



Customs and Market Access

(PRJ-0230-2019)

SAMPRO

Quarter 2 2019/2019 (April 2019 till June 2019)

Project goals

Goal 1 - Bilateral and Multilateral Trade Agreements

Achievements

Feedback on the project activities are as follows:

- Bilateral and multilateral trade agreements;
- Trade protection and tariff dispensation;
- Export certification; • Import and export monitoring; and
- Participation on Animal Health Forum i.r.o. trade related issues.

1. In 2019 the focus on trade negotiations shifted from negotiations with first world countries to trade within the Africa continent. The focus is on the following agreements: - The Continental Free Trade Area (C-FTA) which includes 54 African Countries; and - The Tripartite Free Trade agreement (T- FTA) which include some trade blocks within Africa.

2. Aspects such as market access, scaling down of import tariffs and rules of origin should be handled with caution not to be flooded by cheap import and highly subsidised dairy products caused by government intervention. The project commented on rules of origin and a report was submitted to the Agricultural Trade Forum.

No Non-achievements / underperformance has been reported

Goal 2 - Trade Protection and Tariff Dispensation

Achievements

Protection against the import of UHT milk

3. The preliminary evaluation was done and captured in a non-confidential report for consideration by the UHT Milk Work Group. The report was discussed with UHT manufactures during a meeting that was held in March 2019.

4. The work shop took notice:

a) That no import of full cream UHT (0401.20.07) took place between August 2018 to March 2019; and

b) Concluded that ITAC should be requested to provide information regarding the process to be followed in respect of an application for Safeguard duties in respect of Article 35 of the EPA agreement; as well

c) As whether any criteria other than the criteria mention in Article 35 will be used.

5. Informal discussions about Article 35 took place and a formal letter was forwarded to ITAC to get clarity if there are any guidelines for the implementation of Article 35 of the EPA agreement once the import trigger levels for full cream UHT are exceeding in a particular year. A negotiator of the Department of Trade and industry indicated that Article 35 will automatically trigger once the agreed quantity of imports is exceeded in a particular year.

No Non-achievements / underperformance has been reported

Goal 3 - Export Certification

Achievements

6. With the outbreak of Foot and Mouth disease (FMD) early in January 2019 most of South Africans' trading partners have introduce an interim ban on importation all animal and animal products. All import permits and Veterinary Health certificates had to be renegotiated.

7. The continuation of trade in safe commodities has been prioritised. Safe commodities include any product that has been processed in such a way that FMD virus, should it be present, will have been destroyed.

8. However, each importing country retains the right to determine its appropriate level of protection and exporters are urged to obtain import requirements via their contact points in the importing countries.

9. In the interim, the Department has successfully negotiated the revision of veterinary health certificates for processed dairy exports and 90% of South Africa's historical export market has been re-opened.

10. The establishment and approval of a disease containment zone will re-establish the previous FMD-free zone without vaccination status (excluding the FMD control zone and the disease containment zone) which will greatly enhance the re-opening of trade with all previous trading partners.

No Non-achievements / underperformance has been reported

Goal 4 - Import Monitoring

Achievements

11. The following monthly import and export tables and quarterly reports were submitted:

Monthly : October to December 2018 and January to April 2019

Quarterly : January to December 2018 and January to March 2019

No Non-achievements / underperformance has been reported

Goal 5 - Participation in the Animal Health Forum in respect of Trade Related issues

Achievements

12. The project manager participates in the meeting of the forum and focus on trade related issues.

13. Since the announcement of the FMD outbreak, the Customs and Market Access Project of Milk SA has been in continuous contact with the Animal Health Directorate of the National Department of Agriculture, Forestry and Fisheries (DAFF) and the National Animal Health Forum (NAHF). On 23 January 2019 a meeting took place between the Project of Milk SA and the Import-Export Unit of the Directorate Animal Health to share information and discuss the status of the outbreak and further actions needed.

14. The National Animal Health Forum, of which Milk SA is a member, immediately after the announcement of the FMD outbreak, contacted the Government and three task teams have been set up to address the outbreak, namely: • FMD Technical Task Team (The CEO of the MPO is a member of the task team); • FMD Trade Task Team (Undersigned is a member of this task team); and • Communications Task Team.

15. All the media briefs and press releases were forwarded to the industry by Milk SA and we will continue to do this.

16. Dr Chris van Dijk was nominated by the Board of Directors of Milk SA to serve as a Director on the National Animal Health Forum and he also serve on the FMD Technical Task Team.

17. The project manager has attended more 10 meetings with the veterinary officials and the meetings of the FMD Trade Task team.

No Non-achievements / underperformance has been reported

Income and expenditure statement

Income and expenditure statement	CORFIN151 Standard Monthly Financial report - Apr 19.xlsx Customs may.pdf
Unnecessary spending during period	No

Popular Report

[Customs 2 qtr pop report 2019.docx](#)

Additional documentation

No file has been uploaded

Statement

Levy funds were applied only for the purposes stated in the contract	Yes
Levy funds were applied in an appropriate and accountable manner	Yes
Sufficient management and internal control systems were in place to adequately control the project and accurately account for the project expenditure	Yes
The information provided in the report is correct	Yes