# **Agric trade snapshots**

### WTO Agricultural Negotiations – Günter Müller

The Chair of the WTO agricultural negotiations released a third Draft Modalities for Agriculture text on 19 May 2008. This text reflects progress made in the negotiations from the previous version that appeared in February 2008. The text can be found on the WTO website. A simplified, shortened version compiled by the WTO secretariat can be accessed <a href="here">here</a>. The current high prices for agricultural commodities give a new urgency to the agricultural negotiations. Substantial differences amongst WTO members, however, still need to be overcome before an agreement can be reached.

## WTO's Doha round will not solve the global food crisis - call for real solutions - Kevin Naidoo

On June 3rd, 237 major NGOs, farmer organizations, trade unions and social movements from nearly 50 countries delivered a strong snub to WTO Director-General, Pascal Lamy, in his push to conclude the Doha Round as a solution to the global food crisis. The group including <a href="ActionAid International">ActionAid International</a>, Africa Trade Network, Asian Peasant Coalition, <a href="Latin American Coordination of Rural Movements">Latin American Coordination of Rural Movements</a> (CLOC), and the <a href="Qakland Institute">Qakland Institute</a>, sent a letter to Lamy as well as their Trade and Agriculture Ministers saying that the answer to skyrocketing prices of basic staples "does not lie in deeper deregulation of food production and trade" but in more autonomy by governments on food production policies <a href=">>>>>>> Read the letter</a>

## **SADC** on course for the Free Trade Area launch – Sam Legare

The SADC is gearing itself towards the launch of a free trade area (FTA) on 16-17 August this year. This is despite the challenges the Community faces in implementing the liberalization targets necessary to achieve this milestone. Despite the challenges in implementing the liberalization targets necessary to achieve this milestone, substantial progress has been made. In this respect, the SADC FTA will be officially launched by the Summit (meeting of SADC Heads of State) at its meeting in South Africa in August 2008. The plan of action for the SADC FTA is being worked on to prepare all citizens of the region for the implementation of the FTA and to encourage and assist the various target segments to prepare and set in motion the necessary procedures for the establishment of the FTA. A postlaunch campaign to crystallize and strengthen the prelaunch activities will also follow to ensure the smooth running of the FTA.

# Intra-Africa agricultural trade workshop – Sam Legare

The Department of Agriculture in collaboration with Agrifica, a private company that promotes trade and investment in Africa, is organizing a workshop which aim is to bring together business operators from Africa to share information and network for the purpose of promoting agricultural trade in Africa. The workshop is planned to take place on 22 July 2008 in Gallagher Estate, as part of the Agribusiness Africa Exhibition & Conference in conjunction with the Africa's Big Seven Exhibition from 20-22 July 2008. >>> More information on the program.

### Agricultural trading studies between SA and China. India – Kevin Naidoo and Jacobus Verster

Two separate workings papers were published on the <u>Tralac</u> website over the last few months. The objective of the two papers is to set the respective agricultural trading relationship between SA and China as well as SA and India in perspective.

#### **USA Farm Bill Update** – Jacobus Verster

As expected, on Wednesday 21 May, USA President George W. Bush vetoed the new and highly contentious <u>USA farm bill</u>. The bill went back to Congress the same day, where the House voted to override the veto. The next day 22 May, the Senate followed suit and voted to override the veto. At that point, the bill became law, except for Title III that deals with international trade in agricultural commodities and foreign food aid that was left out due to a procedural oversight. Subsequently, a revised version – including Title III – was passed by Senate and enacted into law on 18 June 2008.

## SA's rooibos espresso wins at US coffee expo – Gerda van Dijk

South African innovation *red espresso* earned itself the title Best New Product in the Specialty Beverages category at the 2008 **Specialty Coffee Association of America's** annual conference and exhibition in May 2008. After only eight months in the USA market *red espresso* was also nominated as one of the Top 10 new products at the **World Tea Expo**. Congratulations!

### Wine Online – efficiency gains – Jacobus Verster

Wine Online is the website of the Directorate: Food Safety and Quality Assurance for the wine industry and was developed through collaboration between the wine industry, DOA and DTI. The aim of the website is to facilitate the submission, processing and production of documents necessary for the exports of wine. Using Wine Online users can: apply for export certificates online, check the status of their applications for permits and certificates, keep track of the litres utilised under the EU quota for a specific period, sub-allocate the quota litres available to specific consignees, countries and products, as well as keep track of these sub-allocations. Amongst other efficiency gains ascribed to the website, the turnaround time for export certificate approval has been reduced from around 24 hours to only ten minutes.

## AgriBEE Sector Charter on Black Economic Empowerment - CORRECTION

The <u>Charter</u> determines the rules and provides guidelines on BEE status for all agribusinesses with a <u>5-year moving average annual turnover threshold of R5 - 35 million. This threshold is *indicative and subject to change* following appropriate benchmark studies. Appropriate thresholds will be determined as part of the finalization of the Section 9 Agricultural Sector Code, overseen by the AgriBEE Charter Council.</u>

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