The urgent clarification of import duties applied in Côte d'Ivoire and Ghana related to their interim EPAs

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The Mali's Trade Minister and a Representative of WAEMU I met in Buenos Aires during the WTO Ministerial Conference confirmed that Côte d'Ivoire (CI) and Ghana are applying the ECOWAS CET (Common External Tariff) and not the import duties (IDs) of their interim EPAs (iEPA). But the question remains as to whether, once Nigeria's refusal to sign the West African EPA (AO) has been definitively confirmed, what IDs CI and Ghana will apply to their imports from the EU. The text that the European Commission (EC) published at the end of 2016, to which I had not paid attention, confirms that it is indeed the ECOWAS CET that CI and Ghana are applying: "*Non-liberalized goods in the Interim EPA: Côte d'Ivoire has excluded a number of agricultural products and non-agricultural processed products from liberalization, mainly to protect agricultural markets and sensitive industries, but also to maintain revenues. For example, frozen chicken and other meats, onions, sugar, tobacco, beer, some cements and most textiles are excluded from liberalization, and upon entry into the Ivorian market, these imports will continue to be taxed at the normal rate (the ECOWAS Common External Tariff)*"[1]. But what will happen if the regional EPA of West Africa (WA) is never finalized? On the one hand, this will limit the competitiveness losses of the other ECOWAS member States for products, particularly agricultural, excluded from liberalization (taxed at most at 35% and not at 20%), but not obviously the competitiveness losses related to the liberalized products.

However, the liberalization schedules of the two iEPAs are different already between CI and Ghana and the WA EPA: for example the CI's iEPA will liberalize the import of milk powder as well as of barley and maize already in T3 (September 2019) against in T5 (December 2021) for Ghana. Will these differences be ignored and will we apply to CI and Ghana the liberalization schedule of the WA CET (common external tariff) in the event that the regional EPA will never be finalized?

For example, in the Ghana's iEPA, the code 040221 for milk powder without added sugar would be liberalized in T5, while in the CI's iEPA and in the WA EPA the code 040229 (milk powder with sugar addition) would also be liberalized in T5. As for code 040210 on skimmed milk powder (less than 1.5% fat, with or without added sugar), it would only be liberalized in T15 in the Ghana's iEPA and taxed at 20% before that whereas it would be liberalized in T5 in CI's APEi as in the WA EPA and taxed at 5% before.

Another example: all poultry meat codes are excluded from liberalization in Ghana's iEPA as in the WA EPA, whereas the CI's iEPA only excludes frozen meat but liberalizes fresh or chilled meat, in T20 for chicken meat and T15 for turkey, goose and duck meats.

But the biggest question mark is how long CI and Ghana will continue to apply the WA CET, which is different from the WA CET with EPA since there are no liberalized products without the WA EPA. CI and Ghana will no longer be able to apply the WA CET beyond September 2019 for CI as the liberalization of its iEPA will start in T3 for some products and beyond December 2021 for Ghana. Both ECOWAS and the EU should officially endorse before September 2019 that the WA EPA will never be finalized, otherwise CI would not have to start

[1] http://trade.ec.europa.eu/doclib/docs/2017/february/tradoc_155315.pdf

opening its market to EU exports! Since it is at most until September 2019 that CI may apply the WA CET after which it will have to return to the lower IDs of its iEPA, this will put into question the perspectives of investment and competitiveness of its agricultural value chains, which have foreseen to avail of a 35% protection rate for a long time. One can then wonder if for the IC and Ghana it would not have been preferable to apply the IDs of their iEPAs from the beginning of their provisional application in order to avoid an impending destabilization of these value chains. Although this will have reduced the competitiveness losses of the other WA member States, these losses will be fully felt by September 2019 at the latest.

Unless, miraculously, all the negative impacts of the iEPAs and the WA EPA, particularly the economic and political disintegration of WA, would lead the European Commission to admit that they were a bad idea and to grant at least the GSP+ status to IC, Ghana and Nigeria.