

ANNEX I



TRIPARTITE FTA NEGOTIATING PRINCIPLES, PROCESSES AND INSTITUTIONAL FRAMEWORK

Guidelines for Negotiating the Tripartite Free Trade Area among the Member/Partner States of COMESA, EAC and SADC

12 June 2011

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1. INTRODUCTION

1.1 The First Tripartite Summit held on 22 October 2008 in Kampala, Uganda, approved the expeditious establishment of a Free Trade Area (FTA), encompassing the Member/Partner States of the three Regional Economic Communities (RECs).

1.2 It is envisaged that the twenty-six (26) countries will engage in negotiations for the establishment of a Tripartite FTA, recognizing that substantial progress on trade liberalization has been achieved within their three RECs. The establishment of the Tripartite FTA will build upon and consolidate the RECs *acquis*.

2. SCOPE OF THE NEGOTIATIONS

The negotiations shall be in two phases as follows:

- i) The first phase will cover negotiations on the following areas: tariff liberalisation, rules of origin, dispute resolution, customs procedures and simplification of customs documentation, transit procedures, non-tariff barriers, trade remedies, technical barriers to trade and sanitary and phyto-sanitary measures.
- ii) Movement of business persons will be dealt with during the first phase of negotiations as a parallel and separate track.
- iii) The second phase will cover negotiations on the following areas: trade in services, intellectual property rights, competition policy, and trade development and competitiveness.

3. NEGOTIATING PRINCIPLES

The Tripartite FTA negotiations process shall be REC and/or Member driven and be guided by the following overarching principles:

- i) The negotiations shall be REC and/or Member/Partner State driven
- ii) Variable geometry
- iii) Flexibility and Special and Differential Treatment
- iv) Transparency including the disclosure of information with respect to the application of the tariff arrangements in each REC

- v) Building on the *acquis* of the existing REC FTAs in terms of consolidating tariff liberalisation in each REC FTA
- vi) A single undertaking covering Phase I on trade in goods
- vii) Substantial liberalisation
- viii) MFN Treatment
- ix) National Treatment
- x) Reciprocity, and
- xi) Decisions shall be taken by consensus.

4. NEGOTIATING INSTITUTIONAL FRAMEWORK

4.1 The Tripartite FTA will be negotiated within the context of the following institutional framework:

- i) Tripartite Summit of the Heads of State and Government
- ii) Tripartite Council of Ministers
- iii) Tripartite Sectoral Ministerial Committees
- iv) Tripartite Committee of Senior Officials
- v) Tripartite Trade Negotiation Forum (TTNF)

4.2 The Tripartite Task Force, comprising Heads of Secretariats of the three RECs, will coordinate and provide technical and administrative support to the negotiation process.

5. MONITORING OF THE NEGOTIATION PROCESS

5.1 The Tripartite Sectoral Ministerial Committee shall be responsible for the overall monitoring of the negotiation process to ensure that a credible and development-oriented agreement is concluded expeditiously.

5.2 The Tripartite Sectoral Ministerial Committee will supervise and provide leadership to the negotiation process including resolving contentious issues that may arise. The Committee will ensure that the negotiating committees of senior officials and the TTNF adhere to the negotiation timeframes as provided in the Tripartite FTA Roadmap.

5.3 Progress will be monitored through quarterly reports by the Chairperson of the TTNF and six-monthly formal reviews by the Tripartite Sectoral Ministerial Committee responsible for trade. The outcome of the monitoring and evaluation will inform the pace of the negotiations.