



## ASSIGNMENT MEMORANDUM

**SUBJECT : BASICS OF EXPORT TRADE 1 (BET101)**

**ASSIGNMENT : 2<sup>ND</sup> SEMESTER 2011**

### QUESTION 1

**[40]**

The role of governments in international trade:

1. To regulate imports and exports within the rules of international trade in order to protect domestic industry and ensure essential raw materials and industrial inputs. This is done through import and export permits, import duties, etc.
2. To regulate international trade in armaments and dangerous or hazardous materials.
3. Provide physical infrastructure to support foreign trade.
4. To negotiate trade agreements with other countries to give exporters easier access to foreign markets.
5. To encourage investment in export industries and infrastructure.
6. Support export education.
7. Provide export incentives within the international regulatory framework.
8. Actively promote exports.
9. Coordinate the entire export development process.

How well does South Africa do?

1. South Africa has transparent import permit and duty regulations, consistently applied. There are limited export controls, which is good.
2. South Africa works closely with other countries to control movement of armaments and dangerous and hazardous substances.
3. South Africa has a reasonable physical infrastructure, mostly owned and operated by state bodies. Maintenance is somewhat of a problem and there are bottlenecks at times.
4. South Africa has negotiated some good trade agreements, notably the initial EU-SA Trade and Development Co-operation Agreement, although the EPA with the EU has been stalled.
5. There are some government incentives, but they are not very effective. It is possible that more will be implemented following President Zuma's State of the Nation speech in February 2011.

6. The government does not do a great deal to support export education as such, although through SEDA, export training is provided.
7. Through the Department of Trade and Industry, assistance is provided with various export marketing activities.
8. Exports are promoted through South Africa's diplomatic and trade representatives abroad.
9. There is some attempt to coordinate export development through export councils and some ad hoc projects. It is not consistent or at sufficiently high level.

**Study material reference: Basics of Export Trade Learner Guide, Study Unit 1.**

## **QUESTION 2** **[50]**

The following gives the members of the Southern African Development Community with their capital cities and the relevant map number for each.

	<b>SADC member map reference</b>	<b>Capital city</b>
Angola	11	Luanda
Botswana	25	Gaborone
Democratic Rep. of Congo	15	Kinshasa
Lesotho	28	Maseru
Madagascar	22	Antananarivo
Malawi	19	Lilongwe
Mauritius	30	Port Louis
Mozambique	21	Maputo
Namibia	24	Windhoek
Seychelles	29	Victoria
South Africa	26	Pretoria
Swaziland	27	Mbabane
Tanzania	16	Dodoma
Zambia	20	Lusaka
Zimbabwe	23	Harare

**Study material reference: Basic of Export Trade Learner Guide, Study Unit 1.**

## **PRESENTATION** **[10]**

