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# SACU News

SOUTHERN AFRICAN CUSTOMS UNION

Quarterly Newsletter

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# CHANGE OF SACU CHAIRMANSHIP

***Botswana took over as Chairman of SACU on 15 July 2012. Botswana takes over the chairmanship from Swaziland who has been chairing SACU since 15 July 2011, taking over from South Africa. The SACU member States takes turns in Chairing meetings of the organs that make up the SACU Structures, these being the Council of Ministers and Commission.***

## **Overview of the Year 15 July 2011 – 14 July 2012**

Swaziland assumed Chairmanship immediately following the last Summit of Heads of State, which provided clarity to the SACU Work programme. The Heads of State and Government identified five priority areas, on which the SACU work programme is encored. These are; review of the Revenue Sharing Arrangement; development of an industrial development policy; trade facilitation programme; establishment of SACU Institutions; and unified engagement. During the past year, the focus has been on the implementation of the five priority areas.

When taking over Chairmanship, Swaziland pledged her commitment to continue with the work started by her predecessor, and in pursuit of this objective, chaired meetings of Council, Commission, Task Teams on the Revenue Sharing Arrangement, and the Task Team on the Industrial Development Policy.

During Swaziland's tenure as Chairman of SACU a number of important milestones were achieved in some of the key areas, this was despite the fact that this was a foundation year of the establishment of the work on the new work programme.

## **Review of the Revenue Sharing Arrangement**

SACU undertook the study on the review of the Revenue Sharing Arrangement (CIE Study). Council took a decision to use the study as an input into the ongoing review of the revenue sharing arrangement. Following which, a Task Team was established at the level of Commission to oversee the development of options on a new Revenue Sharing Arrangement. To date, all Member States have presented proposals on a new formula. A set of principles to underpin a new RSA have been agreed and the process of narrowing down the proposals has begun.

The Task Team has isolated key policy issues and set the stage for negotiations on some of the contentious issues such as the treatment of excise duties and justification for compensation in the new arrangement.

## **Establishment of SACU Institutions**

Under this area, the priorities identified by the SACU Heads of State were: the Summit; Tribunal; and the Tariff Board. Progress in these areas has generally been slow due to the preparatory process that needs to take place at member state level such as the establishment of national bodies, for Tariff Board and national consultations on issues around the role of Summit.

## **Development of an Industrial Development Policy**

This is the one area that has been most problematic during the year under review. Nevertheless extensive work has gone into the process of formulating an Industrial Development Policy for SACU.

## **Performance of the Common Revenue Pool**

Preliminary outturn collections for 2011/12 indicated a continuation of the recovery which started in 2010/11. In line with the anticipated recovery in the global economy, the 2012/13 CRP forecast depicted a 15 percent growth, from the 2011/12 forecast. This forecast was then used to estimate Member States' revenue shares for 2012/13.

## **SACU Headquarters building**

The work on the construction of the SACU headquarters building in Windhoek Namibia is at an advance stage. At the 26th Council meeting, Council approved the architectural drawings and the additional budget for the new headquarters building. At the recent Commission meeting, the Finance and Audit Committee approved the selected bidder from the tendering process and awarded the contract. Despite the delays, it is now expected that construction will start early August 2012. Despite the delays in approving the budget, progress has been made.

## **IMF Policy Conference**

The International Monetary Fund (IMF) has proposed to convene a SACU Ministerial Policy conference to launch a study on regional integration in Southern Africa. The publication builds on the work done by the IMF on reducing the volatility of SACU Revenue Shares. It is proposed that the conference take place in December 2012.



# COMMONWEALTH SECRETARY-GENERAL VISITS BOTSWANA, NAMIBIA AND SWAZILAND

*The Secretary-General of the Commonwealth Mr Kamalesh Sharma has undertaken a tour of three of the SACU Member States comprising of Botswana, Namibia and Swaziland. Mr Sharma whose tour started in Botswana on 29 -31 July 2012 arrived in Namibia on 31 July 2012 and was expected to leave for Swaziland on 2 August 2012 where he would stay until 4 August 2012.*

In line with the objective of the tour, which is to consult with a view to ensure that the concerns and priorities of a wide range of stakeholders are reflected in the Commonwealth's current programme of reform, Mr Sharma held a breakfast meeting with the Executive Secretary of SACU Ms Tswelopele C Moremi on 1 August 2012 at Hilton Hotel in Windhoek. The meeting served as a courtesy call and an opportunity for the Secretary General to be informed more about the scope of work for SACU.

In this regard, the Secretary General was informed of the current SACU work programme which is informed by the vision adopted by the SACU Heads of States and Government and aimed at transforming SACU into an Economic Community and in particular, being a building block for economic integration in the region. The priority areas that are being pursued in the work programme were also outlined.

The Secretary General was informed on how the affairs of the customs union were managed prior to the 2002 Agreement and how that has since changed. He was also briefed on how, through the Common External Tariff, Member States collect, manage and share customs revenue amongst themselves as well as the components of the revenue formula.

Due to limited time provided for the meeting, it was not possible for SACU to present comprehensively on areas where further collaboration could be undertaken. However, it was agreed that SACU should submit desirable areas for collaboration for consideration by the Commonwealth Secretariat.

Botswana was the first country to be visited, from 29 to 31 July followed by Namibia from 31 July to 2 August. The tour concluded with Swaziland, from 2 to 4 August. In response to some of the questions directed to his visits to these three selected countries, Mr. Sharma stated that Botswana, Namibia and Swaziland face distinct challenges of scale and vulnerability associated with their small population sizes and limited opportunities for economic diversification. He further said that membership of the Commonwealth enables these countries' concerns and voices to be heard on the world stage. It offers forums in which they can exchange insights and experiences with other Commonwealth small states that help reduce vulnerability and increase both economic and social resilience."

## **Functions of the Commonwealth Secretariat**

A review of the functions of the Commonwealth indicates that it tends to deal directly with its Member States in terms of technical support but has in some occasions provided support to regional organisations such as SADC for coordination of its activities. As a result, through its 'Hub and Spokes' project, a number of

experts have been funded by the Commonwealth Secretariat to assist African, Caribbean and Pacific countries by helping them integrate more easily into the world's trade system. The project also helps trade negotiators in these regions articulate their national or regional positions in various international forums like the World Trade Organization.

Amongst the functions of the Commonwealth Secretariat is advocacy for favourable outcomes for its Members on global issues such as the Doha Round of Multilateral Trade negotiations and in the reforms of development institutions mainly the International Monetary Fund and the World Bank.

## **Trade Related Functions**

Some of the specific Trade Related Functions of the Commonwealth include providing assistance to its Member States to:

- i. formulate, negotiate and implement their trade policies;
- ii. reduce red tape, costs, and maximise efficiency of administrative procedures and controls governing imports and exports;
- iii. creating opportunities in new economic sectors rather than relying on one or a few sectors and;
- iv. promotion of FDI to countries and sectors which do not normally receive significant levels of such flows.

It is therefore likely that the Secretary General may be interested in the SACU work programme relating to trade negotiations and trade facilitation with a view to establish linkages with the type of assistance that they have offered to the Member States within the Customs Union. In the area of Technical Assistance, the Commonwealth Secretariat assisted a number of its Members including Botswana, Namibia and Swaziland to improve their export competitiveness by enhancing their ability to formulate, manage and implement trade policies and strategies. It is therefore likely that the Secretariat may be interested in how their contribution complements the SACU work programme as well as explore the possibility of cooperation in assisting these Member States in the implementation of such programmes and strategies.

## **THE SACU WORK PROGRAMME**

The current Work Programme is guided by a Vision adopted By Heads of State and Government in July 2010. The Vision seeks to establish SACU as "an economic community with equitable and sustainable development, dedicated to the welfare of its people for a common future"

In pursuit of this Vision, the Heads of State and Government further adopted the following priority areas that will form the

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basis for transforming SACU into an Economic Community and in particular, being a building block for economic integration in the region.

### **Development of SACU Institutions**

In April 2010, the Council recognised the need for the formal meetings of the Heads of State or Government of the SACU Member States to provide strategic and political guidance on the challenges relating to the implementation of the SACU Agreement, 2002 as well as provide guidance at the highest political level and the legal certainty with regard to the effect of Heads of State or Government decisions. In this regard, work is ongoing on the Amendments to the SACU Agreement to institutionalise the Summit and on the development of the related Rules of Procedure.

The SACU Agreement, 2002 also provides for establishment of other institutions such as the SACU Tribunal, Tariff Board and National Bodies. Work relating to the establishment of these institutions is also ongoing.

### **Unified Engagement in Trade Negotiations**

SACU has adopted a principle for a unified engagement with third parties in trade negotiations. As a result, more emphasis is to be placed on developing a common trade and tariff policy. Such a policy will support the envisaged regional industrial development policy which has been identified as an overarching objective for SACU.

With the Doha Round of Multilateral Trade Negotiations currently stalled, SACU's programme on improving market access for products originating from its Member States has focused on the negotiation and implementation of Regional Trade Agreements. Ongoing negotiations include the EU-SADC Economic Partnership Agreement, SACU- India Preferential Trade Agreement, the SACU-US Trade, Investment and Development Cooperation Agreement (TIDCA) and the Tripartite Free Trade Area comprising of COMESA, EAC and SADC, where SACU has to play a leading role. Agreements that are being implemented include the SACU Agreement 2002, SACU-EFTA FTA and the SADC Protocol on Trade. An Agreement has since been concluded between SACU and MECOSUR but some Member States from both sides still have to ratify it so that it enters into force.

Regarding the ongoing negotiations with India, the consultation processes required by law in some of our Member States have to a large extent constrained progress towards concluding these

negotiations. In accordance with the timelines agreed upon, the respective responses to requests made by the Parties have to be exchanged by mid September 2012 in preparation for the next round of negotiations by mid October 2012.

SACU's view is to align the Margins of Preferences under the SACU-India PTA to what SACU agreed with MERCOSUR. This would also be preferable in view of proposals to align the three PTA's (SACU-India, SACU-MERCOSUR and India-MERCOSUR) and would also form a good basis for the South-South cooperation, which seeks to strengthen economic relations among the newly industrialized and developing economies of Africa, Asia, Latin America, and Oceania.

The objective is to reinforce and expand the mutual benefits that can be derived from deepening, more expansive interdependence among the countries of the South. Prompting the quest for greater cooperation has been the belief that the historically fashioned global, trade, investment, production, and financial regimes remain fundamentally biased in favour of the economic and strategic interests of North America, Western Europe, and East Asia.

Realizing South-South cooperation is seen as means of levelling out this unfair dependence on these historically based market and concluding preferential trade agreements that would enable , freer movement of goods, services, and people, direct investment, development assistance, is seen as paramount in the process.

### **Regional Industrial Development Policy**

As part of implementation of the SACU Agreement 2002, SACU has embarked on the development of a Common Industrial Development Policy. Related work is still at preliminary stages as the study to develop this Policy which will include value chain analysis and identification of potential projects for cross border collaboration has been re-advertised in the regional and international media.

### **Trade Facilitation**

Trade facilitation has been identified as one of the priority areas for intervention. The following priority areas therefore, underpin the trade facilitation programme for the region: IT Interconnectivity; Enforcement; Improving Border Efficiencies; Trade Partnerships; Legislation; and establishing One Stop Border Posts. The programme aims to assist the SACU member countries to comply with international customs instruments and modernise their respective Customs Administrations.



# POTENCIAL AREAS OF COOPERATION BETWEEN THE COMMONWEALTH SECRETARIAT AND THE SACU SECRETARIAT

## Formulation and implementation of Trade Policies;

SACU needs to develop a trade and tariff policy that will enable it to effectively address current market access challenges. In particular, with tariffs having declined to levels where they no longer constitute major trade barriers, it will become imperative for SACU to formulate a trade and tariff policy that addresses to the extent possible non tariff barriers to trade as well as provide for strategies towards maximising gains on trade in services liberalisation where future trade negotiations are bound to focus on. Work that has been undertaken by the Commonwealth Secretariat indicates that they could be of assistance in developing a relevant trade and tariff policy for SACU. It may therefore be important to explore possible cooperation on related matters.

## Trade Facilitation Strategies

Currently the SACU in collaboration with the WCO and SIDA is implementing a trade facilitation programme that addresses 5 key priority areas namely, customs policy, customs legislation, customs risk management and enforcement, IT connectivity and standard operating procedures. Implementation is at various level of progression in each of these areas. Standard operating procedures however are still lacking behind despite the many advantages associated with clear border procedures.

Collaboration with Commonwealth Secretariat can be furthered and explored in these areas as we SACU continues to pursue these programmes. Technical expertise, benchmarking and best practice assessments could assist in addressing some of the challenges confronted in the region.

An addition critical area for possible collaboration is in the area of customs capacity building, particularly in the areas of customs classification, customs valuation and audits. In this regard the development of a regional tariff and valuation databases could be explored as a useful tool for SACU.

Another area of cooperation is capacity related to the Secretariat ability to manage and execute cross border infrastructure projects. As this increasingly appears on the SACU agenda that will be need for the Secretariat to meaningfully support Member States initiatives such as One Stop Border Posts and other initiatives.

In the area of cross border transport, a number of potential areas of collaboration also exist. Experience, knowledge, information sharing, best practice and benchmarking of the structure and functioning of regional transport markets will prove valuable as SACU initiates its own transport programme.

## Economic and Export Diversification

The majority of SACU Member States continue to struggle to diversify their economic sectors and exports. The Commonwealth has provided assistance needed by some of its Member Countries in creating opportunities in new economic sectors rather than relying on one or a few sectors and promotion of FDI to countries and sectors which do not normally receive significant levels of such flows. The strategies leading to such achievements would be essential for SACU and in particular the BLNS.



## 3<sup>rd</sup> WCO Capacity Building Committee Sessions

The WCO held its annual Capacity Building Committee (CBC) meeting from 27 Feb- to 3 Mar 2012, at its headquarters in Brussels, Belgium. The theme for the 3<sup>rd</sup> WCO CBC meeting was “Agile and responsive Customs in the 21st Century through reform and modernization”. In support of the theme the focus of the deliberations of the meeting was around three key strategic elements for sustainable capacity building and Customs modernization, namely; Political Will, People and Partnerships.

The Regional Programme Manager for the SACUWCO Customs Development Programme and the Director of Trade Facilitation and Revenue Management at the SACU Secretariat attended the meeting.

For the SACU Secretariat, the relevance of this event relates to the ongoing Customs Development Programme which is a key capacity building programme in SACU Customs Administrations.

The discussions demonstrated that given sufficient political will; closer collaboration with stakeholders; and the commitment of the people involved, customs reform and modernization initiatives can bring about valuable outcomes and contribute to economic development. The following are some of the lessons learnt from the discussions at the meeting:

In order to maintain and enhance the level of support and political will the SACU Customs Development Programme has to demonstrate tangible results. As a step towards enhancing partnerships between Customs and the private sector in the region, the Secretariat needs to ensure that implementation of the Trade Partnerships Project is carried out successfully.

Implementation of the Programme needs to be supported by capacity building in Member States in order to ensure sustainable outcomes and build customs reform capabilities in Member States.



Regional Program Manager showcasing the customs development programme; Brussels, Belgium

**SACU Heads of State and Government have identified Trade Facilitation as one of the priority areas that can drive economic growth in the region. Transport as a means of physically moving goods across borders is therefore an important component of trade facilitation.**

**E**fficient corridors connecting airports and ports with sector markets are crucial in transport. The identification of bottlenecks on corridors is critical to SACU.

SACU Member States are connected by land-borders which are physically traversed by roads or rail. Therefore, there is a need for a coordinated investment in physical infrastructure and design of safety and environmental rules e.g. road safety, transportation of dangerous goods, gas emission standards.

To address this, policy reforms in the transport sector are imperative. Such reforms may result in a more cost-efficient way to trade, enhance private investment and influence the development of the infrastructure (be it roads, railway or communication) to drive trade on corridors.

Though most of these reforms may be at national level, they should however be coordinated at the regional level to ensure cross border movement of goods are facilitated.

The harmonisation of transport sector policies will lead to a common transport space/area thereby achieving deeper integration. A common transport space would therefore accord the transport sector to play its important role as a facilitator of trade and deeper integration in other sector markets such as agriculture, manufacturing and/or tourism. Efficient transport would result in increased exports, Foreign Direct Investment (FDI) and facilitate cross-border supply-chains thereby contributing to economic development.

To achieve this, SACU has developed a Transport Programme aimed at achieving common transport space/area. The Transport Programme underpins the following key areas:

- Development of the SACU Transport Strategic Plan
- Development of Legal Instrument to Guide the SACU Transport Sector (MOU be upgraded to an agreement)
- Harmonisation of documents required at border post
- The conduct of a comparative study on the on road user charges and determine a general agreed model for adoption by SACU
- The development of National laws on the Transportation of Dangerous
- Development a SACU Road Safety Strategy and Action Plan
- Collaborate with other regional bodies such as SADC, COMESA, and TKCMC on programmes of common interests.
- The conduct of a study on Liberalisation of Transport with a view to assess the economic impact of cabotage and the third country rule
- Development a common law enforcement strategy and action plan
- Harmonisation of Regulations and Standards for Vehicle fitness and transportation of Abnormal Goods

The Identification and implementation of appropriate infrastructural projects on major corridors



The Cape Town Port





*A representative of SARS presenting their customs modernization update during the symposium*

**SACU continues to implement the Customs Development Programme under the assistance of the World Customs Organization (WCO) and the Swedish International Development Cooperation Agency (SIDA). During the last quarter of 2011 financial year, SACU, SARS and the WCO held a symposium on customs IT connectivity for the southern African region. The symposium was hosted by South African Revenue Services (SARS) in Pretoria, South Africa.**

**T**his symposium was attended by delegates from all the SACU Member States, representatives from the WCO, UNCTAD, COMESA, SADC and delegates from Mozambique Customs Administration. For the SACU region, IT connectivity remains a priority to foster greater customs cooperation and facilitate trade.

The symposium was facilitated by the WCO technical officer, Mr. Satya Prasad Sahu, a leading expert on matters of ICT in international customs. Mr Sahu presented the developments in the WCO relating to the finalization of a future international customs standard called “Globally Networked Customs” (GNC).

The aim of the symposium was to advance work on IT connectivity in SACU and beyond paying special attention of IT initiatives that are taking place in the wider southern African region. This was also an opportunity for SACU countries to engage further towards implementation of the two IT connectivity pilots that are taking place within SACU. The two IT connectivity pilots are taking place between Botswana and Namibia on the one hand

and South Africa and Swaziland on the other hand. One of the key deliverables of the symposium is the initial work on a Utility Block for the Southern African region. This work is the basis of further engagement toward developing a WCO/GNC compliant Utility Block.

The symposium was able to advance progress towards a common understanding of the scope of the initiatives and implications this will have on processes and IT infrastructure.

SARS undertook to spearhead this initiative and will engage both SACU and SADC (combined SADC and COMESA Transit management system) to establish firm commitments for information exchange with Customs Administrations in these regions. SACU continues to coordinate this initiative and others under the Customs Development Programme.

Currently countries are consulting in their national administrations for purposes of outlining requirements and prerequisite for IT connectivity. This will form the basis for further developments in the area of IT connectivity in the Southern African Region.



## TRADE DATA AUDIT IN SACU MEMBER STATES

**The October 2006 Trade Data Audit and Verification Project revealed a range of risks relating to the integrity of the intra-SACU import and export data that is submitted to the SACU Secretariat for the purposes of revenue sharing. Historically, limitations in the data capture and processing systems and different interpretations of what constitutes intra-SACU trade, has complicated the Member States reconciliation of import and export values.**

Thus, Data Integrity Minimum Standard was developed in 2008 as one of the recommendations arising from the 2006 Project. By defining controls and tests to identify and correct inaccurate data prior to submission of the annual intra-SACU trade data, the proposed Standard aimed at improving the integrity of the data and reducing requirements for post clearance testing of the intra-SACU trade data as controls are enhanced.

The SACU Secretariat is responsible for maintaining the Standard and thus undertook audits in Member States between October 2010 and February 2012. The audits were aimed at providing assurance that the data submitted for the revenue sharing formula:

- Only includes intra-SACU trade and is limited to the agreed customs procedure codes that define the nature of the cross border movements

- Contains materially correct data for the prescribed revenue sharing period

The objectives of the audits were:

- Establish whether there is compliance with the agreed Data Integrity Minimum Standards.
- Establish whether the generic controls defined within the Standard are being used and whether they are effective.
- Conduct substantive testing on the latest data available if system controls are absent or ineffective.

The results of the audit showed that in Member States with Automated Systems for Customs, there are generic controls in place that are defined within the Data Integrity Minimum Standard and were tested to be effective. Thus, the cause of discrepancies among Member States trade data that is currently experienced can be attributed to coverage, commodity classifications, data errors, country classification, valuation, timing (EDI) and omissions.

## TECHNICAL ASSISTANCE AND TRAINING IN EUROTRACE SYSTEM

**At the 26th Council meeting of the Southern African Customs Union (SACU) on 30 March 2012 the Council approved the Action Plan for improving the collection, compilation and dissemination of trade data in Member States. One of the activities outlined in the Action Plan is the provision of training and technical assistance on use and management of Eurotrace system to Member States.**

Eurotrace system is used to consolidate, edit and analyse trade data. It is in this context, that the SACU Secretariat in cooperation with COMESA Secretariat undertook mission to Member States. Thus, far technical assistance and training has been offered in Swaziland and Lesotho, while the rest of the Member States will be visited between September and October 2012.



Participants and facilitators in Swaziland



Participants and facilitators in Lesotho

# SACU-UNSD WORKSHOP ON INTERNATIONAL MERCHANDISE TRADE STATISTICS

**At the 26th Council meeting of the Southern African Customs Union (SACU) on 30 March 2012 the Council approved the Action Plan for improving the collection, compilation and dissemination of trade data in Member States. In this context, the United Nations Statistics Division (UNSD), Department of Economic and Social Affairs (DESA) in cooperation with the SACU Secretariat organized a workshop on the implementation of the new recommendations for International Merchandise Trade Statistics (IMTS 2010) in the Member States of the Southern African Customs Union (SACU). The workshop took place from 12 to 15 June 2012 in Johannesburg, South Africa.**

The purpose of the workshop was to review Member States' practices in the compilation of merchandise trade statistics and the implementation of the new and updated recommendations on merchandise trade statistics as contained in International Merchandise Trade Statistics: Concepts and Definitions 2010 (IMTS 2010), thereby also providing training and guidance to participants on how to improve their IMTS. The workshop was the first activity of the SACU Action Plan for improving the collection, compilation and dissemination of trade data of SACU Member States. During the workshop special emphasis was given to data compilation in the case of a custom union, data quality, the compilation of the additional data items introduced in IMTS 2010 and the calculation of price and volume indices. All Member States participated in the workshop and were represented by one or several staff members from

the national agency responsible for the overall IMTS compilation and dissemination and staff members of agencies involved in the IMTS compilation.

The workshop identified data quality and institutional arrangements as the core issues for further improving the merchandise trade statistics of the Member States. The SACU Secretariat could support its Member States in particular on the issue of data quality (and quality reporting) as a means of achieving further harmonization and quality improvement in support of the revenue-sharing process. Further, the workshop concluded that trade statisticians in Member States would appreciate to be able to meet on a regular basis to exchange information and address common issues.



*Participants and facilitators of the IMTS workshop*



# IMF AFRITAC SOUTH TRADE FACILITATION SEMINAR

The International Monetary Fund (IMF) Africa Regional Technical Assistance Centre South (AFRITAC South) hosted a seminar on Trade Facilitation for Customs Administration officials from the AFRITAC South countries. The seminar was held in Port Louis, Mauritius from 19-21 March 2012 and followed a donor coordination conference organized by the World Customs Organization (WCO) and hosted by the Mauritius Revenue Authority (MRA) on 15-16 March 2012.

The seminar was intended to be practical and aimed to identify areas where customs can make a tangible and positive difference in the movement of goods. It looked at initiatives that have been undertaken by customs administrations, projects and programs in the region, and also the needs and expectations of the private sector.

The Deputy Director presented the SACU Trade Facilitation Programme focusing on priorities that have been identified by the SACU Heads of States Government. These priorities include Information Technology (IT); Customs Enforcement; Improved Border Efficiencies; Partnerships with Traders; the development of similar Customs Legislation; and the establishment of One Stop Border Posts.

The seminar concluded that efforts to facilitate trade should continue and that the IMF AFRITAC South could provide valuable technical assistance in the areas of:

- Integrated border management;
- National Customs Reform and modernization efforts; and
- Supporting Regional and National Trade Facilitation programmes.

## SACU PROFESSIONAL STAFF FORUM

As part of the SACU Secretariat Capacity building initiative, the Secretariat Executive Management took a business decision to formalise the Professional Staff Forum (PSF) as a platform within the organisation where technical professional staff can share information and knowledge, participate in technical discussions and pursue continuous professional development. The PSF is an internal forum within the SACU Secretariat which was established during the financial year 2011/2012, and the representatives it was decided can also attend seminars of relevance to the SACU agenda.

The Terms of the Reference of the PSF clearly outline the mandate of PSF, its functions and responsibilities, membership, chairmanship and secretarial duties as well as procedures to be followed when holding meetings. The meetings of the PSF will be held bi-monthly. Since inception, the forum had held three meetings with the first meeting dedicated to the development of the TORs whilst the last meetings reflected the true mandate of the PSF.

The leadership of the PSF currently consists of Ms Motselisi Matsela; Economist, Vice Chairperson Mr Mohammed Hoosain; Finance Manager, and the Secretary is Mr Molupe Pheko; Policy Development Coordinator. During the third meeting of the forum held on 13 July 2012, the Trade Facilitation sub-Directorate made a presentation on the SACU/WCO Customs

Development Programme. The presentation was well received by all participants and this was demonstrated by the debate that followed thereafter, which is an indication that such forums go a long way to enrich the knowledge of the professionals within an organisation. This also helps professionals understand better the roles played by other directorates and units in executing the SACU Programme. During this same meeting the Corporate Services Directorate also made a presentation on Finance Procedures. The presentations were highly insightful and interactive, with constructive inputs on areas that require improvement as well providing a better understanding of SACU procedures.

The next meeting of the forum is tentatively scheduled for end October/early November 2012. The Trade Negotiations sub-Directorate will make a presentation on any thought provoking topic whilst the Corporate Services Directorate will continue to demystify financial policies and procedures.

It is expected that ad hoc meetings of the PSF will be called from time to time. These will be dedicated to information sharing on ongoing research work related to regional and international developments that may impact on SACU Work Programme.

The membership of the SACU Secretariat PSF shall be all professional staff of the Secretariat as defined by the in-house Human Resources classification system (Patterson).

