



Hon Serame SACU Book Launch Speech 2022

**REMARKS BY HONOURABLE MS. PEGGY SERAME
MINISTER OF FINANCE AND DEVELOPMENT PLANNING OF
BOTSWANA AND CHAIRPERSON OF THE SACU COUNCIL OF
MINISTERS**

ON THE OCCASION OF

**VIRTUAL LAUNCH OF THE SACU SECRETARIAT BOOK, TITLED
“THE SOUTHERN AFRICAN CUSTOMS UNION INSIGHTS: A 15 YEAR
JOURNEY FROM 2004 TO 2019”**

REPUBLIC OF BOTSWANA

29 MARCH 2022

Executive Secretary of SACU, Ms Paulina Mbala Elago,

Senior Government Officials here present;

Private Sector Representatives;

Academia, students, teachers, and others

Civil Society,

Strategic Partners,

Invited Guests,

SACU Secretariat,

Ladies and Gentlemen.

Good morning.

1. Allow me to express my appreciation to Ms Paulina Mbala Elago, the Executive Secretary of SACU for the invitation to Officially launch the SACU Secretariat Book titled, *“The Southern African Customs Union Insights: A 15 Year Journey from 2004 to 2019”*.
2. This book, which is the first of its kind, marks the greatest milestone for the SACU Secretariat and the region at large, in that it documents a complete account of the history and evolution of SACU as a Customs Union since its establishment in 1910. As you may be aware, the 1910 SACU Agreement was

replaced by the 1969 Agreement, which in turn was re-negotiated into the present 2002 Agreement.

3. The Book not only highlights the key milestones, successes and challenges experienced over the past 15 years, starting from 2004 upon the entry into force of the implementation of the 2002 SACU Agreement, to 2019, just before the advent of the COVID-19 Pandemic. It also captures key developments including the institutional and administrative arrangements that have evolved over time.
4. It is my pleasure, to applaud the Secretariat for their sterling work to document and author the story of SACU. I wish therefore to thank the Executive Secretary, Ms Paulina Mbala Elago and her team for producing and publishing this flagship Publication.
5. As a Customs Union comprising five countries (Botswana, ESwatini, Lesotho, Namibia and South Africa), SACU offers enormous opportunities, the most important being the free and seamless flow of goods within the common customs area and increased economic integration which are fundamental imperatives for development and growth for its members. This also includes increased market access emanating from the

trade agreements that the SACU Member States have concluded as a collective with third parties and industrialisation through cross-border collaboration in the development of regional value chains.

6. The aforementioned , ladies and gentlemen, coupled with the application of a single common external tariff (CET) on all imports into the region are part of the story of SACU, documented in this Book. The Revenue Sharing Arrangement in SACU is unique as it has been demonstrated through the collection of customs and excise duties by all the Member States at the first point of entry and production. These duties are remitted into a single account and thereafter redistributed on an annual basis to all the SACU Member States using a Revenue Sharing Formula with three unique components i.e. Customs, Excise and Development components.
7. The Book we are launching today, outlines a very useful insight on evolution of SACU - tracing its developments from the late 1800s, through the 1910, 1969, to 2002 Agreements.
8. The Book also provides an analysis of the global and SACU's regional economic performance over the years, and an assessment of the macroeconomic convergence in SACU, using the SADC benchmarks. Also covered is a review of the trade

performance and key trade and competitiveness indicators of SACU Member States for the period 2004-2019. This includes highlights of SACU's trade with global partners and the trade with partners with whom SACU has concluded trade agreements.

9. Furthermore, the Book highlights the SACU trade facilitation initiatives that had been implemented across the region, aimed at enhancing efficiencies and the seamless movement of cross-border trade during the period 2004-2019. It also provides an overview of SACU's Revenue Sharing Formula and management of the Common Revenue Pool. Finally, the book concludes with highlights of the role of industrialization in SACU which has been adopted as the region's overarching objective for the region. This is to be achieved through the development of regional value chains, as a gateway for SACU participation in global value chains.
10. It is my hope that the Book will attract interest among the policy makers, academia, business community as well as the general public. More specifically, I am hopeful that the Book will raise increased awareness and enhance knowledge about the Customs Union, its benefits to the business community especially in facilitating trade for their products and

expanding market access/outreach opportunities, as well as investment opportunities.

11. I wish to highlight that since 2019, SACU has continued to advance the implementation of its work Programme, which now focuses on Industrialization through development of regional value chains, industrial financing, export and investment promotion and Trade Facilitation and Logistics. To this end, SACU has identified priority sector of Agro-processing, textiles and clothing, and pharmaceuticals, cosmetics and essential oils.
12. I am informed that so far, technical analysis and value chains mapping of practical steps to be undertaken in SACU and advance its industrialisation vision both within the region and at a continental level have been completed. This were facilitated through the holding of sectoral roundtables for each of the sectors with involvement of the public and private sectors.
13. These efforts are expected to culminate in the convening of the Ministerial Investment Roundtable scheduled for April 2022, to which you are all invited to participate. The Roundtable will provide a unique opportunity for the private sector and industry players to engage SACU Trade ministers

and policy makers on the development of cross-border value chains in SACU.

14. These efforts should contribute to the regional economic recovery and growth, following the severity of the COVID-19 Pandemic.
15. On the research front, the Book will serve as a fountain of information for the policy makers, researchers and academia on SACU and its operations over the last 15 years. This is important because, the users will access accurate data and information from the primary source that was not available before.
16. The Book can also be used by students and policy makers to better understand the role of international trade and economic development for SACU, and its role in poverty reduction, and shared prosperity.
17. Researchers and policy makers will also have access to new knowledge on how SACU regional integration performs and how this information can be harnessed to inform policy formulation and development in our challenging circumstances. This is particularly, more urgent for those in

the region who are further away from mainstream developments.

18. In order to increase dissemination of this important Book, I am inviting all the libraries across the region, universities, colleges, schools, public and private sector, civil society, Ministries of Education, and all public institutions in SACU and beyond to access this book and readily avail the information therein. I am also told that the book is available online, free of charge, thus making it a public good. I further encourage all stakeholders and readers of this Book to establish networks and working relationships with the SACU Secretariat to facilitate the exchange of ideas on the regional integration Agenda and contribute to a pool of information about the region.
19. With these remarks, I would like to declare the SACU Book titled “SACU Insights: A 15 Year Journey from 2004 to 2019” officially launched on this 29th Day of March 2022.
20. I Thank you for your attention.