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## MEDIA RELEASE

### SACU COUNCIL OF MINISTERS MEETING IN BOTSWANA

1. Botswana will be hosting a SACU Council of Ministers' meeting on Friday 4<sup>th</sup> April 2008. The meeting will be held at Phakalane Golf Estate. This will be the 14<sup>th</sup> SACU Council of Ministers' meeting following the coming into force of the new SACU Agreement on 15<sup>th</sup> July 2004. The meetings are held on quarterly basis.
2. The Council of Ministers meeting will among other things:
  - (i) **Receive a report of the Executive Secretary.** The Executive Secretary's report to the 14<sup>th</sup> Council Meeting will provide a strategic overview of the organizations progress and challenges experienced in the implementation of the 2002 SACU Agreement to date. The report will further provide an analytical perspective with regards to promoting deeper regional integration through the 2002 SACU

Agreement; a case for consolidating SACU in view of the required commitment in implementing the objectives of the Agreement and the experience of establishing the SACU Secretariat.

(ii) The Council will also receive updates on:

*a. SACU Trade Negotiations with third parties.* SACU is currently involved in a number of trade negotiations with third parties. These include, inter-alia, the following: **SACU-USA TRADE, INVESTMENT AND DEVELOPMENT COOPERATION AGREEMENT (TIDCA)**. The agreement is a cooperation agreement aimed at promoting investment and expanding and diversifying trade between SACU and the USA; **SACU-INDIA PREFERENTIAL TRADE AGREEMENT NEGOTIATIONS**: SACU and India met on 21-22 February 2008 in Walvis Bay, Namibia, for the 2<sup>nd</sup> round of negotiations towards conclusion of a Preferential Trade Agreement, and also considered a final draft Memorandum of Understanding (MOU) for negotiating a Preferential Trade Agreement between the Southern African Customs Union and the Republic of India; **SACU-MERCOSUR PREFERENTIAL TRADE AGREEMENT NEGOTIATIONS**: The 12<sup>th</sup> negotiating round between SACU and MERCOSUR is scheduled to take place on the 17 - 18 April 2008 with the aim of concluding the negotiations.

The 14<sup>th</sup> SACU Council of Ministers' meeting comes at a time when SACU faces a number of key challenges, especially with regard to SACU's relations with third parties. These challenges will increase in the course of 2008 as participation in multilateral and regional negotiations becomes more demanding and complex.

*b. The development of the Common Negotiating Mechanism for SACU.* Article 31 of the 2002 SACU Agreement provides for the establishment of the SACU Common Negotiating Mechanism (CNM). This will ensure a common SACU position and approach towards trade relations with third parties. Council will consider a final draft Annex at its 14<sup>th</sup> meeting.

*c. Update on the work of the SACU Regional Integration Task Team studies on the consolidation of SACU.* With the ongoing debate on deeper regional integration SACU has to define its strategy. Currently there are ongoing studies that assess the possible impact of the current regional developments on SACU. The studies will also inform the development of a SACU wide Strategy to be developed during the course of 2008. The Council will also consider the progress made by the task Team on Regional Integration. The Council is committed to addressing the challenges faced by the organization in order for the 2002 SACU Agreement, which is about the promotion of regional and global integration, to be fully realized for the benefit of its Member States.

(iii) Finally, the Council will receive reports on the work of the SACU Technical Liaison Committees (TLCs). The Technical Liaison Committees (TLCs) held their 15<sup>th</sup> meetings in Windhoek, Namibia on 11 - 13 March 2008. Some of the SACU initiatives discussed at the TLC meetings include:

The readiness status of Customs Administrations to implement the SACU-EFTA Agreement; The progress on the ratification of the Annexes on the Tariff Board and the National Bodies; Plans for the factual review by the WTO Committee on Regional Trade agreements

in respect of the notification of SACU to the WTO; The request from Malawi for quotas in textiles and clothing, under the MMTZ Market Access agreement between SACU Member States and the four countries Malawi, Mozambique, Tanzania and Zambia (MMTZ); and the scope and approach of the study for the development of an Agriculture policy framework.

3. The SACU Council meeting will be preceded by a meeting of the Customs Union Commission, which will take place on 2<sup>nd</sup> to 3<sup>rd</sup> April 2008 in Gaborone.
4. The SACU Council of Ministers comprises Ministers of Finance and Trade and Industry from all five SACU Member States; Botswana, Lesotho, Namibia, South Africa, Swaziland. Under the SACU Agreement, the Council is the supreme decision-making authority on all SACU matters. The Council is assisted in its work by Customs Union Commission, which comprises the Permanent Secretaries of Finance and Trade and Industry from the Member States. The Commission supervises the work of the Secretariat located in Windhoek, Namibia.
5. Botswana assumed chairmanship of SACU on the 15<sup>th</sup> of July 2007 when she took over from Swaziland.
6. This will be the 3<sup>rd</sup> meeting since Botswana assumed chairmanship.

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