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## PRESS RELEASE

1. Following the decision of the United Kingdom (UK) in 2016 to leave the European Union (EU), the Southern African Customs Union (SACU), Mozambique and the United Kingdom (UK) Ministers agreed to roll-over the Economic Partnership Agreement between the European Union (EU) and the SADC EPA States (EU-SADC EPA) into a new Agreement. The roll-over was on the understanding that adjustments may be needed to address specific matters.
2. On 8<sup>th</sup> September 2019, the Senior Officials from the SACU Member States (consisting of Botswana, Eswatini, Lesotho, Namibia and South Africa), Mozambique and the United Kingdom reached agreement in principle and initialled the text of the new agreement in Gaborone, Botswana.
3. SACU and Mozambique (SACUM) initialled the final texts on 8<sup>th</sup> and 9<sup>th</sup> September 2019 respectively, while the UK initialled the texts on the 10<sup>th</sup> September 2019, in Gaborone, Botswana. The initialled Agreement will now be presented for approval in each country to facilitate signature and subsequent ratification according to the domestic processes of each country.
4. The Agreement will enter into force upon the completion of these aforementioned processes. However pending ratification, the Parties agreed to develop a non-binding Memorandum of Understanding which would be used as the basis to provisionally apply the effects of the EU-SADC EPA until the domestic ratification processes in each country have been completed.
5. The conclusion of the SACU, Mozambique and UK EPA marks a decisive step towards ensuring continuity of trade and avoiding any

potential trade disruptions when the UK leaves the EU on 31<sup>st</sup> October 2019. This Agreement will therefore inject confidence and predictability to maintain current trade and potentially unlock the investments in the development of regional value chains.

6. Finally, the Parties remain committed to resolving the outstanding issues identified in the Built-in Agenda and the Transitional Arrangement within agreed timelines to ensure maximum commercially meaningful benefits from the Agreement.

For more information, kindly contact:

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