

## Trade Forward Southern Africa

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## Guidance

Trading between Southern African Customs Union Member States and Mozambique (SACU+M) and UK,

from 1 January 2021

Focus on Export from SACU+M to UK





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- 6. Trade Safeguard Measures/Remedies, especially Agricultural, Sanitary and phytosanitary standards
- 7. Geographical indications









# 1. SACUM-UK Economic Partnership Agreement (EPA)

#### The UK has left the EU

In 2019, anticipating exit from the EU, the UK signed an Economic Partnership Agreement (EPA) with the Southern African Customs Union Member States (SACU) and Mozambique (SACU+M) That EPA governs SACUM-UK trade from 1 January 2021

#### **Basic Principle:**

Mirrors EU-SADC EPA with just a few adjustments
Trade is ±98% unchanged
Same documents & rules still work for the time being

(UK internal standards and SPS will evolve over time separate from EU)









### 2. What the agreement includes

- The UK commits to providing <u>immediate duty-free</u>, <u>quota-free</u> access to goods exported from the SACU Member States and Mozambique, (including for South Africa but with some limitations)
  - This EPA includes provisions on:
  - trade in goods
  - trade in **services**
  - **intellectual property**, including geographical indications
  - government procurement

TFSA focus is on EXPORT trade of goods from SACUM countries









### 3. Import tariff rates on goods

The agreed tariff rates for bilateral trade in goods between the UK and SACU Member States and Mozambique apply immediately the agreement took effect from 1 January 2021.













# 4. Import Tariff Rate Quotas TRQs

TRQs allow a certain quantity of a product to enter the market at a zero or reduced tariff rate. Imports above the quota are subject to a higher tariff rate –usually the MFN rate

TRQs administered by the UK, under the SACUM-UK EPA are only applicable to imports from South Africa

- TRQ's are same as under EU, with some increases









#### 5. Rules of origin

To qualify for preferential tariff rates, a good must "originate" in the territory of one of the countries to the agreement

Materials originating and/or processed in a country other than the exporting country may count towards meeting the specific origin requirements for preferential treatment, through "cumulation"

- **a.** Wholly obtained self explanatory, all inputs come from the exporting country
- **b. Substantial transformation:** where inputs from several countries are combined (SACUM/UK/EU/Other)
  - I. Value added
  - II. Change in Tariff Classification (CTC)
  - III. Specific processing or manufacturing









# 6. Trade Remedies/Safeguard Measures – esp for Agriculture

UK & SACU+M retain right to implement international safeguard measures under WTO provisions through:

- Tariffs
- Slowed tariff reduction
- Tariff quotas
   (Must be temporary)
   (e.g. poultry, citrus)

UK may exempt SACU+M from those due to small effect from small SACU+M economies





### 7. Sanitary and Phytosanitary Standards (SPS's)

Sanitary and phytosanitary standards are measures to ensure that food is safe for consumers, and to prevent the spread of pests or diseases among animals and plants.

https://www.gov.uk/guidance/importing-or-moving-live-animals-animal-products-and-high-risk-food-and-feed-not-of-animal-origin

- Check if your animal product import must come from an approved establishment
- Check what documents you need
- Importing ABP and POAO
- Import live animals and germinal products
- Animal welfare when importing live animals

Notify about imports from non-EU countries to GB

Use Import of products, animals, food and feed system (IPAFFS)

https://www.gov.uk/quidance/import-of-products-animals-food-and-feed-system

to notify UK border control posts (BCPs) about imports to UK of:

- live animals
- products of animal origin (POAO)
- high risk food and feed not of animal origin (HRFNAO)







### 8. Geographical Indications

Geographical indications (GIs) protect the geographical names of food, drink and agricultural products.

Both the UK and South Africa's existing GIs remain covered by the agreement. No other SACU+M countries have GIs covered.

The following UK GIs, including 'transborder GIs' that relate to the territory of both Northern Ireland and the Republic of Ireland, are protected in the agreement:

- Scotch Whisky
- Irish Whisky/Irish whiskey/Uisce Beatha Eireannach
- Irish Cream
- Blue Stilton/White Stilton









EPA + annexes > 3,000 pages! .... BUT fear not!

UK Government & Trade Forward

Southern Africa provide sign-posting and resources to help:

https://tfsouthernafrica.org/ Live Demonstration follows now





