



Adopted

SACU7/S/C

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## **COMMUNIQUÉ**

**7<sup>TH</sup> SUMMIT OF THE SACU HEADS OF STATE OR GOVERNMENT**

**GABORONE, BOTSWANA**

**30<sup>TH</sup> JUNE 2022**

1. The 7<sup>th</sup> Summit of the Heads of State or Government of the Member States of the Southern African Customs Union (SACU) was held on Thursday, 30<sup>th</sup> June 2022, in Gaborone, Republic of Botswana.
2. **His Excellency Dr. Mokgweetsi Eric Keabetswe Masisi**, President of the Republic of Botswana chaired the Summit, which was attended by **His Excellency Mr. Matamela Cyril Ramaphosa**, President of the Republic of South Africa; the **Right Honourable Dr. Moeketsi Majoro**, Prime Minister of the Kingdom of Lesotho; the **Right Honourable Senator Themba Nhlanganiso Masuku**, Deputy Prime Minister of the Kingdom of Eswatini; and **Honourable lipumbu Shiimi**, Minister of Finance of the Republic of Namibia on behalf of His Excellency Dr. Hage Gottfried Geingob, President of the Republic of Namibia.
3. The Summit *reflected* on the current global developments including the 12<sup>th</sup> WTO Ministerial Conference, Russia-Ukraine conflict and the COVID-19 pandemic. In relation to the 12<sup>th</sup> WTO Ministerial Conference (MC12), the Summit *noted* that important deals critical to the region were concluded. These include: (i) an agreement that enables the production and supply of COVID-19 vaccines without the patent holders' authorisation; (ii) the discipline on Illegal, Unregulated and Unreported fishing that will protect the territorial waters of the SACU countries; (iii) food security measures to mitigate against increase in food prices and food shortages; (iv) the E-commerce Work Programme aimed at setting a deadline for the moratorium on customs duties to secure support for digital industrialisation for SACU and other African countries; and (v) the WTO reforms that provide an opportunity to put forward additional policy space to promote African industrialisation. The Summit therefore *applauded* the African Ministers for the decisive role they played to ensure that the WTO reaches a historical deal in particular, on the TRIPS waiver that would enable Africa to manufacture its own vaccines.
4. The Summit also *reflected* on the current Russia-Ukraine conflict, which if not resolved peacefully through dialogue and negotiation, can further affect the region. This will result in inflation surges especially on food and fuel prices and thus dimming the growth prospects of the already fragile economies. In light of these global developments, and the easing of COVID-19 related restrictions in the region and globally, the Summit *undertook* to remain resolute to implementing recovery programmes that assist in rebuilding economic resilience; building on work already being done on analysing the impact of COVID-19 to bring SACU economies back on a sustainable economic growth trajectory, including by prioritising investments in edible oils and other agricultural value chain development as a matter of urgency.
5. The Summit therefore *agreed* that SACU should maximise the opportunity being presented by the emerging global developments and accelerate the implementation of the SACU industrialisation programme which will result in increased productive capacity to reduce the reliance on imports especially on food and fertiliser. The Summit *further agreed* on the need to build greater internal reliance in industrial development and public financing to support growth.

6. The Summit *noted* the SACU Vision on Industrialisation which seeks “*to build a diversified, competitive, sustainable and equitable industrial base that supports structural transformation and the economic integration of the SACU region*”.
7. The Summit *endorsed* the Work Programme and Priorities as follows: (i) *Industrialisation through the development of regional value chains, investment attraction and export promotion*; (ii) *Regional Financing Mechanism*; (iii) *Trade Facilitation and Logistics* as well as the (iv) *implementation of the African Continental Free Trade Area (AfCFTA)*.
8. The Summit *considered* a Progress Report from the Council of Ministers on the implementation of the SACU Work Programme, which the Council of Ministers adopted at their 4<sup>th</sup> Ministerial Retreat held on the 21<sup>st</sup> September 2020.
9. Furthermore, the Summit *endorsed* the priority sectors as Agro-processing specifically Leather and Leather Products, Meat and Meat Products, and Fruits and Vegetables; Textiles and Clothing, Pharmaceuticals, Cosmetics and Essential Oils, Automotives and Mineral beneficiation. The Summit *further directed* the Council to prioritise fertilizers, agro-chemicals and seed production as part of the ongoing work on Agro-processing to deal with the existential challenges the region is faced with regard to food security.
10. The Summit *noted* that a regional SACU Investment Roundtable was convened on 12-13 April 2022, in Gaborone, Botswana. The Investment Roundtable showcased investment opportunities in the agreed priority sectors across the SACU region in each Member State by the respective national Investment Promotion Agencies, featuring 36 investment projects. Additionally, the Roundtable featured Business-to-Business engagements with the promoters of investment projects.
11. The Summit also *noted* the SACU Trade Facilitation and Logistics Programme as a framework for collaboration in SACU, and that an Operational Plan is being developed to facilitate its implementation. This will include a detailed outline of projects, initiatives, and programmes to be implemented. The Programme is underpinned by the following six pillars:
  - (a) *Customs Cooperation*;
  - (b) *Border Coordination*;
  - (c) *Behind the Border Measures*;
  - (d) *Transport and Logistics*;
  - (e) *Support to negotiations and the implementation of Trade Agreements*; and
  - (f) *Cross-cutting policy imperatives*.
12. The Summit *reaffirmed* SACU’s commitment to the AfCFTA and the importance of concluding SACU’s tariff offer to the AfCFTA. The Summit further *emphasised* the imperative of advancing industrialisation in SACU and to fast-track work on the development of regional value chains to take advantage of the African market and

beyond. This requires a systematic approach and practical steps to deepen the region's industrial base.

13. The Summit **commended** the Council and the Secretariat for the development of the five-year SACU Strategic Plan (2022 - 2027) that was approved by the SACU Council of Ministers on the 2<sup>nd</sup> June 2022.
14. The Summit **noted** that the Kingdom of Eswatini will assume the Chair of SACU, effective from the 15<sup>th</sup> July 2022 to the 14<sup>th</sup> July 2023, taking over from the Republic of Botswana.
15. The Summit further **noted** that the term of office for the Executive Secretary of SACU, Ms. Paulina M. Elago will end in October 2022. The Heads of States or Government **applauded** and **commended** Ms. Elago for her leadership and achievements while at the helm of the Secretariat since April 2014 and wished her success in her future endeavours.
16. The Summit **commended** His Excellency Dr. Mokgweetsi Eric Keabetswe Masisi, President of the Republic of Botswana, for the able leadership and guidance rendered during his term as the Chair of SACU. In the same vein, the Summit **congratulated** His Majesty King Mswati III of the Kingdom of Eswatini, on assuming the Chair of SACU, from the 15<sup>th</sup> July 2022.

**DONE AT GICC, GABORONE, BOTSWANA ON THIS 30<sup>TH</sup> JUNE 2022.**