



**JOINT STATEMENT
ON THE INAUGURAL MERCOSUR-SACU PREFERENTIAL TRADE AGREEMENT
JOINT ADMINISTRATIVE COMMITTEE
BY MERCOSUR AND SACU**

The Preferential Trade Agreement (PTA) between the of the Southern Common Market (MERCOSUR) and the Southern Africa Customs Union (SACU), entered into force on 1 April 2016. On 25-26 May 2017, SACU hosted the Inaugural Joint Administrative Committee (JAC) for the MERCOSUR-SACU in Johannesburg, South Africa. This marks the commencement of the efforts by both Parties towards full implementation of the PTA.

The PTA aims at promoting trade between MERCOSUR and SACU regions. It offers preferences on over 1000 tariff lines from each side at the Margins of Preference ranging between 10% and 100%. The Agreement covers, among others, agricultural and agro-processed; mineral and chemical; plastics and rubbers; textiles and clothing; precious and metals; machinery and electrical; and miscellaneous products. This marks an important milestone in South-South Cooperation and provides an opportunity to enhance bilateral trade between the Parties.

The inaugural meeting of the JAC was Co-chaired by Ms. Xolelwa Mlumbi-Peter, Deputy Director General, International Trade and Economic Development in the Ministry of Trade and Industry, South Africa on behalf of SACU and Ambassador Roberto Salafia, National Director for Economic Issues of MERCOSUR in the Ministry of Foreign Affairs and Worship, Argentina, on behalf of MERCOSUR.

The JAC is responsible for the administration and full implementation of the Agreement as well as addressing implementation challenges that may arise.

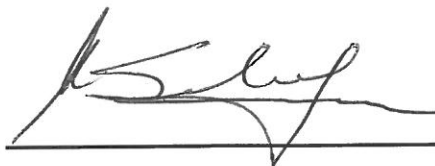
Parties agreed to jointly promote trade to enhance access to information on market preferences under the Agreement.

The Parties called upon the private sector in SACU and MERCOSUR to take advantage of the market access preferences presented by the Agreement.

The next meeting of the JAC will held in MERCOSUR during 2018 at a date to be confirmed.



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Deputy Director - General
Department of Trade and Industry
Republic of South Africa
On behalf of SACU



Ambassador Roberto Salafia
National Director for Economic Issues
of MERCOSUR
Ministry of Foreign Affairs and Worship
Republic of Argentina
On behalf of MERCOSUR