



## **Press Release on the Conclusion of the 15<sup>th</sup> SACU Council of Ministers Meeting held on the 27<sup>th</sup> June 2008 in Midrand South Africa.**

The 15<sup>th</sup> SACU Council of Ministers Meeting was convened on 27 June 2008, under the Chairmanship of Hon. Baledzi Gaolathe, Minister of Finance and Development Planning for Botswana. The SACU Council of Ministers consists of the Ministers of Finance and Ministers of Trade from each of the five Member State, Botswana, Lesotho, Namibia, Swaziland and South Africa.

In summary the decisions made by the SACU Council of Ministers at their 15<sup>th</sup> Meeting are:

### **1. SACU COUNCIL OF MINISTERS RETREAT**

1.1. Council had decided at its 14<sup>th</sup> meeting, of 04 April 2004, to convene a special meeting for the Council of Ministers on regional integration.

1.2. The Council of Ministers decided at the 15<sup>th</sup> meeting that the proposed special meeting should take the form of a Retreat in order to discuss emerging policy issues from the two studies on regional integration, namely the impact assessment of the SADC FTA and the proposed SADC Customs Union on SACU Member States Study and the Consolidation of SACU study. The outcome of the Retreat is to contribute towards the development of a SACU wide strategy that contains a shared vision and a future strategic direction for SACU.

1.3. The Retreat will further look into the key challenges facing SACU both internally and externally. Some of the challenges include SACU's approach on policy development and harmonisation, the establishment of the remaining SACU's institutions (Tariff Board and Tribunal), and SACU's revenue flows.

## **2. SACU Trade Negotiations with third parties**

### **2.1. SACU-MERCOSUR Preferential Trade Agreement (PTA):**

Following the last round of negotiation between SACU and MERCOSUR held on 17 and 18 April 2008 in Buenos Aires, Argentina, where all outstanding technical issues have been resolved, Council approved the SACU - MERCOSUR PTA. The agreement is a Preferential Trade Agreement aimed at promoting trade between the two sides on a selected number of products. It contains 1000 tariff lines on both sides for which preferences will be granted. The agreement will replace the agreement signed in December 2004 in Belo Horizonte, Brazil, as substantial changes were made to the earlier agreement.

### **2.2. SACU-USA Trade, Investment and Development Cooperation Agreement (TIDCA)**

Council adopted the TIDCA agreement for signing by Member States. Council further approved the USA's proposal that a formal signing ceremony be held on the margins of the upcoming AGOA Forum which takes place on 14-16 July 2008 in Washington, DC, in the United States of America.

### **3. SACU SINGLE ADMINISTRATION DOCUMENT (SAD)**

3.1. As part of SACU's five customs initiatives a SACU Customs Single Administration Document (SAD) has been developed. Council approved the SACU SAD form as the main customs declaration document for all SACU trade. Council further urged Member States to sensitize Economic Operators on the new initiative.

### **4. Proposed Intra SACU Data Integrity Minimum Standard**

Council approved the SACU Data Integrity Minimum Standard in order to facilitate the audit of intra-SACU trade data. The SACU Data Integrity Minimum Standard is a tool that will be used by the SACU Secretariat to audit intra-SACU trade data supplied by Member States for the purposes of determining SACU revenue shares. The tool includes the standard lists of potential risks and controls which should be applied to the data from its capture through to its summarization. It provides a benchmark by which Member States data and processes for data capture can be evaluated and audited for purposes of applying the new Revenue Sharing Formula as per the 2002 SACU Agreement.

5. The next Council of Ministers Meeting is scheduled on the 26<sup>th</sup> for September 2008 in Windhoek, Namibia.

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