



agriculture

Department:
Agriculture
REPUBLIC OF SOUTH AFRICA

Overview of SACUM-UK ECONOMIC PARTNERSHIP AGREEMENT

Background

Trade between South Africa (SA) and the United Kingdom (UK) is currently taking place under the SACUM-UK EPA. The UK is a significant trading partner for SA in terms of agriculture. It is SA's second-largest agricultural export partner in the European Union (EU) region after Germany. The UK alone absorbs, on average, about a 30% share of SA's total agricultural exports to the EU. The SACUM-UK EPA is a free trade agreement between SACU member states and Mozambique on one side and the UK on the other. Negotiations of the agreement started around June 2017 and were concluded in September 2019, and the agreement was signed by both parties in October 2019. The agreement entered into effect on 1 January 2021.

Benefits and opportunities

The SACUM-UK EPA is a duplicate of the SADC-EU EPA in terms of market access commitments, except for a few provisions that were modified during negotiations. Market access provisions relating to agriculture, which were modified during negotiations, include tariff-rate quotas for products sensitive to both SACU and the UK and trigger levels for certain agricultural products eligible for automatic agricultural safeguards.

As in the SADC-EU EPA, there are a number of benefits and opportunities provided for in the SACUM-UK EPA. The SACUM-UK EPA provides SA with additional benefits, more than those contained in the SADC-EU EPA, since none of those benefits were reduced under the SADC-EU EPA after the departure of the UK from the EU. Some important benefits for SA include enhanced market access for wines and sugar in the UK. With respect to wine, South Africa has gained, in addition to 114 million litres of wine currently exported duty-free to the EU under the SADC-EU EPA, an additional 73 million litres of wine to be exported to the UK alone under the SACUM-UK EPA regime per annum. With respect to sugar, SA has also gained, in addition to 150,000 kg of sugar currently exported duty-free to the EU under the SADC-EU EPA, an additional 71,000 kg of sugar to be exported to the UK alone under the SACUM-UK EPA regime per annum.

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