

MINISTER

AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT REPUBLIC OF SOUTH AFRICA

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| Response to Parliamentary Question |
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| **QUESTION NO.:** | **512/NW1505E** |
| **TO:** | **MINISTER** |
| **FROM:** | **DIRECTOR-GENERAL** |
| **SUBJECT:** | **QUESTION 512/NW1505E FOR WRITTEN REPLY BY MR N P MASIPA (DA) TO THE MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT** |
| **CLASSIFICATION:** | **CONFIDENTIAL** |

**NA WRITTEN QUESTION NO 512/NW1505E**

(a) What is the status of communication between her department and the General Administration of Customs of the People’s Republic of China (GACC) regarding the clarification on the interpretation of announcement 122 made on 23 July 2019, (b) by what date is it expected that the situation will be resolved and (c) what are the details of all steps taken by her department to communicate the outcomes of all interactions with the GACC to wool industry role players to avoid unnecessary panic? NW1505E

Enclosed herein is the reply to question 512/NW1505E for your approval should you agree with the contents thereof. The information was supplied by the Branch Agricultural Production, Health and Food Safety

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**DAFF’S RESPONSE:**

**PQ.  512/NW1505E MR N P Masipa (DA) to ask the Minister of Agriculture, Land Reform and Rural Development:**

(a) What is the status of communication between her department and the General Administration of Customs of the People’s Republic of China (GACC) regarding the clarification on the interpretation of announcement 122 made on 23 July 2019, (b) by what date is it expected that the situation will be resolved and (c) what are the details of all steps taken by her department to communicate the outcomes of all interactions with the GACC to wool industry role players to avoid unnecessary panic? NW1505E

a) Letters seeking clarity on the wool exports and the health attestation were forwarded to the People’s Republic of China’s (PRC’s) General Administration of Customs of China by the department on the 12th of August 2019 and 19th of August 2019. A response to the letters was received through the South African Embassy in Beijing on the 22nd of August 2019. The interpretation of the response letter by the Embassy outlined that the Chinese government had replied with two main options for the South African government. The one option was to continue with the certificate as agreed upon before Announcement 122 of 23 July 2019. The second option was to propose a new health certificate. Pursuing the second option of proposing a new health certificate would have resulted in the suspension of trade on wool to PRC for the period of negotiation. The first option was the preferred option.

b) The situation is resolved. The industry has also accepted the option of South Africa continuing to certify according to the requirements as agreed before Announcement 122 of 23 July 2019. This option guarantees the clearing of the backlog created by the suspension of export of wool to China. However, the department, in line with Announcement 122 of 23 July 2019 is committed to continue engaging with the PRC on a new draft of the health certificate during a period where there would be minimal impact on wool exports to the PRC. The wool industry has affirmed this position and has requested that should discussions with the PRC commence, the industry should be consulted.

c) The Department held a meeting with representatives of Cape Wools and two wool buyer companies on the 15th of August 2019 to understand the challenges faced by industry. Subsequent to this meeting, a follow-up letter was forwarded to the PRC on the 9th August 2019. The Department also telephonically engaged the industry during the period when the response from the PRC was awaited. Upon receipt of a response from the PRC on 22nd August 2019, the industry was immediately informed telephonically and through an email. An official letter to this effect was also sent to the industry on 23rd August 2019. In its reply, the industry indicated that the existing health certificate will be utilized to address the backlog of wool exports in the stores.