

COMMUNIQUÉ

4th SUMMIT OF THE SACU HEADS OF STATE AND GOVERNMENT GABORONE, BOTSWANA

1. The 4th Summit of the Heads of State and Government of the Member States of the Southern African Customs Union (SACU) was held on Friday, 12 April 2013 in Gaborone, Botswana. The purpose of the Summit was for the Heads of State and Government to consider progress made in implementing the SACU Work Programme.
2. The Summit was chaired by His Excellency, Lieutenant General Seretse Khama Ian Khama, President of the Republic of Botswana and was attended by His Majesty, King Mswati III of the Kingdom of Swaziland, His Excellency Hifikepunye Pohamba, President of the Republic of Namibia, His Excellency Jacob Zuma, President of the Republic of South Africa, and the Right Honourable, Dr Motsoahae Thomas Thabane, Prime Minister of the Kingdom of Lesotho.
3. The Heads of State and Government recalled that, at the 3rd Summit held on 25 March 2011 in Pretoria, South Africa, they endorsed five priority areas to underpin a new SACU Work Programme. These are: **i) Regional Industrial Development Policy; ii) Review of the Revenue Sharing Arrangement; iii) Trade Facilitation; iv) Development of SACU Institutions; and v) Unified Engagement in Trade Negotiations.**
4. The Heads of State and Government endorsed two additional priority areas of **Trade in Services, and Strengthening the Capacity of the Secretariat.**
5. The Heads of State and Government noted that the SACU Council of Ministers has streamlined the work programme on regional industrial development as an overarching objective of the SACU Work Programme. The work programme currently includes eight priority sectors with potential for cross-border collaboration: **i) Textile, clothing and apparel; ii) Agro-processing; iii) Mineral beneficiation and processing (including mining and quarrying); iv) Leather and leather products; v) Automotive, including automotive components; vi) Energy, including renewable/alternative energy; vii) Arts and crafts; and viii) Support Services (Information and Communication Technology (ICT); Financial skills development; Infrastructure, Transport and logistics; and Engineering).**

6. The Heads of State and Government further noted that out of the eight, agro-processing and the automotive sector, including automotive components manufacturing, were identified for immediate cross-border collaboration where projects could be piloted.
7. The Heads of State and Government noted that Competition Policy forms an integral part of industrial development and emphasised the importance of completing the work on regional cooperation on the enforcement of competition laws and regulations.
8. The Heads of State and Government noted that work is currently on-going to review and develop options on a future SACU Revenue Sharing Arrangement. The review also aims to investigate financing mechanisms to support regional industrial and infrastructure development in SACU. The Heads of State and Government also noted that a proposal on a new Revenue Sharing Arrangement will be presented to the Council of Ministers in December 2013 for consideration.
9. The Heads of State and Government further noted that a long-term Arrangement on the Management of the Common Revenue Pool is being developed.
10. With respect to Trade Facilitation, the Heads of State and Government endorsed a regional Customs Policy, which seeks to promote: **i) the common strategic objectives of facilitating legitimate trade; ii) the protection of the fiscal interests of Member States and the Customs Union through the maximisation of revenues and the provision of accurate trade data; and iii) the protection of societies in Member States.** The Heads of State and Government further noted progress in implementing the trade facilitation work programme relating to: **i) IT Connectivity; ii) Customs legislation; iii) Risk management; and iv) Trade partnerships.**
11. The Heads of State and Government noted that the Council of Ministers has approved a SACU Transport Sector Programme and further noted that work on the regional road safety strategy will focus specifically on standards and permits as they impact on trade facilitation.
12. The Heads of State and Government emphasised that the application of similar Customs and Excise legislation is essential to facilitate trade, as well as to combat illicit trade in the Customs Union. The Heads of State and Government further noted that in 2011, the Council of Ministers adopted a revised Annex on Mutual Administrative Assistance, which provides for greater cooperation and information exchange between Member States' Customs Administrations.

13. The Heads of State and Government noted the progress in the establishment of SACU institutions as mandated by the SACU Agreement, 2002, namely the SACU Tribunal, National Bodies and the SACU Tariff Board, as well as the Common Negotiating Mechanism. The Heads of State and Government noted the need to expedite all necessary processes for the establishment and operationalization of the Tariff Board and National Bodies.
14. The Heads of State and Government signed the Amendments to the SACU Agreement, 2002, institutionalising the SACU Summit.
15. The Heads of State and Government noted with satisfaction that SACU continues to pursue its trade negotiations with third parties in a unified manner.
16. The Heads of State and Government noted with satisfaction that the construction of the SACU Headquarters building in Windhoek, Namibia, has commenced and is anticipated to be completed by November 2013.
17. The Heads of State and Government expressed their appreciation to the Government and People of the Republic of Botswana for the warm hospitality extended, and for hosting the 4th Summit of the SACU Heads of State and Government.
18. Done at the Gaborone International Convention Centre in Gaborone, the Republic of Botswana, on Friday, 12 April 2013.

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