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**Report on  
10<sup>th</sup> Public Dialogue on Trade  
Will Europe be closing its doors for Namibian Beef?**

14 February 2007 - 8h00 - 11h00  
Nampower Convention Centre, Windhoek

**Background**

The Agricultural Trade Forum (ATF) in cooperation with the Friedrich-Ebert-Stiftung was organising its 10<sup>th</sup> public dialogue on trade on the possible end of preferential market access for Namibian agricultural products to the European Union.

The current agreement, under which Namibia manages to sell a substantial part of its beef, lamb and table grape production to consumers in Europe and earns a substantial amount of foreign currency, will expire by the end of 2007. It no longer meets the requirements of the World Trade Organisation (WTO). Negotiations are underway to replace it with a new agreement, a so-called “Economic Partnership Agreement” (EPA) between the EU and a group of SADC countries, of which Namibia is a member.

Given the current state of these negotiations there is a strong possibility that no deal can be struck in time to meet the December deadline. If nothing else happens, this will then lead to the automatic imposition of high tariffs on Namibian agricultural products, making them no longer competitive on their most important export market. This, in turn, may well lead to a serious crisis in the Namibian agricultural sector.

It was judged high time that Namibia prepares for the worst by investigating legal and other means to be used to safeguard the precious preferential market access in the case of a no-deal-scenario.

It was for that reason that ATF and FES in co-operation with the Meat Board of Namibia had invited *Prof. Gerhard Erasmus* from the Trade Law Center (TRALAC) in Stellenbosch, South Africa to give his expert view on legal and other possibilities that are open for Namibia to deal with this issue. Prof. Erasmus is an eminent expert on international trade law, with a PhD from Harvard University in the United States who was born and raised in Keetmanshoop, Namibia.

**Content and Results**

1. The meeting was attended by 71 interested persons, ranging from Heads of Delegations, the Ambassador and officials from the Delegation of the European Commission to Namibia, senior officials of the diplomatic corps, Members of the Namibian Parliament,

- high level officials from Namibian Ministries, officials from NGOs in Namibia, private sector representatives and members of the local press.
2. The public dialogue was announced over Television one week before the event, when a representative of the ATF was invited to the “Good Morning, Namibia” daily event and had the opportunity to answer questions regarding the issue at hand. Press coverage of the event was better than before and can still be improved upon.
  3. The Chairperson of the Agricultural Trade Forum, Mr. Christof Brock, chaired the public dialogue meeting. He welcomed all participants. Only a lively participation in the public dialogue will keep the “Public Dialogue “for what it is intended to, namely an exchange of ideas and comments on policies by the public and institutional sector. Mr. Brock thanked the sponsors of the event, the Friedrich-Ebert-Stiftung and the Meat Board, for their contributions and wished all participants an interesting dialogue.
  4. Mr. H.R. Schillinger, the Resident Representative of the FES in Namibia opened the Public Dialogue with introductory remarks. Mr. Schillinger made special reference to two central issues that are under discussion at this meeting, but from a quite different perspective, the perspective of multilateral and regional trade agreements, that are lawfully binding. Namibia, a developing country being part of the WTO, can only export to the European Union on preferential market access if she is offering market access to European exporters too. Mr. Schillinger explained that currently, and only to the end of 2007, it is possible to export without reciprocal market access on the basis of a waiver by WTO members, that allows the preferential treatment of Namibian imports by the EU. Following that, the first aspect, the deadline that will end preferential market access for Namibia’s export products to the EU, has been clearly defined by international trade arrangements. To avoid the end of preferential market access and to allow trade flow at preferential rates, the SADC EPA<sup>1</sup>,– EU trade agreement, that is under negotiation and delayed by configuration issues, has to be substantially advanced by the end of 2007. The other issue, mentioned by Mr. Schillinger, was the so- called plan “B”. That would be a measure that would allow Namibia still preferential market access under bearable conditions, even if the negotiations are not finalised. Mr. Schillinger stressed that these remedial possibilities should be investigated and the legal basis for that has to be explained and explored. This is precisely the objective of a legal investigation guided and being paid for by the Meat Board of Namibia, and the results of these investigations will be presented by Professor Erasmus here and now, said Mr. Schillinger. With these introductory remarks, Mr. Schillinger set the tone for an interesting presentation and a fruitful discussion at the 10<sup>th</sup> Public Dialogue on Trade.
  5. Prof. Dr. Gerhard Erasmus then delivered his lecture on the legal basis, possibilities and choices of the Cotonou Agreement between the European Union and the ACP<sup>2</sup> member states.
  6. Prof. Erasmus addressed the fact that at the end of 2007, some developing countries in the ACP grouping will loose preferential market access to the markets of the EU, especially for agricultural and fisheries product exports.

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<sup>1</sup> SADC – EPA is the configuration of Southern African States that negotiate together a Free Trade Agreement with the EU: Angola, Botswana, Lesotho, Mozambique, Namibia, Tanzania, South Africa (not formally acceded but will so in the near future), and Swaziland.

<sup>2</sup> African, Caribbean, Pacific states, mostly former colonies to European Community member states. For the ACP member states, special preferential market access conditions have been maintained for the last 35 years.

7. Professor Erasmus made it very clear to the meeting that – legally spoken – there is no ready remedy to this disturbing aspect, clearly overlooked also in the otherwise very detailed trade negotiation provisions of the Cotonou Agreement. In his own words, he was not able to provide the proverbial rabbit out of his legal hat.
8. On the way forward, however, Prof. Erasmus emphasised that there are legal rights that can be pursued by Namibia to maintain market access for its agricultural and fishery products exports to the EU. Legitimate expectations have been aroused by the wording of the Cotonou Agreement and political sympathy by the negotiation partners should be exploited by Namibia.
9. Namibia should submit a plan for a transitional proposal to bridge the time between the ends of the preferential market access at 31. 12. 2007 and the implementation of the newly negotiated trade agreement that will be WTO compatible and thus allow the entering of Namibian agricultural export products into the markets of the EU. Namibia should also look for and liaise with possible allies in the SADC - EPA and in the EU.
10. After Prof. Erasmus' presentation, a lively discussion took place, showing the interest of the audience in trade issues but also clearly showing the fear of possible preferential market access loss that is very central to market development of the Northern Namibian markets.
11. The Ambassador of the EC to Namibia, H.E. Dr. Elisabeth Pape, made it very clear to the meeting that continued market access can only be obtained currently through the speedy conclusion of the negotiations between the SADC – EPA group and the EC. There is no possibility of a plan “B” to address Namibia's (and Botswana's) needs for continued market access other than the legal one, and that is a concluded a FTA at the end of 2007.
12. This was extensively debated by the participants and quite a few ingenious proposals were tabled but were declared not feasible by either Prof. Erasmus or members of the EC delegation.
13. In the end, the trade advisor of the ATF made some closing remarks, highlighting the constraints that are inbuilt into the current configuration of the SADC EPA, which, in its present format, does not contribute to regional integration in Southern Africa. Although the official negotiation calendar and the original roadmap for the conclusion of the Free Trade Agreement were derailed by concerns over the regional integration configuration of the SADC EPA (and some issues have still not been resolved) the solution to further market access lies with the speedy conclusion of the technical part of the negotiations that may open the way for unhindered market access for Namibian agricultural products to the markets of the EU. He stressed that the negotiations are not about numbers or percentages but about the expectations of people, mostly rural poor people.
14. He thanked the Meat Board of Namibia and the FES, and especially also the work of the secretariat of the FES in organizing this events, and the audience who, through well formulated comments and questions, enabled a lively discussion after the presentation.
15. In closing the meeting, Mr. Hoffmann reiterated that the ATF and the FES will work further together to inform and educate the people of Namibia on trade issues.
16. The 10<sup>th</sup> public dialogue on trade closed at 11:00