

SADC – EPA Information Seminar

How to take Private Sector Interests into account.

Panel Discussion

20 June, Windhoek, Namibia

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Structure

- Agricultural Interests of Namibia only.
- 10 Minutes presentation can only list the interests and look at the concerns.
- Why are agricultural interests important in the EPA negotiations?
- What are the prospects in the current state of negotiations?
- Conclusions



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Agricultural Interests

- Trade with the EU markets has been traditionally a major part of Namibia's agricultural exports.
- Preferential access firstly negotiated By Hon. H. Geingob in 1992. Not always enough (table grapes) but more than enough for other commodities (fish; meat)
- Current constraints: SPS in beef; small quota for table grapes.
- Long Term Constraints: CAP, Erosion of preferences



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Agricultural Value Chain Concerns

- In Namibia, not only exporters of agricultural commodities are affected by market access to the EU markets,
- All participants in the value chain are affected.
- ODI report: Non preferential market access will cost the agricultural value chain about Euro 45 mil. Meat exports will come to a standstill



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Importance of agricultural negotiations

- Agricultural negotiations are at the heart of nearly all FTA and WTO market access negotiations.
- Although the importance of non market access issues is growing, political and developmental concerns are also evident in all negotiation partners positions.
- In Namibia, the link to work creation and development is especially strong.



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What are the possibilities for a negotiated outcome at the end of 2007?

- Conditionality of the EC market access offer.
- The will of the agricultural negotiators and of the whole agricultural industry of Namibia to finalise agr. market access negotiations.
- BUT: Is agriculture merely a pawn in the negotiation process?
- Industry requirements: Definite information by 15 September 2007. (Contracts; Licensing requirements; currency changes)



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What are the prospects of a negotiated outcome??

- Divergence of positions are a major concern.
- The technical issues:
- Rules of Origin: EC proposal not finalised; ACP proposal ditto.
- SPS matters: Different bodies involved, Namibia fully complies with EC requirements; Euregap and animal welfare issues (industrial requirements higher than agreed upon standards).
- The request for similar treatment??



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Conclusions:

- Is a plan “B: feasible?
- Questions still not answered: Improved preferential access is important, but: consider preference erosion; supply side challenges (only 50% beef quota fill by Namibia for the first time) productivity and competitiveness challenges.
- Total rejection of addressing services and new generation trade issues in the EPA framework an appropriate approach?
- What are the costs and gains? How are these distributed in the regions economies?
- How can public – private dialogue make a vital contribution to this debate?



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Regional Integration

- One of the cornerstones of the Cotonou Approach.
- Link to the All- SADC approach: The Regional Integration Strategic Development Program (RISDP) and the SADC – EPA negotiations.
- Single trade regime between SADC and EU only feasible once Customs Union 2010 objectives have been implemented.
- Present situation: Imperfect, but can be dealt with over time. Necessary: Internal co-ordination and negotiations; Transitional period to be used to address internal anomalies; clear implementation strategies!!



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