



## Private sector gets say in customs union

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**A NEW initiative to get the private sector more involved in the processes of the Southern African Customs Union (Sacu) could lead to improved customs revenue.**

Sacu is one of the biggest moneyspinners for Namibia's economy and is projected to contribute N\$9,3 billion in revenue this year – nearly half of Namibia's total budgeted revenue of N\$21,3 billion.

Improved efficiency in cross-border trading could keep this figure from falling, as it is set to drop next year due to the effects of the economic downturn.

The Namibian Manufacturing Association (NMA) was recently invited by the Botswana Exporters' and Manufacturers' Association (BEMA) to attend a regional workshop on the obstacles companies face in transporting goods across regional borders.

The results of the workshop will be presented to the Ministry of Trade and Industry, which in turn will have an obligation to table them at the next Sacu meeting.

Wolfie Duvenhage, a sales representative for Plastic Packaging Namibia, attended on behalf of the NMA.

He said one of the biggest problems the private sector has with the customs system is the delays and procedures surrounding value-added tax (VAT).

Duvenhage said delays in the VAT process can cause serious cash-flow problems for companies.

He also said that the linked issues of inconsistent customs procedures and changing border operating times are barriers to efficient trade.

Duvenhage urged southern African countries to develop agricultural, industrial and competition policies that are more in line with those of other countries in the region.

He said differing policies can be "a huge impediment" to cross-border trade.

Sacu has committed itself to rooting out these problems by for example setting up a website where companies can lodge complaints about inefficient service.

Sacu will then try to address the issues in less than 60 days, according to Duvenhage.

He said "the general feeling was that the workshop was quite successful" and that it alleviated a feeling of frustration for the private sector which came from "not having a real channel to go through".