TRALAC CONFERENCE
2008
Namibia, the EPA and Regional Integration
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Right Honourable Prime Minister of Namibia, Nahas Angula

• Statement made on 4<sup>th</sup> June 2008 at a meeting of the Presidents Council of Namibia.
• Will be read only.
• Guiding Principle for all Agricultural Trade Negotiations.
Regional Integration and the (I)EPA
Trade in Goods

• The world will turn around, whether there is an EPA or not – don’t over emphasise the influence of the EPA negotiations on regional integration

• There are many other market opportunities that do not make the same demands on regional integration.
The Political Will

• Meeting of the SADC – EPA Ministers of Trade in Gaborone on 4 March 2008:
  • Direct SACU member states in the SADC – EPA to find common ground incorporating South Africa into the negotiation process.

• Meeting in Maseru, 4. – 9. May 2008: Confirmation of the concerns of Namibia by all SADC – EPA member states.
Still in Maseru:

- Work starts on a common list of concerns: South Africa and Angola come on board with their specific concerns.
- First draft of a SACU market access document starts at the same time.
- The TDCA is used as a base for the SACU common market access document.
Priority for Namibia

• The integrity of the SACU is important for Namibia:
• Transfers from the SACU Common Revenue Pool to Namibia 8,5 billion N$ in 2007.
• Possible total loss of preferential market access to the EU markets: N$ 500 mill, including upstream and downstream effects.
Political considerations

• The IEPA text and the development of Namibia:

• Loss of policy space and developmental instruments in place.

• I am going to tell you what is good for you and your development: Top Down approach and neo-colonialism
But Technical difficulties:

- SACU is currently split: BLS and (Mozambique) have initialed the IEPA
- South Africa and (Angola) have not initialed: Namibia with concerns that have to be addressed in the 2ns phase of the negotiations – now together with the concerns of South Africa and Angola.
- 9th draft of the concerns acceptable to ANSA.
Technical Difficulties II

• The SACU common market access offer to the EC:
  • Based on TDCA + of South Africa BUT taking into consideration the sensitivities of the BLNS.
  • The 22 tariff lines that are rejected by the EC but will be addressed under a revised IIP article in the IEPA.
  • The final text not yet available_ SA is stalling!
Possible OUTCOME:

- Namibia will not throw the proverbial towel in the negotiation process.
- In her negotiations, the integrity of the SACU, and to a lesser extend the integrity of the SADC (EPA configuration) is of high importance.
2nd Stage of the Negotiation

- Two phases to run parallel:
- Addressing and negotiating the concerns of Ansa
- The Service, Government Procurement and Investment chapters of the (I)EPA with Botswana; Lesotho; Mozambique and Swaziland.
ANSA Exemption

- Article 67 of the initialed IEPA does exclude ANSA countries from negotiation in services, unless these countries apply for service negotiations.
- Namibia’s position is very clear: Organise these sectors in the country firstly, run through the workshops and meetings that are necessary to formulate a negotiation position and only the come to the negotiation table.
The reality of trade in services

• Openness versus risk aversion!
• Namibia’s service sector is in fact quite open and although the service sector contributes > 40% to GDP, many players in these sectors are NOT Namibian companies, but companies from SACU member states.
The Outcome

• The European service sector companies are looking for only two objectives in the envisaged negotiations:
  • Access and Security (Mr. Pascal Kerneis statement in Cape Town, February 2008)
  • Are they competitive, seeking protection??
The End

• Thank you for listening

• THE AGRICULTURAL TRADE FORUM OF NAMIBIA

• THE VOICE OF NAMIBIAN AGRICULTURE IN REGIONAL AND INTERNATIONAL TRADE