



MEDIA RELEASE

BILATERAL TARIFF NEGOTIATIONS BETWEEN SACU AND THE EAC

1. The Ministers of the Southern African Customs Union (SACU) and the East African Community (EAC) met on 14 September 2017 in Johannesburg, South Africa to consider progress in the bilateral tariff negotiations under the Tripartite Free Trade Agreement (TFTA).
2. The Meeting was co-Chaired by Hon. Dr Rob Davies, Minister of Trade and Industry South Africa on behalf of SACU, and Hon. Amelia A. Kyambadde, Minister of Trade, Industry and Cooperatives, Uganda on behalf of the EAC.
3. The TFTA consists of three regional economic communities, being the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Community (SADC). The TFTA aims to integrate 26 African countries with a combined population of over 600 million people and Gross Domestic Product (GDP) of US\$1 trillion.
4. As part of the market integration pillar of the TFTA, Member/Partner States are to undertake bilateral tariff negotiations with Member/Partner States with whom they currently do not have preferential tariff arrangements. SACU has therefore been conducting tariff negotiations with the EAC, which consists of Burundi, Kenya, Rwanda, South Sudan, Tanzania, and Uganda. With a market of around 145 million people and a combined GDP of around US\$ 146 billion, tariff preferences into the EAC, once concluded, will enhance opportunities for businesses within SACU, either as an export destination or as a source of inputs.
5. The SACU and EAC Ministers noted the substantial progress achieved and agreed on a number of principles to guide the conclusion of the negotiations. The Ministers agreed that the agreement should result in new market access with commercial value for both Parties. Therefore, the negotiations will pay particular focus to critical products of export interest to SACU and the EAC. The Ministers emphasised the need to promote the development of regional value chains through the tariff preferences. The Ministers further agreed on a roadmap, which aims to conclude the negotiations in November 2017.

Ms Paulina M Elago

Executive Secretary