

REMARKS ON THE SIGNING OF THE MOU ON SACU CUSTOMS MODERNISATION PROGRAMME

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*Remarks by the SACU Executive Secretary*

*Ms. Paulina M. Elago*

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London, United Kingdom

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Director for Economic Diplomacy at the Foreign & Commonwealth Office (FCO), Mr Lewis Neal,

Your Excellencies - High Commissioners and representatives from SACU Missions in the UK here present

Officials of the Foreign and Commonwealth Office

My team from the SACU Secretariat,

Ladies and Gentlemen

Good afternoon,

1. Allow me at the onset to register my appreciation to the Government of the United Kingdom and the Foreign and Commonwealth Office for committing to extending financial support that will enable the SACU Secretariat and Member States to collectively continue the ongoing reforms and modernisation of Customs Administration through the SACU Customs Modernisation Programme.
2. For us at SACU we see this gesture as part of our continued partnership with the UK following the signing of the Economic Partnership Agreement on 9 October 2019 here in London. The support to the Customs Modernisation Programme solidifies and strengthens our mutual partnership, commitment and ambition to create an enabling environment that will also allow trade between the UK and SACU to move freely and unhindered.
3. The ultimate objective of the SACU Customs Modernisation Programme is to develop and implement a Regional Authorised Economic Operators Scheme that is supported by robust IT Systems, Customs Compliance Programme commonly known as the Preferred Trader Programme, an automated and intelligent risk management

systems and an enabling legislation for cross border cooperation. In these areas SACU has made significant strides in the recent years. Our experience so far has clearly highlighted that full implementation of these reforms will accelerate trade and improve cross border movement of goods.

4. I am pleased to note that so far we have developed critical regional Customs Tools and Frameworks which includes (a) Model Bilateral Arrangement to facilitate automatic exchange of information; (b) Preferred Trader Programme Engagement Strategy; (c) Preferred Trader Programme Training Manuals on Risk Management and Audit for Customs Officials; (d) Manuals to guide Customs Officials and Traders on implementation of the Preferred Traders Programme; (e) IT Connectivity Blue Print; (f) IT Connectivity Utility Block “Your Export Is My Entry”; (g) IT Connectivity Unique Consignment Reference; (h) Regional Customs Risk Management and Enforcement Strategy; and (i) Regional Customs Compliance Management Strategy.
5. We have also undertaken three (3) Joint Customs Enforcement Operations targeting alcohol, tobacco, and textile and clothing. These have resulted in 14 arrests for smuggling of cigarettes and tobacco; the seizures of 9400 cigarettes master cases and 40 000 litres of un-denatured alcohol as well as a combined revenue prejudice of R301 million from these two operations
6. It is important to note that, the level implementation of the Customs reforms programme in SACU Member States varies due to different levels of development. Thus, the support from the UK is timely and will greatly assist us to fast track pending programme activities for the Member States that are lagging behind, whilst strengthening the existing collaboration.
7. Also, SACU envisages a long-term partnership with the UK beyond 2020 that will hopefully cover other areas of support within Trade Facilitation as well as trade related activities to enhance implementation of our EPA going forward.
8. Some of the areas that we hope to include in our future collaboration could include:

- (a) The development and implementation of the regional trade information portal to enhance access to information by traders from and other key stakeholders;
  - (b) border coordination mechanisms such as Single Window and One Stop Border Posts to enhance cross border efficiencies;
  - (c) trade related support towards:
    - implementation of the SACUM+UK Economic Partnership Agreement;
    - institutional support to SPS/TBT and other standard setting bodies and businesses to comply with UK market standards such as SPS/TBT amongst others;
    - Building productive capacity and development of regional value chains in agro-processing; and in addressing supply side constraints to facilitate export to the UK market; and
    - Support towards joint-trade promotion activities and business leads for businesses in SACU and the UK.
9. From our side as SACU, the signature of the MOU demonstrates our joint commitment to improving trade and development through customs reforms in SACU as well as improving and strengthening long-term trade relations between SACU and the UK. It also seeks to enhance and strengthen collaboration between SACU and the UK.
10. On our part we have also put in place all the necessary arrangements including human and financial resources to ensure successful implementation of this Programme. We also very much appreciate the co-financing mechanisms approach that we have adopted.
11. It is our believe that this MOU and the initial program of support signals commitment from both parties to enter into a long term partnership. We will therefore stop at nothing to ensure that the programme delivers its expected results and is successfully implemented.

12. Finally I wish to express our thanks and to appreciate our respective technical teams for dedicating time to finalising the MOU. You have done a sterling job.
13. We look forward to long-term cooperation and partnership between us. Thank you.