



17 September 2009

Press Statement

**Outcome of the Special SACU Council of Ministers Meeting held on 17 September
2009 in Ezulwini, Swaziland.**

“The SACU Council Of Ministers agreed to redouble their collective efforts to resolve the outstanding issues in the SADC-EC Interim (IEPA) and Final Economic Partnership Agreement (EPA) negotiations.”

1. The SACU Council of Ministers held a Special Council Meeting on 17 September 2009 in Ezulwini, Swaziland. The purpose of the Special Council Meeting was to review challenges facing SACU and to deliberate on the future of the Organization.
2. Council reflected on the history of the region and noted that SACU is more than just a trade and revenue arrangement. In addition to strong trade and economic ties, which are cornerstones of the Customs Union, Member States of SACU are also bound together by historical, cultural and geographical bonds.
3. Council reviewed the recent developments in SACU, progress made in the achievement of the objectives of the 2002 SACU Agreement, developments

at a regional and global level, as well as the commitments made at the Kasane Retreat, held in August 2008, where Member States agreed that SACU had served them well since its inception 99 years ago and observed that SACU needed to pursue a **common vision and strategy** in order to make it attractive as an anchor/nucleus for deeper economic integration in Southern Africa.

4. On **SACUs Trade Strategies**, Council emphasised the need for a common SACU trade strategy and trade negotiation agenda and agreement on the content of negotiations SACU is prepared to enter into, taking into account the capacity of the Member States. Council supported trade diversification as an important objective to be pursued in trade relations and negotiations. **Council had frank and constructive discussions and agreed to redouble their collective efforts to resolve the outstanding issues in the IEPA and EPA negotiations.** Council reiterated the need to finalise the Common Negotiating Mechanism. Council recognised the changing trading landscape and the importance of developing a common strategy on new generation issues, such as services, investment, and intellectual property rights, etc. in trade agreements.
5. On the **consolidation of SACU and the development of Common Policies**, Council emphasised the need to conclude the establishment of SACU Institutions as provided for in the Agreement in tandem with the policy development agenda of SACU.

6. Council reiterated the need for policies that support regional economic integration, industrialisation and economic development. Council recognised that SACU's tariff policy should support industrial development in SACU Member States.
7. Council recognised that common policies should take into account the different levels of economic development amongst SACU Member States and the need for compromise and flexibility to meet the objective of balanced economic growth in SACU.
8. Council supported pursuing spatial development and cross border initiatives. Council emphasised the need to investigate financing options to support regional development and cross border economic development projects.
9. Council underscored the importance of facilitating intra SACU Trade and decided to implement specific initiatives for this purpose.
10. On **Positioning SACU in the Region** Council agreed to follow a collective approach in raising the profile of SACU. For this purpose, SACU needs to focus on areas that would make it attractive to non-members. In addition, accession criteria needs to be developed.
11. On **Regional and Global Challenges** Council acknowledged the impact of the current global economic crisis on the Customs Union. Council recognised the growing importance of building South-South economic relations and

emphasised that trade negotiations remain an important element in forging trade relations with third parties. In doing so, due consideration should be given to SACU Member States' different levels of development and capacity.

12. Council agreed that the global environment is changing rapidly and observed the role that Heads of State and Government meetings can have in providing strategic leadership and impetus in strengthening a collective agenda.

13. In considering the way forward, Council agreed that the Special Meeting had provided an opportunity for frank discussions and identified priority areas that require further detailed work. Council directed the SACU Commission to develop a SACU vision, strategy and workplan with timelines in respect of the following priority areas:

- (a) Strengthening capacity in the Secretariat.
- (b) Developing the necessary policies and procedures to conclude the establishment of institutions.
- (c) Ensuring that all work on industrial policy, agricultural policy, competition policy, unfair trade practices and other priority commitments in the SACU Agreement are being implemented.
- (d) Developing a SACU trade and tariff policy, and trade strategy that support industrialisation in SACU.
- (e) Developing deliberate initiatives to promote intra-SACU trade
- (f) Following the principle of unified engagement amongst SACU Member States in trade negotiations with third parties, including in the SADC-EC

IEPA and EPA negotiations while recognising different levels of development and capacity of Member States.

- (g) Investigating financing options for cross-border projects.
- (h) Exploring the possibility to review the 2002 SACU Agreement.
- (i) Developing SACU positions on new generation issues, taking into account ongoing negotiations.
- (j) Defining a roadmap for moving towards an Economic Community and Monetary union.
- (k) Positioning SACU at the centre of the SADC Economic Integration Agenda.

14. The SACU Council of Ministers comprises of Ministers from the Ministries of Finance and Trade in the SACU Member States namely, Botswana, Lesotho, Namibia, South Africa and Swaziland.

15. The meeting was chaired by Namibia, through her Minister of Finance Hon. Saara Kuugongelwa – Amadhila. Namibia took over Chairmanship of the SACU Council on the 15th July, 2009 and was succeeding Lesotho.

END

SACU Secretariat

www.sacu.int

sacu@info.int