

Brussels, 12 JUL. 2010
EP/amw/D(10) 0671 – A(10) 1210

Dear Mr Maes,

Thank you for your open letter, dated 18 June 2010, in which you express your opinion and that of other NGOs on the ongoing EPA negotiations with the SADC EPA group of countries and in particular Namibia. I take careful note of the points and concerns you raise.

To understand today's situation one has to remember that Namibia initialled the interim EPA back in December 2007. At that time Namibia declared that it did so "on the understanding that concerns which Namibia has identified throughout the negotiations (...) would be addressed through the negotiations towards a comprehensive EPA". The EU agreed with this approach of concluding the interim EPA while in parallel pursuing negotiations on a comprehensive EPA which would address all of Namibia's concerns.

The SADC EPA group and the EU then met in Swakopmund (Namibia) in March 2009 to follow up on the agreement to address the concerns. A new set of provisions such as on food security or export taxes was agreed to the satisfaction of the SADC EPA group including Namibia. The joint understanding was that these new texts would be included in the comprehensive EPA and that the way was now cleared for signature of the existing interim EPA text. In fact, four members of the SADC EPA group did sign following the Swakopmund meeting. However, Namibia decided not to follow suit.

The EU has no intention to put undue pressure on Namibia to sign and implement the interim EPA. It still believes though that previous arrangements and flexibilities were negotiated and agreed in good faith and should be followed up. The EU, on its part, has already provided Namibia with duty-and tariff-free access on the condition that the interim EPA will be concluded. Signature and implementation of the agreement would enable Namibia to benefit from a long-term stable trade partnership and establish the required legal security for local and foreign investors and traders. It would also re-establish fairness towards other developing countries that are in a number of cases considerably poorer than Namibia but do not benefit from free access to EU markets.

As you know EPAs are intended to build on existing regional integration processes and strengthen them. In the case of the SADC EPA group, the Council of Ministers recently approved the alignment of interim EPA tariffs with those included in the EU-South Africa Trade, Development and Cooperation Agreement to support integration in Southern African Customs Union SACU that comprises South Africa, Namibia, Botswana, Lesotho and Swaziland.

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The EU will continue to engage with Namibia, as well as with the whole SADC EPA group in a constructive spirit as in the past. The objective is to negotiate an agreement that serves the region's best interest. In fact, negotiations with the group resumed in May.. The objective is to conclude by the end of the year a comprehensive EPA with the whole SADC EPA region.

Yours sincerely,

A handwritten signature in black ink, consisting of a stylized 'K' followed by a series of loops and a long vertical line extending downwards.

Karel De Gucht