cape is a CBS-free area
Shellfish (Oysters, Mussels, Abalone)	X (Currently shellfish monitoring plan is not EU approved)	Abalone accounts for more than a quarter of exports of preserved fish (none to EU) SA is largest producer of abalone outside Asia Opportunity: MFN rates for processed shellfish are 20%
Aquaculture products - Freshwater - Marine	X (Currently residue monitoring plan not EU approved)	Opportunities if residue monitoring plan gets approval Aquaculture Development Bill currently before National Assembly Fastest growing food production sector in the world
Marine fisheries -Fresh/ frozen -Prepared or preserved	✓	70 -90% of SA's global fresh and frozen fish exports are to EU 85% of total fish exports from Western Cape in 2016 Opportunity for canning as tariffs on processed fish are phased out
West Coast rock lobster	✓	Only 2% of exports to EU, unlikely to increase due to consumer awareness of sustainable fishing practices
Flowers	✓	42-82% of SA's global flower exports are to EU

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ACP	Africa, Caribbean and Pacific
BBBEE	Broad-based black economic empowerment
BLNS	Botswana, Lesotho, Namibia, Swaziland
DAFF	Department of Agriculture, Forestry and Fisheries
EPA	Economic Partnership Agreement
MFN	Most Favoured Nation
RoO	Rules of Origin
SADC	Southern African Development Community
SACU	Southern African Customs Union
SARS	South African Revenue Service
TDCA	South Africa -European Union
TRQ	Tariff Rate Quota

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