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Pretoria



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Deepening Engagement on South Africa's Trade Policy 4th Annual Public Forum

Thursday 15th of March 2012

08h30 (registration) for 09h00 (start)

Crowne Plaza Rosebank Hotel, Johannesburg

Background

The global economic crisis sparked a re-evaluation of trade policy approaches in many developing countries and South Africa is no exception. South Africa has been seized with a robust debate on the direction of its trade policy, as well as on the appropriate trade and economic policies to stimulate economic growth and development. In addition to the Department of Economic Development's New Growth Path, the National Planning Commission last year unveiled its National Development Plan and the objective still remains economic growth and employment creation.

As the Eurozone crisis rages on, policy responses in most countries may be prone to protectionism and other trade practices that are detrimental to development. At a time such as this, it is important that the engagement among stakeholders on trade and related policy in South Africa remains strong, especially as clearer linkages are now being made between trade policy and broader economic development concerns, such as job creation.

In the tradition of our previous public dialogues on trade policy, this dialogue aims to discuss priority and topical trade issues for South Africa going forward into 2012. Four main topics will form the core of the discussions:

- Trade policy and its linkages with competition and investment
- South Africa as a gateway into Africa
- Services trade
- The future of the WTO





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To facilitate frank discussions, this event will be held under Chatham House Rules: “When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.”

PROGRAMME¹

08H30-09h00: **Registration**

09H00-09H15: **Welcome**

Catherine Grant-Makokera, SAIIA Programme Head Economic Diplomacy

Opening remarks

Nick Monkhouse, British High Commission

09H15-10H45 **Keynote address – Trade Policy priorities for South Africa in 2012 and beyond**

Moderator: Mzukisi Qobo, University of Pretoria

Speakers: Lawrence Edwards, School of Economics, University of Cape Town

Xavier Carim, Deputy-Director General, Department of Trade and Industry

10H45-11H00 **Tea**

11H00- 12H30 **Panel 1 – Trade, Competition and Investment in South Africa**

Competition policy is playing an increasingly significant role in the trade and investment environment in South Africa. According to a 2010 IMF report, there is a high degree of product market restrictiveness in South Africa that is partly exacerbated by anti-competitive

¹ This programme is provisional and subject to change.



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behaviour in the markets. This is regarded as being highly trade restrictive. Also, the recent Wal-Mart/Massmart case brought under closer scrutiny the link between investment, competition and trade policy. It highlighted the potential use of competition policy as a vehicle for industrial policy and other domestic economic objectives. This session seeks to answer the question of whether governments can use competition policy to stimulate the growth and development of certain sectors, including through investment, and whether this will be compatible with the rules of the international trading system? The session will also explore South Africa's current investment incentives and their linkages with trade and competition.

Moderator: Stephen Gelb, University of Johannesburg

Panellists: Trudi Hartzenberg, Trade Law Centre

Jonas Mosia, COSATU

Robert Wilson, Weber Wenzel

12h30-13h15: Lunch

13H15-14H45: **Panel 2: South Africa as a gateway into Africa**

South Africa's economic dominance in Africa and in the southern African region is an accepted fact but its role in the continent has long been contested. South Africa's membership of the G20 brought with it expectations from some quarters that it would represent Africa within that grouping. The recent admission of South Africa into the BRIC(S) came with many discussions and debates on South Africa's role as a 'gateway' into Africa. But what does this actually mean? Three possibilities have been mooted: First, multinational companies could use South Africa as a hub for regional headquarters, utilising our superior services infrastructure to co-ordinate their regional activities. Second, multinationals and South African corporates could take advantage of our relatively advanced transport and distribution networks. Third, companies could use South Africa as a sourcing hub. However, as South Africa struggles with chronic unemployment and poverty problems, questions arise as to the potential and possibility of South Africa being a gateway into Africa.



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Moderator: Michele Ruiters, DBSA

Panellists: Peter Draper, South African Institute of International Affairs

Dianna Games, CEO, Africa @ Work

Lerato Mataboge, Chief Director, Department of Trade and Industry

14H45-15H00: Tea

15H00-16H15: **Panel 3: South Africa and services trade in the TFTA**

The Tripartite Free Trade Area negotiations, set to commence in 2012, will include the free movement of business people. The negotiations on the liberalization of trade in services have been shelved and will only be discussed in the second phase. This is despite the growing acknowledgment the world over that services trade has long been neglected in policy consideration and holds great potential for economic growth and development. All the three trade blocs that are negotiating the TFTA are currently occupied with services trade negotiations, either in their individual context or in the context of the Economic Partnership Agreements being negotiated with the EU. While it is recognized that more research needs to be undertaken on the issue of services trade, within the TFTA context, South Africa stands to gain a lot from services trade liberalization as the bulk of services being exported into the region are either from South Africa or the EU. Nevertheless, South Africa has failed to champion the liberalization of trade in services in the TFTA and indeed within SADC as well. This session will identify South Africa's interests in and interrogate the potential gains for South Africa arising from services trade liberalization.

Moderator: Siphamandla Zondi, Institute for Global Dialogue

Panellists: Matthew Stern, DNA Economics

Sudhir Sooklal, Department of Trade and Industry

Lynette Gitonga, International Lawyers and Economists Against Poverty





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16H15 – 17H30

Panel 4: Institutional Reform at the WTO

The Doha Round is at a seemingly insurmountable impasse and prospects of any kind of resolution now or in the medium term appear to be very limited, despite the efforts of Director-General Pascal Lamy. This has brought into focus one of the issues that has long dogged the WTO since the Uruguay Round – that of institutional reform for a more effective, inclusive and transparent decision making process. The WTO as it is today is very much different from its predecessor of GATT and clearly the decision-making system that was inherited from GATT needs to be revamped in some way. This is not to underestimate the value of the consensus decision making process that also functions as a check and balance to the system to maintain equality among members. In light of this, what are the options that the WTO has in order to improve its decision making process? Can the WTO afford to keep the system as is and what holds for the future of the WTO upon failure of the Doha Round?

Moderator:

Gus Mandigora, Business Unity South Africa

Panellists:

Memory Dube, South African Institute of International Affairs

Lambert Botha, Trade Law Chambers

Markus Jelitto, GFA/GIZ SADC Trade in Services Project

17H30

Closing remarks: Catherine Grant-Makokera, SAIIA

Informal Cocktail Reception and Launch of Case Studies on Doing Business in SADC

Melrose Place Lodge, Melrose

