

SACU Sugar Rebate Proposal – Namibia Case Study

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Introduction

- 2 Sugar producers in SACU
- Other 3 Including Namibia are packers
- SACU sugar dispensation aims to promote intra-SACU trade
- SADC Sugar Protocol system
- SACU sugar tariff vs DBRF
- South African Sugar Association (SASA) Sugar Rebate for Namibia importers
- Sugar packers struggling

Materials and methods

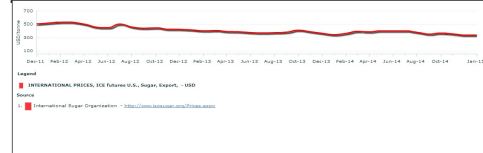
- Industry consultation
- SADC trade protocol text
- Namibia Sugar proposal to SACU
- Industry inputs such as stats



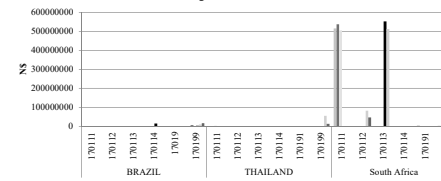
Results

- Due to the prevailing drought, RSA struggled to supply Namibia consistently,
 - SASA rebate declined making importers in Namibia Worse off when sourcing from ROW
 - Namibia seeks a rebate on sugar imports
 - Proposal submitted to SACU for consideration
- ### SACU Sugar Tariff

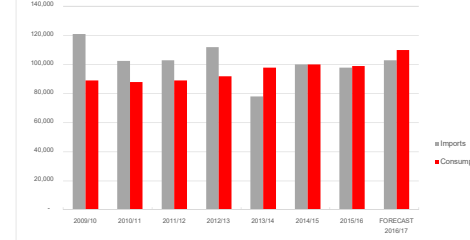
Date	Customs Duty ZAR per ton	Price USD per ton CIF Wbay	ZAR:USD (Plus forward points)	International Refined Sugar Ex-Walvisbay	SACU Sugar Ex-Walvisbay
4-Apr-14	1,320	542	10.86	7,206	6,886
27-Jun-14	926	559	10.89	7,014	6,886
26-Sep-14	1,425	506	11.53	7,259	6,886
27-Feb-15	2,071	450	11.96	7,453	7,393
29-May-15	2,426	428	12.45	7,755	7,393
30-Oct-15	3,040	470	14.13	9,681	7,393
18-Dec-15	2,454	492	15.39	10,026	7,393
11-Apr-16	2,395	491	15.26	9,888	8,483
5-Aug-16	1,443	629	14.01	10,256	9,665
16-Sep-16	319	661	14.48	9,890	9,665



Sources of imports into Namibia



Namibia - Total Imports and Consumption of sugar



Conclusions

- Namibia seeking a new sugar dispensation in SACU
- Proposal on Sugar rebate submitted to SACU in Nov 2016
- 150 000 tons proposed for rebate
- Namibia wants to promote downstream industries
- Hence Namibia needs a sustainable, transparent and certain sugar supply chain
- SASA rebate seen as unilateral and protectionist to RSA producers

Product	HS Code	Quantity (tons)	Customs duty	Rebate
Sugar	1701	150 000	the duty applicable at the time of import	Full duty applicable at the time of import

Literature cited

- SASA rebate is a discount on price of sugar per ton imported by Namibia.
- FAO Food Price Monitoring and Analysis Tool

Namibia Sugar rebate proposal draft document

Acknowledgments

- Namibia Sugar industry
- Agriculture Trade Forum
- MITSMED
- Namibia Trade Forum

Further information

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