

**REMARKS BY THE EXECUTIVE SECRETARY, MS PAULINA MBALA ELAGO AT
THE LAUNCH OF THE SACU PUBLICATION**

“SACU INSIGHTS: A 15 YEARS JOURNEY FROM 2004 TO 2019”

**TUESDAY, 29TH MARCH 2022
09H00 - 10H00**

**Honourable Peggy Serame, Minister of Finance and Economic Development,
Botswana and the Chairperson of the SACU Council of Ministers in absentia,
Mr Kelapile Ndobano, Chairperson of the SACU Commission,
Senior Government Officials present,
Invited guest Ms Trudi Hartzenberg,
Distinguished Representatives of the Private Sector,
Academia, Students, Civil Society,
Invited guests,
SACU Secretariat,
Members of the media,
Ladies and Gentlemen.**

Good Morning!

1. Allow me, on behalf of the SACU Secretariat and indeed on my own behalf, to express my sincere appreciation to you all for honouring our invitation to attend this special event to launch our historic Book.
2. I would also like to express my gratitude to the Chairperson of the SACU Council of Ministers, Honourable Minister Peggy Serame, the Minister of Finance and Development Planning of Botswana for having accepted to officiate at the launch of this Book despite her busy schedule.
3. Ladies and Gentlemen, in the quest to share knowledge and raise awareness about the Southern Africa Customs Union (SACU), the SACU Secretariat has produced this Book titled **“SACU Insights: A 15 Year Journey from 2004 to 2019”**. The production of this Book was influenced by among others, the recognition that, whilst SACU is the oldest Customs Union in the world, its history as well as the developments behind the Organisation remains undocumented and unknown to many. The ultimate objective is therefore to share information and raise awareness about the of history SACU, its operations and programme for the members of the public, policy makers, media, academia, researchers and other key stakeholders.
4. The Secretariat has over the past three years also hosted roadshows and conducted radio interviews to raise awareness, share knowledge and enhance the understanding of SACU and its role in economic development and growth in the region. These events have provided a platform and opportunities for dialogue with the stakeholders on matters related to the Customs Union. They also revealed a gap and

need to us to do more to avail information that would broaden and enhance the public's knowledge on the Customs Union.

5. The publication of this book is therefore a direct response to the knowledge and information gap identified. It shares insights on the evolution of the Customs Union since its establishment in 1910, the revised SACU Agreement of 1969, which was renegotiated and culminated in the present SACU Agreement in 2002.
6. The SACU Agreement of 2002 is very important, as it marked a watershed in the history of the Customs Union; providing clear objectives, a renewed mandate for SACU and establishing several institutions to ensure its effective operation. SACU institutions include the Council of Ministers, SACU Commission and the Secretariat, among others. The Agreement was further amended in 2013, to institutionalise the SACU Summit of Heads of State or Government. The Agreement further provides for joint decision-making by consensus amongst all the Member States. It also provides for a Common Revenue Pool, into which all customs, excise and additional duties collected in the Common Custom Area are remitted.
7. As you will note from the book, industrialisation is a central objective for deepening regional economic integration through the development of regional value chains. Thus, regional industrialisation is seen as the main vehicle through which the SACU region can transform its economies to generate sustainable growth, employment and reduce poverty. The aim is to develop regional value chains and position the region to tap into the market access opportunities presented by the African Continental Free Trade Area and beyond.

8. In this regard, the region has successfully convened five (5) Sectoral Roundtables in 2021 on Leather and Leather products, Meat and Meat products, Fruits and Vegetables, Textiles and Clothing, and Cosmetics and Essential Oils. The Sectoral Roundtables were a precursor to a planned Ministerial Investment Roundtable scheduled for 12-13 April 2022 in a hybrid format, with the physical element being held in Gaborone, Botswana. I wish to invite you all to participate in this Roundtable, which will be the first of its kind for SACU.

9. Another important focus area towards deeper integration has been the implementation of the SACU Trade Facilitation Programme that is anchored on the Customs Modernisation Programme (CMP). The main objective of the CMP is to enhance the efficiency of Customs operations. The SACU Trade Facilitation Programme has evolved over the years and yielded positive results which have partly contributed to an increase in intra-SACU trade from R63 billion in 2004 to R192 billion in 2018.

10. Regional integration is also anchored on enhancing and expanding market access opportunities through the integration of SACU economies into the global economy. This is also be achieved through a coordinated approach of concluding trade agreements with third parties. In this regard, SACU concluded over the years, several Preferential Trade Agreements with third Parties and strategic partners including:

- (a) European Free Trade Association (EFTA) States which came into force in 2008;
- (b) the Common Market of the South (MERCOSUR) which came into force in 2016;
- (c) the European Union (EU) and its Member States; as part of the Southern African Development Community Economic Partnership Agreement States (EU-SADC EPA) which came into force in 2016; and
- (d) the United Kingdom following BREXIT; (SACU/Mozambique-UK EPA) which came into force in 2021.

11. The most recent agreements that aim to further deepen integration and boost trade within the African continent where SACU Member States have been actively engaged are: (i) the Tripartite Free Trade Agreement between three (3) African Regional Economic Communities of Eastern African Community (EAC), Common Market for Eastern and Southern Africa (COMESA), and Southern African Development Community (SADC); and (ii) the African Continental Free Trade Area (AfCFTA).
12. The conclusion and implementation of the AfCFTA is a major priority for the SACU region as it will open access to a larger market comprising of 54 countries. The AfCFTA provides an opportunity for the continent to increase intra-African trade thereby creating jobs through industrial production, logistics and services, among others. Its full realisation and operationalisation are squarely in line with SACU's industrialisation ambitions.

13. It is my hope, therefore, that this Book will give our stakeholders - the public, academia and private sector amongst others an insight in the evolution of SACU and more specifically key developments that took place since the entry into force of the SACU Agreement, 2002, on the 15th July 2004. This Book also marks the beginning of more publications by the SACU Secretariat team to follow. The work will keep our stakeholders, especially the research community, informed about the strategic developments in the SACU region.

14. At this juncture, I wish to recognise the invaluable contributions and hard work of my team at the Secretariat in the midst of the other demanding programmes, in making the production of this Publication a success. The time and energy invested from the conceptualization to penning down the script and finally its production is most appreciated. It was quite a journey and one that I am pleased to have culminated in the publication that has brought us here this morning. I also wish to thank Ms. Trudi Hartzenberg, Executive Director of TRALAC, for her role as a peer reviewer of the Book and for graciously agreeing to give us a review of the Book this morning. Trudi, you are an authority on trade and regional integration matter, and we are so pleased to have benefited from her expertise in the production of our book. We are also pleased and feel truly honoured to have the Minister of Finance, who has previously served as a Minister of Trade, a former Senior Trade Official and Trade Negotiator to officially launch this book. Hon Minister, you have personally been part of some of the history and insights captured in the book and we are truly honoured to have you grace this occasion and formally launch this book. Having recently assumed your current role makes you one of the few women that have held the role of Council Chair in SACU and trust that such history will be equally documented in future publications.

15. Finally, despite this event being held virtually, it is my hope that this launch provides an opportunity to build and strengthen networks and collaboration initiatives with the regional and international partners and organisations here present. This is very important for the Secretariat as it works to enhance its research capacity.

16. With these few remarks, thank you once again for honouring our invitation to be with us this morning. I look forward to fruitful discussions and exchange ideas on how our research output can serve you better in the future.

I thank you for your attention

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