Update on International Trade Agreements

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SADC-EU EPA

- Substantive negotiations took virtually 12 years to conclude
- Namibia as part of the SADC EPA Group initialled the Agreement on 15 July 2014, South Africa.
- What does this initialling mean?
  - Formal negotiations have been concluded and the current negotiated texts cannot be reopened.
  - The current market access for Namibia will continue on duty free and quota free terms.
  - The EU had submitted an amendment to add Namibia to Annex 1 of the Market Access Regulation 1528 in this respect.
  - This amendment was done on 30 September 2014 – well before the expiry date (01 October 2014).

Way Forward

- The Parties are currently involved in a legal scrubbing process.
- Subsequent to the legal scrubbing process, the Namibian Cabinet will be approached to give concurrence for signature and ratification.
- This process is likely to take about 1 year and 6 months.

Entry into force

- The Agreement will enter into force on the first day of the second month following the deposit of the last instrument of ratification.
- Pending entry into force of the Agreement, it remains a provisional application.

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USA-FSIS

- An inspector from the United States Food Safety Inspection Service (FSIS) was in Namibia to conduct an on-site audit of Namibia’s meat inspection system from 13 to 21 August 2014.
- Outcomes:
  - Successful - no faults were detected.
  - Outstanding:
    - Rule making process by the US government (Congress), which will lead to opening of exports of meat to that country.

CHINA

- The FMD ban on Namibia was lifted by China.
- The Ministry has since written to China to request information on the way forward concerning exportation of beef.
- Response on the matter is still awaited.

Hong Kong

- The audit has been postponed until further notice due to the outbreak of Ebola in west Africa

Russia

- Copies of certificates were submitted to Russia in June 2014.
- DVS awaits a response from Russia on the matter.
EFTA Quota
- Based on the Trade Protocol on Beef implemented by Namibia and Botswana
- It allows for 500 tonnes of beef per year to non members of the EU (Iceland, Luxemburg, Switzerland and Norway)

General System of Preference (GSP) Quota [WTO]
- 2700 tonnes of beef per year—Unilaterally decided.
- Sustainable?

Update on the incorporation of GSP quota into the EFTA quota
- The Namibian Ministry of Trade and Industry has written to its Botswana counterpart requesting for a meeting to discuss how to take the process forward.
- Response on the matter is still awaited
- Possible engagement between the two countries by end of the year

SADC-EAC/COMESA TFTA
- Progress made:
  - Finalization of annexes on Sanitary and Phyto-Sanitary (SPS); Technical Barriers to Trade (TBT); and Non-Tariff Barriers (NTB).
- Outstanding Issues:
  - Negotiations on Rules of Origin (RoO) and Dispute Settlement annexes.
- Current negotiations focusing on:
  - Text based negotiations
  - Exchange of offers
- Namibia’s offensive (export) interest mainly in agro-processing sector, particularly to DRC, Zambia and Angola
- Removal on NTBs
- If successfully completed, presents scope for an enlarged market access for Namibian agricultural produce.

SADC-COMESA-EAC FTA
- Based on the African Union’s declaration to establish a continental FTA by 2017.
- Negotiations were launched in 2008 by the Head of States.
  - Actual negotiations started in 2012
  - SADC, EAC and COMESA consist of 26 member states
  - Namibia participating as SACU under SADC
- FTA based on three pillars:
  - Market Access
  - Infrastructure Development; and
  - Industrial development
- Phase 1 negotiations (Market Access) was expected to be finalized by June 2014.
  - However, negotiations are lagging behind schedule