## Agric Trade Snapshots

1 of 2008

Department of Agriculture
Directorate: International Trade

### **Word from the Director International Trade** – *Elizabeth van Renen*

Through *Agric Trade Snapshots* Directorate International Trade would like to communicate relevant news flashes frequently to agricultural trade stakeholders. We believe that this serves a long identified need, and trust that readers will find it useful.

#### SADC regional integration 2010 - Lentheng Tswai

Preparations for the launch of a SADC customs union in 2010 started in 2007 as directed by the Regional Indicative Strategic Development Plan (RISDP). A Ministerial Task Force (MTF) comprising the Ministers of Trade and Investment, Economic Development and Finance oversees the preparations. Technical studies were undertaken during 2007 to advise on the appropriate model for a SADC customs union and the compatibility of Member States' policies. An audit of Member States' actual tariff phase downs against their tariff reduction commitments was also undertaken to assess the readiness of the region to launch a FTA by 2008. The MTF found that the region is ready to launch the FTA by August 2008. The MTF issued instructions for the establishment of technical working groups to undertake further work on the common external tariff, revenue collection, distribution, legal and institutional arrangements as well as the harmonization of sectoral policies.

### **Negotiations with India commence –** Helieh Konstant

Bilateral trade negotiations with India are about to start. The bulk of current agricultural exports are raw material such as wool, hair, fat, and waste of animals, raw sugar, and alcohol. SA's emphasis in these bilateral discussions will be on gaining market access in value added products for which India applies prohibitively high tariffs. Price competitiveness is the key to success of these products in the Indian market.

### **South Africa participate in WTO dispute** – Günter Müller

On 17 December 2007, the Dispute Settlement Body of the WTO established a panel on USA maize and other agricultural subsidies as requested by Canada and Brazil. Due to the direct impact these subsidies have on the South Africa agricultural sector, South Africa joined this dispute as a third party – her first participation in a WTO agricultural dispute. A task team between Government and the private sector will co-ordinate South Africa's participation. The Maize Trust financially supports the drafting of the third party submission to the panel. The charge against the USA is that her subsidies are inconsistent with her WTO obligations and that she exceeded the upper limit for trade distorting domestic support in various years. >>>Read more...

# Report on SA agricultural exports, trends, composition, direction and potential – Yusuf Daya, Ezra Steenkamp

This study reveals that SA holds certain comparative advantages in agricultural exports. The study identified major SA agricultural exports in 2005 over a 10-year period and compared it with the performance of trade globally. Champions in a growing international market were undenatured ethyl alcohol and wine in bulk. Growing international product markets in which SA underperformed were flavoured waters and sunflower oil. The majority of

agricultural exports were achievers in declining world markets with grape wines (<2l) and fresh grapes. >>>Read more...

### New tool available: DataMonitor to assist in identifying potential markets

The Department of Agriculture, through the Directorate International Trade subscribes to <u>DataMonitor</u>. The Consumer Markets Knowledge Center of Datamonitor covers 8 consumer industries, 170 market categories, 219 countries, more than 1 million packaged consumer products and company profiles. Direct access is available to NAMC, ARC and provincial departments of agriculture to assist exporters. The Department can supply information on request to assist clients. Enquire for <u>access</u> or <u>information</u>.

### Sunset clause on Anti-dumping

The International Trade Administration Commission of South Africa (ITAC) is considering withdrawing certain anti-dumping duties. For the agricultural industry, this applies to duties on chicken meat portions, garlic (fresh or chilled) and garlic (dried). Submit comments on the termination of anti-dumping duties to ITAC on or before 14 February 2008. >>>Read more...

### **Regoverning Markets Research Project**

This collaborative research project is analysing growing concentration in the processing and retail sectors of national and regional agri-food systems and its impacts on and implications for rural livelihoods and communities in middle and low-income countries. Regoverning Markets, in partnership with the Center for Chinese Agricultural Policy and the Ministry of Agriculture, PR China, is hosting an international conference (5-6 March 2008) in Beijing to address the challenges of small-scale producers' inclusion in dynamic domestic and regional agrifood markets in developing and transition economy countries. The Department will participate in the conference.

### WTO permit applications

In order to fulfill South Africa's Minimum Market Access commitment under the WTO Agreement on Agriculture regarding market access the Directorate Marketing issues rebate permits for products that can be imported at reduced rates of duty. Applications are invited (closing date 28 February 2008) for the importation of meat of bovine (0201, 0202), meat of sheep (0204), dried beans (07133), pasta (1902) and food preparations (2106). The adjusted administration fee payable for rebate permits is R350. Application form & Enquire

### SA - China Partnership for Growth and Development

South Africa will participate in major international expo events over three weeks during September to October 2008 in three Chinese cities: Hong Kong, Shanghai and Beijing. Approximately 100 companies (including agriculture and food companies) will be requested to participate. The DTI will coordinate the event and further information will be communicated via the media.

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Tel: +27 12 319 8452 Fax: +27 12 319 8001

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