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REPOA Brief



The EU-EAC Economic Partnership Agreement (EPA) FISHERIES—Inland Fisheries, Coastal and Aquaculture Development

By REPOA

	Key messages		
	Low-Middle-Income States: Tanzania (since 2020) and Kenya	LETTER BOOM ETHOPIA SOMA	
	Low-Income States: Uganda, Rwanda, Burundi	KENYA	
Parties	Low-Income States: South Sudan and Democratic Republic of	HI CONGO RANGO	
	Congo-Joined the EAC in 2016/2022, did not take part in the	CANZANIA	
	negotiations, but can join the EU-EAC EPA once it comes into force		
	The European Union and its 27 Member States (Post Brexit)		
EAC-EU EPA	Negotiations for an EU-EAC EPA were finalised in October 2014. The consolidated draft agreement was published in October 2015, opening the way for the signature and ratification process.		
	To foster the structural transformation of EAC economies, and their diversification and competitiveness by enhancing their production, supply and trading capacities.		
Objectives	To sustainably integrate the EAC economies into the global economy and the inherent regional value chains (RVCs) and global value chains (GVCs).		
	> The main objective is to optimise the benefits from fisheries—a key component of the Blue		
	Economy-for the EAC Partner States through investment and investment finance,		
	productivity enhancement and capacity building, technology	transfer, improved marke	
	access, and environmental protection as well as legal and regulate	ry frameworks.	
	The consolidated text of the EU-EAC EPA provides:		
	✓ trade in goods facilitation,		
Coverage	✓ sustainable development of agriculture and fisheries,		
	✓ economic and development cooperation,		
	✓ institutional provisions,		
	✓ dispute avoidance and settlement.		
	The draft EPA agreement (October 2014) contains a rendezvous clause,		
	negotiations on trade in services; trade, environment and sustainab	le development; and othe	
	chapters within five years of the entry into force of the agreement.		
Prospects/ Going Forward	The additional trade-related chapters (deepening of the EPA) to be neg	gotiated include:	
	> investment and private sector development,		
	> competition policy,		
	> transparency in public procurement,		
	intellectual proporty rights		
	 intellectual property rights, digitalization / e-commerce, 		

The EU-27 and Kenya—which has already signed and ratified the regional EPA (October 2016)—on the modalities towards the implementation of the EU-EAC EPA

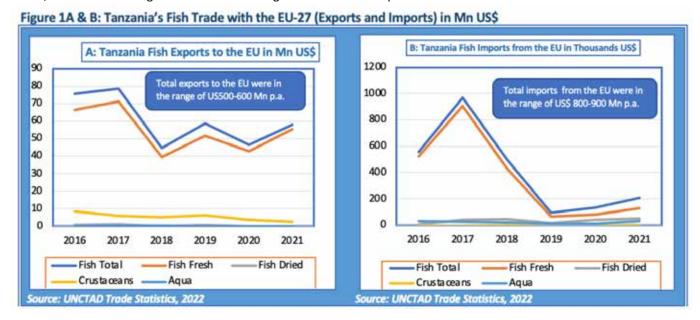
Strategic	The launch of the Strategic Dialogue between the EU and the Republic of Kenya;	
dialogue	The strengthening of the multilateral partnership between the EU and the EAC region;	
(June	Agreed to engage towards implementing bilaterally the trade and the economic and development	
2021+)	cooperation provisions of the EPA with the East African Community—the current consolidated tex	
Deepening	Agreed on the future of the EU-Kenya j-EPA that will liberalise trade in goods on mutual basis;	
the EPA	Agreed to negotiate binding provisions on trade and sustainable development in their i-EPA, which will	
(February		
The į-EPA will remain open for joining of other six East African Community Partner States.		

The Tanzania-EU Trade on Fisheries

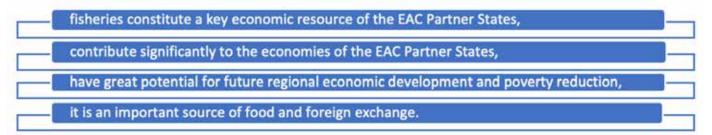
Tanzania—as well as Burundi, DRC, Rwanda, Uganda, South Sudan (the six members of the EAC)—maintains a trade relationship with the EU under the Everything-But-Arms (EBA) scheme. Nonetheless, as Tanzania sustains a per capita GDP above \$1045 it will graduate from the LDC status, joining Kenya's status and, hence, maintain a trade relationship with the EU under the Market Access Regulation (MAR) component of the Generalised Scheme of Preferences (GSP).



For the past decade, Tanzania's exports of goods to the EU-27 (through the EBA scheme) have been in the range of Euro 500 million per annum and imported goods of over an average of Euro 800 million per annum. Tanzania's exports of fisheries products over the same period have been in the range of Euro 50-70 million per annum, while that of agro-exports in the range of 500 million per annum, and manufacturing has been in in the range of Euro 80 million per annum.



The Parties agreed that cooperation in fisheries trade and development—which is a key component of the Blue Economy—under the EU-EAC EPA shall cover marine, inland fisheries and aquaculture. To that end, they recognised that:

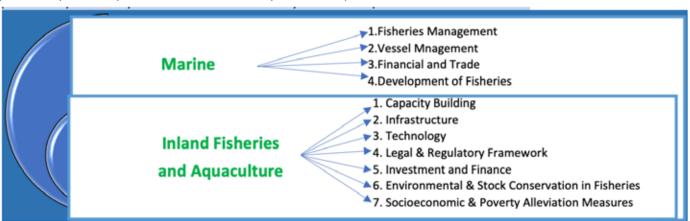


The Parties further recognised that fisheries resources are of considerable interest to both the EU and the EAC Partner States, and, in that regard, agreed to cooperate for the sustainable development and management of the fisheries sector in their mutual interests—taking into account economic, environmental and social impacts.

The Parties agreed that the appropriate strategy to promote the economic growth of the fisheries sector and to enhance its contribution to the economy of the EAC Partner States, while taking into consideration its long-term sustainability, is through increasing value-adding activities within the sector. To that end, the Parties further agreed to cooperate to ensure that financial and other support will be provided to improve the competitiveness and production capacity of the processing factories, the diversification of the fishing industry and development and improvement of port facilities in the EAC Partner States.

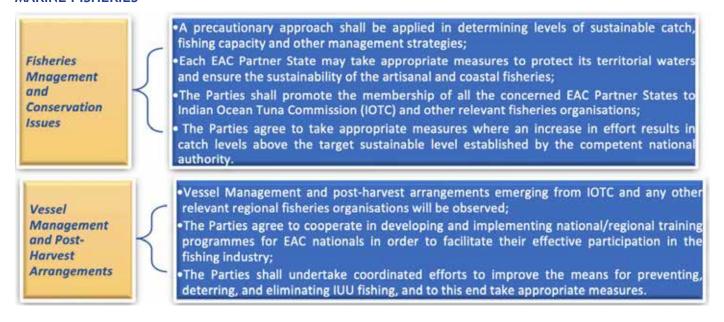
The Key Objectives of the EAC-EU EPA on the Fisheries Chapter		
The main objective is to optimise the benefits from fisheries	Foster cooperation between the Parties—promoting sustainable development and management of fisheries, and a more equitable share of the benefits derived from the fisheries sector; Ensure the sustainable exploitation and management of fisheries resources—as a strong basis for regional integration, and given that no individual EAC Partner State has the capacity to ensure sustainability of the resource; Ensure effective Monitoring Control and Surveillance (MCS)—that is necessary for combating Unreported and Unregulated (IUU) fishing; Promote effective exploitation, conservation and management of the living marine resource—in the Exclusive Economic Zone (EEZ) and waters in which the EAC Partner States has jurisdiction based on international instruments, including UNCLOS for the social and economic benefit of the Parties;	
fisheries	economic benefit of the Parties; Promote and develop regional and international trade—based on best practices;	
	Create an enabling environment—including infrastructure and capacity building, for the EAC	
	Partner States to cope with the stringent market requirements for both industrial and small- scale fisheries;	
	Support national and regional policies—aimed at increasing productivity and competitiveness of the fisheries sector.	

As for the two main sub-components of the fisheries sector—the marine, and inland fisheries and aquaculture, the agreed productivity of healthy freshwater and ocean ecosystems of cooperation were as follows:



The EU made a commitment to contribute to the mobilisation of the resources for the implementation of the identified areas of cooperation at national and regional levels, which will also include support for regional capacity building.

MARINE FISHERIES



INLAND FISHERIES AND AQUACULTURE DEVELOPMENT

EU Will Make Contributions to the following areas (1)

- Capacity building and export market development—in industrial and artisanal production, processing and product diversification that strengthen the competitiveness of the region's inland fisheries and aquaculture;
- Infrastructure—development and improvement of infrastructure for inland fisheries and aquaculture, and facilitation of access to funding for infrastructure;
- Technology—development of technical capabilities and enhancement of fisheries management capacity in the region;
- Legal and regulatory framework—development of inland fisheries and aquaculture regulations and monitoring control and surveillance systems; Intellectual Property Rights and building capacity for their implementation in international trade; and protection of eco-labelling and intellectual property;

EU Will Make Contributions to the following areas (2)

- Investment and finance—promotion of joint ventures and other forms of mixed investments between stakeholders in the Parties; and providing access to credit facilities for the development of small to medium scale enterprises;
- Environmental and Stocks Conservation in Fisheries—measures to ensure that fish trade supports environmental conservation, and safeguards against stock depletion and the maintenance of biodiversity;
- Socioeconomic and poverty alleviation measures—promotion of small and medium scale fishers, processors, and fish traders by building the capacity of EAC Partner States to participate in trade with the EU—fostering economic and social inclusion.

It is evident thus far that the EU-EAC EPA intends to make use of the oceans, inland waters in lakes, rivers, wetlands and other reservoirs to contribute to socioeconomic development, environmental sustainability, and equitable benefit sharing through, inter alia, fisheries and aquaculture development in the EAC States.

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This is the fourth of a five-part series of policy briefs presenting findings of a research study on the "Implications of EU-EAC EPA on Tanzania". The study is part of the broader research and capacity building project 'Targeted support to strengthen capacity of policy makers, exporters, and trade associations to assess and review trade and related economic policies to promote trade competitiveness and diversification for widening trading opportunities with the EU', implemented by REPOA and ISS-Erasmus—funded by the European Union (EU) through the EU-ACP TradeCom II Programme. Its contents are sole responsibility of REPOA.









