



PUBLIC INVITATION

17th ATF/FES Public Dialogue on Trade

THE SOUTHERN AFRICAN CUSTOMS UNION: DWINDLING BENEFITS – INCREASING OBLIGATIONS?

**Wednesday, 27 May 2009 – 8h00 – 10h30 (Registration: 7h30)
Fürstenhof Hotel, Windhoek**

Background and Introduction

In 2010 the Southern African Customs Union (SACU) will celebrate the centenary of its establishment, making it the oldest customs union in the world. Botswana, Lesotho, Namibia, South Africa and Swaziland comprise its membership. The customs union is characterized by a common external tariff to all non-members and free trade between member states. The common revenue from custom duties is shared among SACU members. For the smaller SACU partners this constitutes by far the biggest source of government income (about 40% in the case of Namibia). The 2002 SACU Agreement ushered in a new dispensation, which provided for the democratization of SACU institutions, as well as making it more autonomous by establishing it as a legal entity with obligations as well as benefits.

However, SACU and its member states are facing challenges. During 2008 growing internal dissent has been reported, regarding, for instance, the revenue-sharing formula in terms of which South Africa is making transfers to the smaller member states like Namibia, as well as in relation to the ongoing EPA-negotiations. The latter had triggered media reports about serious conflict of interests between member states and the possible withdrawal of South Africa from SACU. The current world recession which tend to make policies of member states more inward-looking, the SADC Customs Union in 2010 and other developments add to these challenges.

ATF and FES have requested the Executive Secretary of SACU, **Ms Tswelopele C. Moremi** to provide an overview of the present implementation of the SACU 2002 Agreement and the way SACU is tackling some of its present challenges.

Ms Moremi, a National of Botswana, was entrusted as the First Executive Secretary of SACU with the responsibility of establishing the SACU Secretariat in Windhoek, Namibia in January 2004. Before, she served as Permanent Secretary of the Ministry Trade and Industry of Botswana.

Kindly confirm your participation with *Ms. Sylvia Mundjindi* before **26 May 2009** via E-mail sylvia@fesnam.org.na, by Tel. **061-237 438**