

**Committee on Regional Trade Agreements**

**FACTUAL PRESENTATION**

**Southern African Customs Union  
(Goods)**

**Report by the Secretariat**

This report, prepared for the consideration of the Southern African Customs Union, has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671).

Any technical questions arising from this report may be addressed to Ms. Jo-Ann Crawford (tel: +41 22 739 5422).



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## SOUTHERN AFRICAN CUSTOMS UNION (GOODS)

### Factual Presentation by the Secretariat

#### I. TRADE ENVIRONMENT

1. The Southern African Customs Union (hereafter SACU or "the Agreement") comprising Botswana, Lesotho, Namibia, South Africa, and Swaziland ("the Parties"), was established in 1910 and is the world's oldest customs union. Its five member States are at quite different levels of economic development: Botswana and South Africa are considered upper middle-income developing countries, Namibia and Swaziland as lower middle-income developing countries, and Lesotho is a least-developed country.

2. The Parties' ranking in global merchandise trade as well as their trade to GDP ratios vary considerably as shown in Table I.1. Botswana ran a global trade surplus in 2005, while the other four SACU countries ran trade deficits in the same year. South Africa is by the far the largest economy of the five and dominates its SACU partners: its imports accounted for 0.57 % and its exports for 0.49 % of world trade in 2006, and for roughly six times the total of its SACU partners. Its GDP of US\$240 billion is roughly twelve times the total of the other four SACU countries. Swaziland has the highest trade to GDP ratio of the SACU countries and South Africa the lowest.

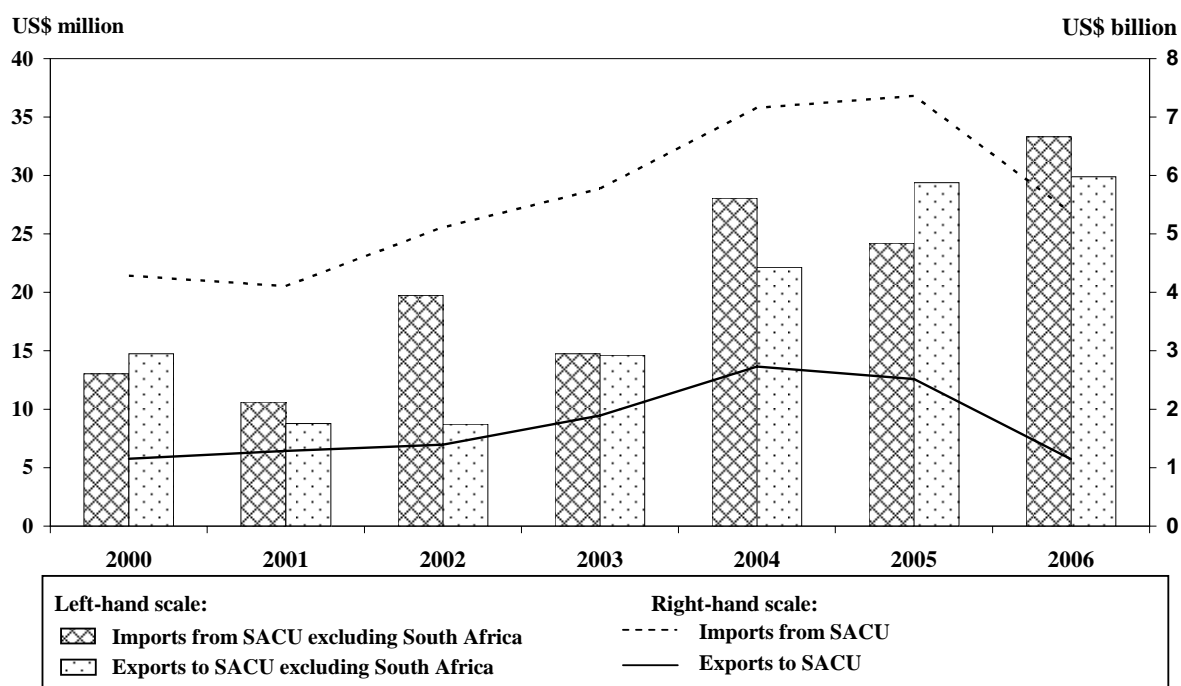
**Table I.1**  
**SACU Members' Merchandise Trade Profiles**

Member	Merchandise trade - 2005				Rank in world trade - 2005		GDP US\$ billion	Trade to GDP ratio – 2003-05
	Exports US\$ billion	% world exports	Imports US\$ billion	% world imports	Exports	Imports		
Botswana	4.4	0.04	3.2	0.03	94	112	6.1	90
Lesotho	0.6	0.01	1.3	0.01	148	146	1.4	148.5
Namibia	2.1	0.02	2.5	0.02	114	121	9.3	83.1
South Africa	51.6	0.49	62.3	0.57	39	34	240.1	54.9
Swaziland	2.0	0.02	2.1	0.02	116	130	2.7	172.8

Source: WTO Secretariat

3. Developments in intra and extra SACU trade in the period 2000-06 are pictured in Charts I.1 and I.2.

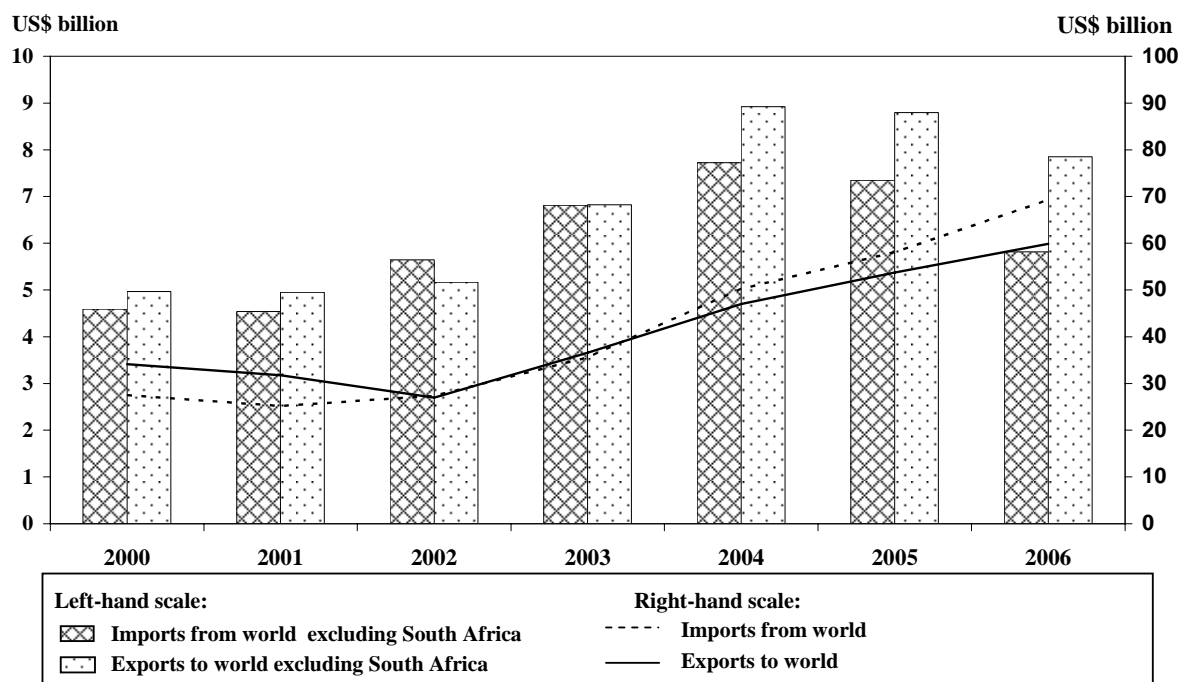
**Chart I.1**  
**Intra-SACU trade 2000-2006**



Source: UNSD, Comtrade database.

Note: Does not include data for Lesotho (2003, 2006); and Swaziland (2006).

**Chart I.2**  
**Extra-SACU trade 2000-2006**



Source: UNSD, Comtrade database.

Note: Does not include data for Lesotho (2003, 2006); and Swaziland (2006).

4. The commodity structure of trade among the Parties, as well as of their imports and exports to the world in 2004-2006, is shown in Charts I.3-I.7, on the basis of HS section product categories.<sup>1</sup>

5. Botswana's imports from South Africa accounted for 84.4% of its total imports in 2004-06 and closely resemble the product composition of its total imports; imports from its other SACU partners accounted for 0.5% of its total imports during the same period. Three product categories – chemicals, vehicles, and textiles – accounted for 90% of Botswana's imports from Lesotho; three product categories – minerals, prepared foods, and machinery – accounted for 83.5% of its imports from Namibia; and four product categories – textiles, machinery, vehicles, and prepared foods – accounted for 79.9% of its imports from Swaziland.

6. Lesotho's imports from South Africa accounted for 82.6% of its total imports in 2004-05; imports from its other SACU partners accounted for 0.005% of its total imports during the same period.<sup>2</sup> A single product category – textiles, and prepared foods – accounted for 100% of Lesotho's imports from Botswana and Namibia, respectively, in 2004-05; miscellaneous products accounted for 97.3% of its imports from Swaziland in the same period. Four product categories – minerals, prepared foods, vegetables and machinery – accounted for 42.9% of its imports from South Africa.

7. Namibia's imports from South Africa accounted for 84.6% of its total imports in 2004-06 and closely resemble the product composition of its total imports. Imports from its other SACU partners accounted for 0.5% of its total imports during the same period. Three product categories – machinery, vehicles, and base metals – accounted for 48% of Namibia's imports from Botswana in 2004-06; one product category – vehicles – accounted for 86.9% of its imports from Lesotho; and three product categories – chemicals, prepared foods, and minerals – accounted for 96.5% of its imports from Swaziland.

8. South Africa's imports from its four SACU partners accounted for only 0.5% of its total imports in 2004-2006. Imports from Botswana, Lesotho and Namibia in 2004-06 were comprised almost entirely of HS Section XIV, precious or semi-precious stones and precious metals; its imports from Swaziland were more diversified with machinery, optical products and base metals accounting for 95.6% of its total imports.

9. Swaziland's imports from South Africa accounted for 87.5% of its total imports in 2004-06 and closely resemble the product composition of its total imports with the exception of textiles which are Swaziland's fourth largest global import, but account for only 4.8% of its imports from South Africa. Imports from Swaziland's other SACU partners accounted for 0.02% of its total imports during the same period. Three product categories – chemicals, wood pulp and prepared foods – accounted for 79.7% of Swaziland's imports from Botswana in 2004-06; three product categories – machinery, chemicals and plastics – accounted for 85.3% of its imports from Lesotho; and one product category – chemicals – accounted for 65.8% of its imports from Namibia.

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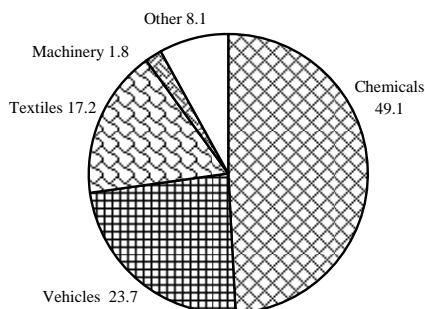
<sup>1</sup> For Lesotho, no data for this period was available from COMTRADE. Data for 2004-2005 were supplied by the Parties.

<sup>2</sup> Latest data available from COMTRADE.

### Chart I.3 Botswana and SACU: product composition of merchandise trade, annual average 2004-06

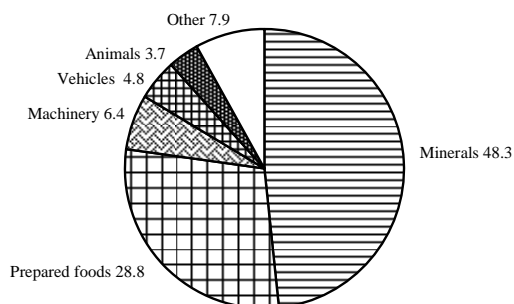
Per cent

**Botswana's imports from Lesotho**



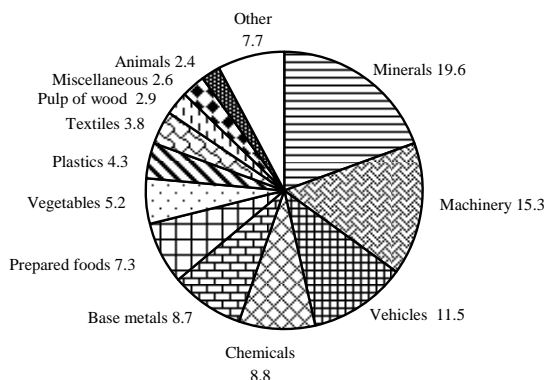
**Total: US\$235,832**

**Botswana's imports from Namibia**



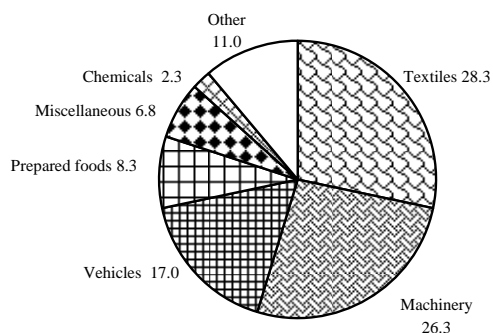
**Total: US\$16.5 million**

**Botswana's imports from South Africa**



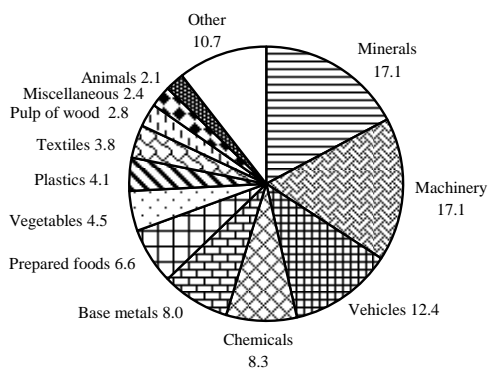
**Total: US\$2.7 billion**

**Botswana's imports from Swaziland**



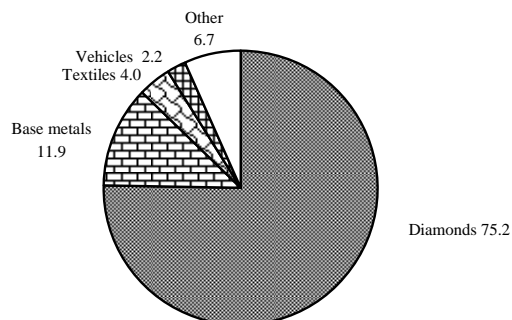
**Total: US\$198,195**

**Botswana's global imports**



**Total: US\$3.2 billion**

**Botswana's global exports**



**Total: US\$4.1 billion**

Source: UNSD, Comtrade database.

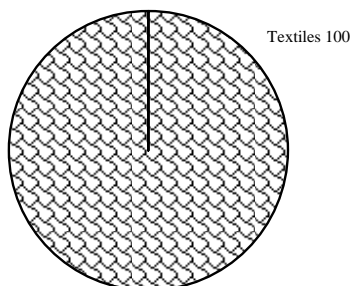


### Chart I.4

## Lesotho and SACU: product composition of merchandise trade, annual average 2004-05

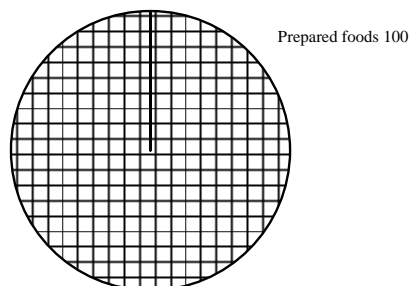
Per cent

Lesotho's imports from Botswana



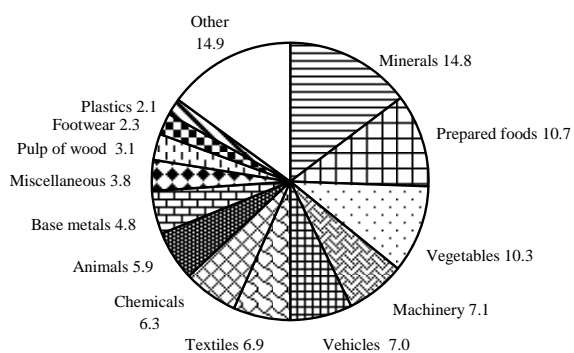
Total: US\$ 77.7

Lesotho's imports from Namibia



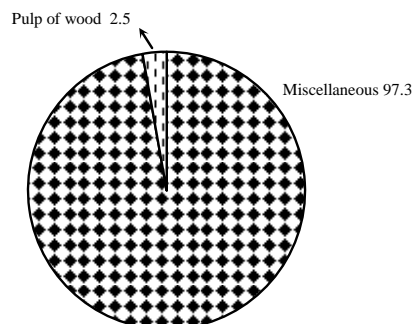
Total: US\$89.6

Lesotho's imports from South Africa



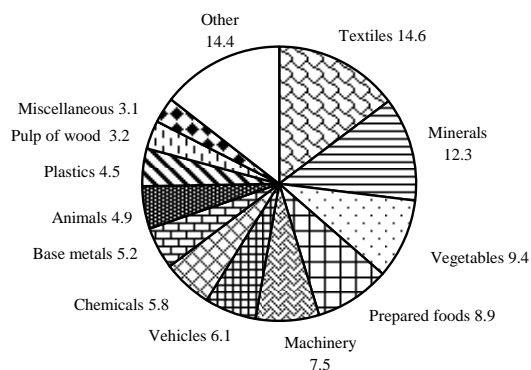
Total: US\$721.2 million

Lesotho's imports from Swaziland



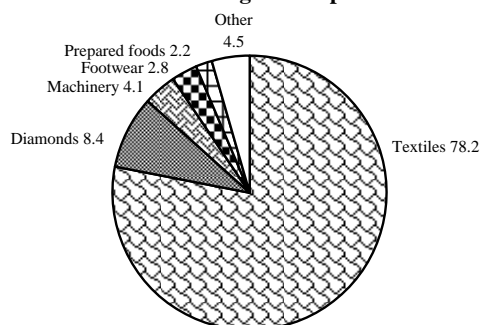
Total: US\$40,017

Lesotho's global imports



Total: US\$872.9 million

Lesotho's global exports



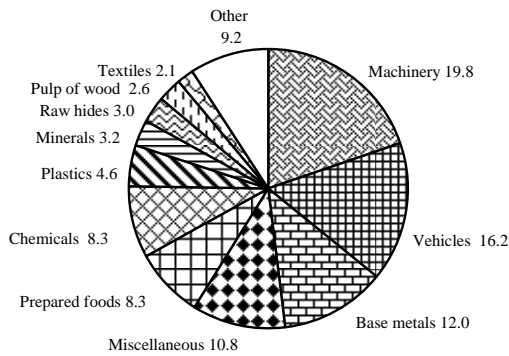
Total: US\$722 million

Source: Data provided by Lesotho

### Chart I.5 Namibia and SACU: product composition of merchandise trade, annual average 2004-06

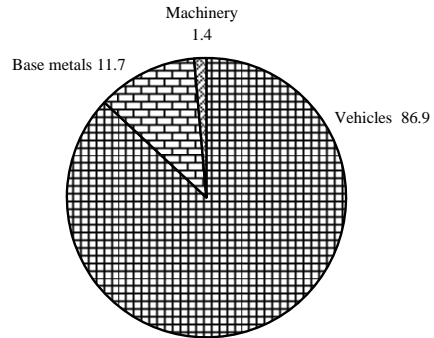
Per cent

**Namibia's imports from Botswana**



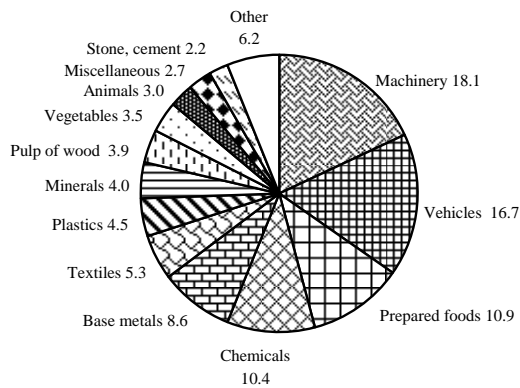
**Total: US\$5.9 million**

**Namibia's imports from Lesotho**



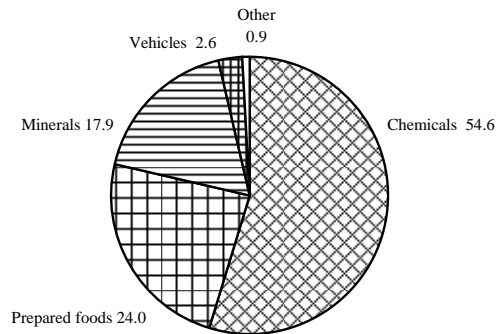
**Total: US\$19,983**

**Namibia's imports from South Africa**



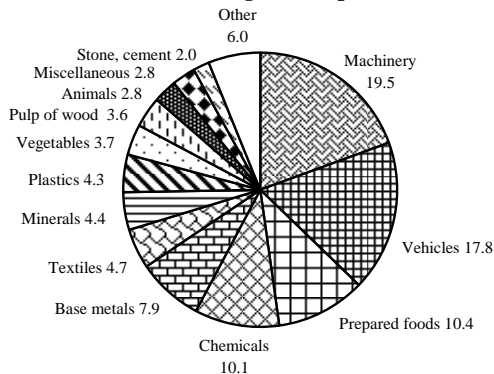
**Total: US\$2.2 billion**

**Namibia's imports from Swaziland**



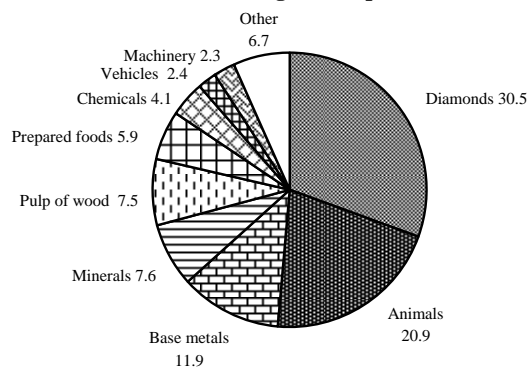
**Total: US\$5.4 million**

**Namibia's global imports**



**Total: US\$2.6 billion**

**Namibia's global exports**



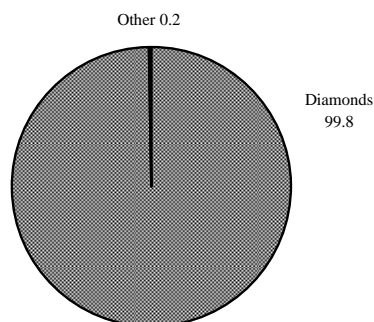
**Total: US\$2.8 billion**

Source: UNSD, Comtrade database.

**Chart I.6**  
**South Africa and SACU: product composition of merchandise trade, annual average 2004-06**

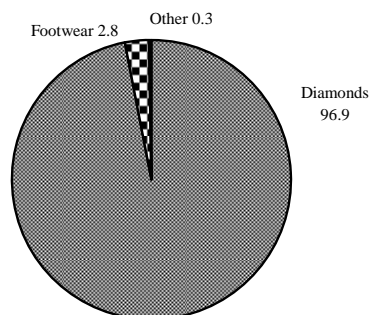
Per cent

**South Africa's imports from Botswana**



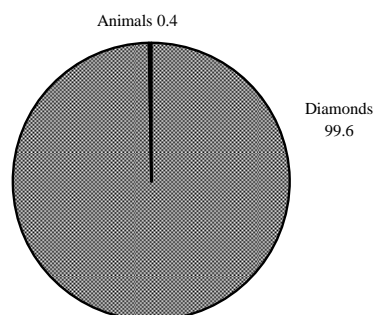
**Total: US\$190.3 million**

**South Africa's imports from Lesotho**



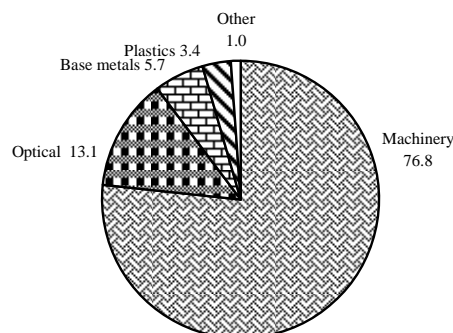
**Total: US\$148,735**

**South Africa's imports from Namibia**



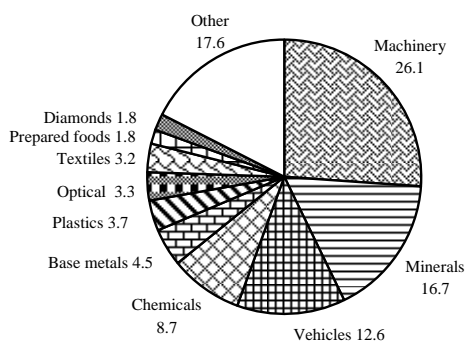
**Total: US\$87.9 million**

**South Africa's imports from Swaziland**



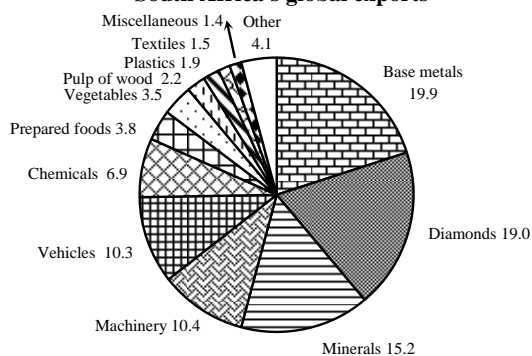
**Total: US\$55,782**

**South Africa's global Imports**



**Total: US\$57.3 billion**

**South Africa's global exports**



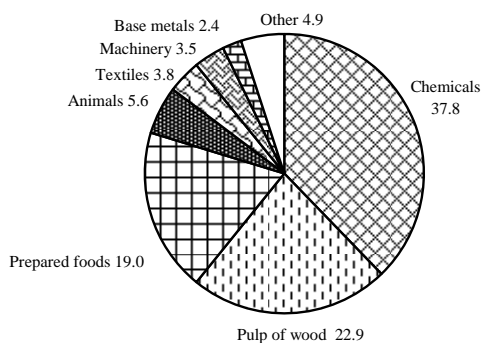
**Total: US\$46.8 billion**

Source: UNSD, Comtrade database.

### Chart I.7 Swaziland and SACU: product composition of merchandise trade, annual average 2003-05

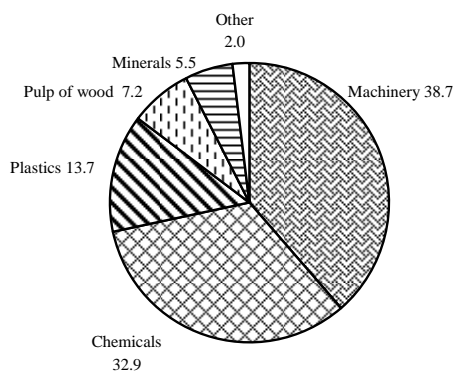
Per cent

**Swaziland's imports from Botswana**



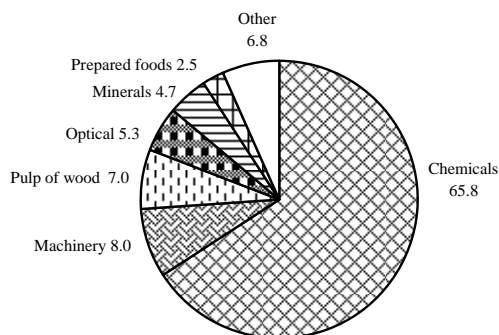
**Total: US\$52,242**

**Swaziland's imports from Lesotho**



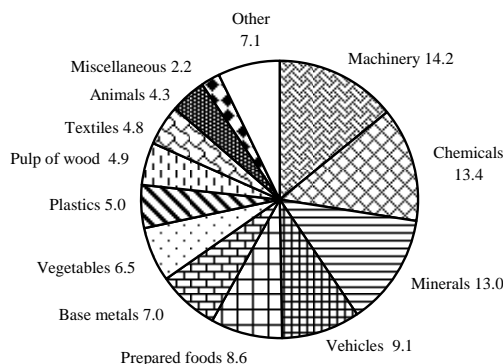
**Total: US\$26,416**

**Swaziland's imports from Namibia**



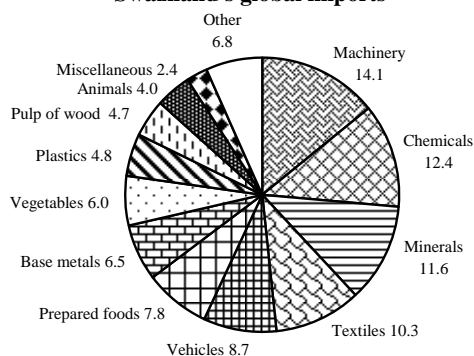
**Total: US\$203,792**

**Swaziland's imports from South Africa**



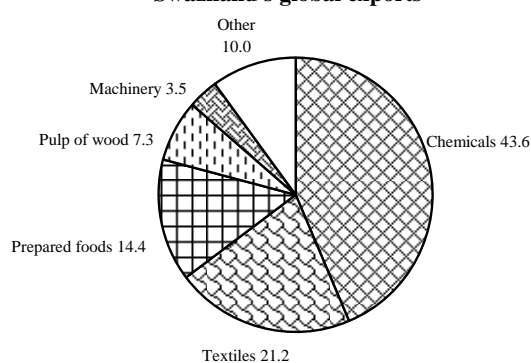
**Total: US\$1.4 billion**

**Swaziland's global imports**



**Total: US\$1.6 billion**

**Swaziland's global exports**



**Total: US\$1.8 billion**

Source: UNSD, Comtrade database.

## II. TREATY CHARACTERISTIC ELEMENTS

### A. BACKGROUND INFORMATION

10. The Southern African Customs Union was established in 1910 between the then Union of South Africa and the then High Commission Territories of Bechuanaland, Basutoland and Swaziland. With the advent of independence for the Territories, the 1910 Agreement was updated and re-launched on 11 December 1969 with the signing of an agreement between the Republic of South Africa, Botswana, Lesotho and Swaziland. The updated Agreement officially came into force on 1 March 1970. After Namibia's independence from South Africa in 1990, it joined SACU as its fifth member. The 1969 Agreement was re-negotiated in 1994 leading to the current SACU 2002 Agreement which was signed on 21 October 2002 and entered into force on 15 July 2004.

11. On 25 June 2007, the Parties notified SACU to the WTO under Article XXIV:7(a) of the GATT 1994 and the Understanding on the Interpretation of Article XXIV of GATT 1994 (WT/REG231/N/1). The text of the Agreement is available, together with its Annexes, on the Parties' official website (URL addresses: <http://www.sacu.int> or <http://www.sars.co.za>).

12. The Agreement is composed of 9 Parts, comprising 51 Articles and a single Annex as shown in Table II.1.

**Table II.1: Table of Contents of the SACU Agreement**

Part/Annex	Title/Description
<b>Preamble</b>	
<b>Part 1</b>	Definitions and Objectives
<b>Part 2</b>	Establishment and Legal Status
<b>Part 3</b>	Institutions
<b>Part 4</b>	Meetings
<b>Part 5</b>	Trade Liberalization
<b>Part 6</b>	Common Revenue Pool
<b>Part 7</b>	Revenue Sharing
<b>Part 8</b>	Common Policies
<b>Part 9</b>	Final Provisions
<b>ANNEX 1</b>	Revenue Sharing Formula

*Source:* Southern African Customs Union Agreement

## III. NATIONAL TREATMENT AND MARKET ACCESS PROVISIONS OF THE AGREEMENT

### A. IMPORT DUTIES AND CHARGES, AND QUANTITATIVE RESTRICTIONS

#### 1. General provisions

13. Article 18 of the Agreement provides that goods grown, produced or manufactured within the area of SACU are free of customs duties and quantitative restrictions when imported from one SACU Party to another, unless provided for elsewhere in the Agreement. Goods which are imported from outside the Common Customs Area are not subject to duties when imported from another SACU member (Article 19).

14. Article 21 provides for the Parties' Finance Ministers to meet and agree upon rates of specific and *ad valorem* excise duties and specific and *ad valorem* customs duties to be applied to goods grown, produced or manufactured in or imported into the Common Customs Area (CCA).<sup>3</sup>

15. Customs duties to be applied to goods imported into the CCA from third parties are approved by the Council of Ministers, upon recommendation from the Tariff Board (Article 20). The Parties apply identical rebates, refunds or drawbacks of customs duty on imported goods. Rebates on customs duties may be applied where such rebates are for the relief of the distress of persons in cases of famine and other national disasters; under a technical assistance agreement; in compliance with an obligation under any multilateral agreement to which such a SACU member is party; or for such other purposes as may be agreed upon by the Parties.<sup>4</sup>

B. RULES OF ORIGIN

16. There are no rules of origin provisions in the Agreement.<sup>5</sup>

C. EXPORT DUTIES AND CHARGES, AND QUANTITATIVE RESTRICTIONS

17. There is no provision in the Agreement for the elimination of export duties and charges and quantitative restrictions.

D. COMMON EXTERNAL TARIFF

18. Article 22 of the Agreement provides for the Parties to apply similar legislation with regard to customs and excise duties. The current SACU common external tariff has been applied since the new 2002 Agreement came into effect in July 2004.<sup>6</sup> However, the SACU countries have applied a common external tariff since 1910.

19. Articles 32-37 and Annex 1 detail the common revenue pool and revenue sharing formula which is composed of the customs, the excise, and the development components. Each Party's share of the customs component is calculated from the CIF value of goods imported from all other Parties into the territory of each Party as a percentage of the total CIF value of intra-SACU imports. The excise component is calculated from the value of a Party's GDP in a specific calendar year as a percentage of total SACU GDP in such year. The development component is initially set at 15% of the excise component, but is to be reviewed from time to time and adjusted if agreed to by all Parties.<sup>7</sup>

20. Any dispute arising out of differences relating to trade data is first referred to the Parties' customs and excise authorities for resolution. If the customs authorities fail to resolve the dispute within the elected time, the dispute can be referred to the Council of Ministers.

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<sup>3</sup> The SACU Tariff Book is available on the following webpage: <http://www.sars.gov.za/home.asp?pid=2630>. Swaziland charges excise duties on alcohol produced in the Common Customs Area.

<sup>4</sup> According to Swaziland, rebates of customs duties are also generally granted on products and machinery for use in the manufacture, processing, finishing, equipping or packing of products exclusively for export.

<sup>5</sup> According to the Parties, rules of origin apply on imported goods: once a good enters the customs union there is free movement of goods among SACU members.

<sup>6</sup> The general incidence calculation of the SACU common external tariff prepared by the Secretariat has been circulated in document WT/REG231/1.

<sup>7</sup> According to the Parties, no changes have been made to the calculation of the development component thus far. For a fuller explanation of the SACU revenue-sharing formula, see Box II.1 of the 2003 Trade Policy Review of the Southern African Customs Union.

E. REGULATORY PROVISIONS OF THE AGREEMENT

**1. Standards**

(a) Technical barriers to trade

21. Article 28 of the Agreement provides for the Parties to apply product standards and technical regulations in accordance with the WTO Agreement on Technical Barriers to Trade and to strive to harmonize product standards and technical regulations within the Common Customs Area.

(b) Sanitary and phytosanitary (SPS) measures

22. In Article 30 the Parties recognize the importance of measures prescribing zoo-sanitary and phytosanitary requirements aimed at the prevention of the spread of animal and plant diseases, parasites and insects and agree to consult from time to time to achieve this aim with due regard to the need to facilitate the flow of trade in products affected by such measures. SACU members reserve the right to apply SPS measures in accordance with their national SPS laws and international standards.

**2. Safeguard mechanisms**

(a) Infant Industry Safeguards

23. Article 26 provides that Botswana, Lesotho, Namibia or Swaziland may, as a temporary measure, levy additional duties on imports to enable infant industries to meet competition from other producers or manufacturers in the Common Customs Area, provided that such duties are levied equally on goods grown, produced or manufactured in other parts of the Common Customs Area and on like products imported from third parties, irrespective of whether imported directly or from the area of another Party and subject to the applicable payment of the customs duties.<sup>8</sup> Such protection is valid for a period of eight years, unless otherwise determined by the Council of Ministers.

**3. Anti-dumping and countervailing measures**

24. There is no provision in the Agreement for the Parties to impose anti-dumping and countervailing measures on intra-trade. The SACU countries may impose anti-dumping and countervailing duties on a custom union wide basis to imports from outside the common customs area (Article 11.2).

25. Article 41 provides for the Council, on the advice of the Commission, to develop policies and instruments to address unfair trade practices. Such policies and measures are to be annexed to the Agreement.<sup>9</sup>

**4. Subsidies and state aid**

26. There is no provision in the Agreement on subsidies and state aid.

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<sup>8</sup> Infant industry refers to an industry which has been established in the area of a Party for not more than eight years.

<sup>9</sup> According to the Parties, an Annex containing such policies is due to be implemented soon.

## **5. Other regulations**

### **(a) Customs Related Procedures**

27. Article 23 of the Agreement provides for the Parties to take appropriate measures, including arrangements regarding customs cooperation, to ensure that the provisions of the Agreement are effectively and harmoniously applied. In particular, Members agree to take measures necessary to facilitate the simplification and harmonization of trade documentation and procedures.<sup>10</sup>

28. In recognition of the need for a comprehensive approach in securing and improving trade facilitation within SACU, a programme was adopted by the SACU Council in December 2004 for five customs initiatives, prioritising the following areas: introduction of a Single Administrative Document as a common customs declaration form; establishment of one-stop border arrangements; introduction of joint border controls; use of electronic data interchange by customs authorities; and implementation of a capacity enhancement programme.<sup>11</sup>

### **(b) Competition Policy**

29. The Parties agree to cooperate with each other with respect to the enforcement of competition laws and regulations (Article 40) Article 41 provides for the Council of Ministers, on the advice of the Commission, to develop policies and instruments to address unfair trade practices between SACU Parties.<sup>12</sup>

## **IV. GENERAL PROVISIONS OF THE AGREEMENT**

### **A. EXCEPTIONS AND RESERVATIONS**

30. According to Article 18.2, the Parties may impose restrictions on imports or exports in accordance with national laws and regulations for the protection of health of humans, animals or plants; the environment; treasures of artistic, historic or archaeological value; public morals; intellectual property rights; national security; and exhaustible natural resources.

31. Article 25 provides for the Parties to prohibit or restrict the import or export of any goods for economic, social, cultural or other reasons as may be agreed upon by the Council of Ministers.

### **B. ACCESSION**

32. The SACU Agreement is open to accession by any state upon approval by a unanimous decision of the Council of Ministers which determines the procedures and criteria for the admission of new members (Article 6).

### **C. INSTITUTIONAL FRAMEWORK**

33. Article 7 of the Agreement provides for the establishment of a number of institutions including the Council of Ministers which consists of at least one Minister from each SACU member

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<sup>10</sup> According to the Parties, a Mutual Administration Assistance Annex and a Verification of Suppliers Declaration Annex were approved by the SACU Council in 2005 and 2007, respectively. These Annexes have not yet been fully implemented by SACU members.

<sup>11</sup> According to the Parties, this is still work in progress.

<sup>12</sup> According to the Parties, no such policies on a SACU wide basis have been developed. However, competition policy is being discussed in the Commission, but this is still at a very early stage.



state and is the supreme decision making authority of SACU matters (see Box IV.1). In accordance with Article 17 of the Agreement, decisions of the institutions of the SACU are made by consensus.

**Box IV.1: Institutional Structure of the SACU**

**Body/Functions**

**Council of Ministers**

- Overall policy direction and functioning including formulation of policy mandates, procedures and guidelines for SACU institutions.
- Approves the budgets of the Secretariat, Tariff Board and Tribunal.
- Approves customs tariffs, rebates, refunds or drawbacks and trade related remedies.
- Has authority to create additional technical liaison committees and other additional institutions.
- Composed of at least one Minister from each member state.
- Meets at least once each quarter of a financial year, unless agreed otherwise.
- Subordinate bodies are Customs Union Commission and Tariff Board.

**Customs Union Commission**

- Responsible for implementation of the Agreement.
- Ensures implementation of decisions of the Council.
- Oversees management of the Common Revenue Pool.
- Composed of senior officials at level of Permanent Secretaries, Directors General, Principal Secretaries or other officials of equivalent rank.
- Meets at least once each quarter of a financial year or at request of a Party.
- Subordinate body is the Secretariat.

**Secretariat**

- Responsible for day-to-day administration.
- Coordinates and monitors implementation of all decisions of the Council and Commission.
- Arranges meetings, disseminates information and keeps minutes of meetings of SACU institutions.
- Assists in harmonization of national policies and strategies of Parties.
- Responsible for keeping a record of all transactions in and out of Common Revenue Pool.
- Coordinates and assists in negotiation of trade agreements with third parties.
- Headed by an Executive Secretary who is a citizen of a member state.
- Other staff as may be determined by the Commission from time to time.

**Tariff Board**

- Makes recommendations to the Council on level and changes of customs, anti-dumping, countervailing and safeguard duties on goods imported from outside the CCA, rebates, refunds or duty drawbacks based on directives given by the Council.
- Consists of experts drawn from the Parties.

**Technical Liaison Committees**

- Four Technical Liaison Committees assist and advise the Commission in its work:
  - a) Agricultural Liaison Committee
  - b) Customs Technical Liaison Committee
  - c) Trade and Industry Liaison Committee
  - d) Transport Liaison Committee; and
  - e) Finance Technical Liaison Committee.

**Tribunal**

- Settles disputes regarding interpretation or application of Agreement or at request of the Council.
- Composed of three members, unless otherwise determined by the Council.

**National Bodies**

- Receive requests for tariff changes and other related SACU issues.
- Carry out preliminary investigations and recommend any changes necessary to Tariff Board.
- Study, investigate and determine the impact of tariffs and propose changes/make recommendations to the Commission through the Secretariat.

Source: SACU Agreement.

D. DISPUTE SETTLEMENT

34. Article 13 provides that any dispute regarding the interpretation or application of the Agreement, or any dispute arising thereunder at the request of the Council, is to be settled by an ad hoc Tribunal. The Tribunal is composed of three members, unless determined otherwise by the Council. Decisions taken by the Tribunal are by majority vote and decisions are final and binding. In any matter referred to the Tribunal, the Parties to the dispute are to choose the members of the Tribunal from a pool of names, approved by the Council and kept by the Secretariat.

35. Article 15 provides for general consultations in the event of any difference or dispute which does not directly affect the interests of all SACU members. The results of such consultations are to be reported to the Commission before its next meeting.

E. RELATIONSHIP WITH OTHER AGREEMENTS CONCLUDED BY THE PARTIES

36. Article 31 states that the Parties may maintain preferential trade and other related arrangements existing at the time of entry into force of the SACU Agreement. The Parties agree to establish a common negotiating mechanism for the purpose of undertaking negotiations with third Parties. No Party may negotiate or enter into new preferential trade agreements with third parties or amend existing agreements without the consent of other Parties.

37. When goods imported by a Party from outside the Common Customs Area under a preferential agreement are exported to another Party, the normal import duty applicable to such goods when imported into the rest of the Common Customs Area is charged. Any difference between the normal duty and the duty originally charged on such goods is paid into the Common Revenue Pool.

38. Article 51 of the Agreement provides for the termination of the 1969 SACU customs union agreement upon entry into force of this Agreement. A commission, technical liaison committee or any other institution, obligation or arrangement of SACU which exists immediately before the entry into force of the Agreement can continue to subsist until the Council determines otherwise.

39. Table IV.1 lists the regional trade agreements (RTAs), (notified and non-notified to the GATT/WTO and in force), as of June 2008 to which SACU countries are parties. All SACU countries are members of the Southern African Development Community (SADC) while Botswana, Namibia and South Africa also maintain preferential partnerships with varying subsets of the SADC membership. Swaziland is a member of the Common Market for Eastern and Southern Africa (COMESA). In addition, South Africa has a free trade agreement with the European Communities; by virtue of the SACU, the other four SACU countries thus de facto apply preferential tariffs to EC imports.

**Table IV.1**  
**SACU members: Participation in RTAs (notified and non-notified in force), February 2008**

Partner/ Agreement	Date of entry into force	Type of agreement	GATT/WTO Notification	
			Year	WTO Provision
<b>BOTSWANA</b>				
SADC	01.09.00	Goods	2004	GATT Art. XXIV
Malawi	1956*	Goods	Not Notified	
Zimbabwe	1956, amended in 1988*	Goods	Not Notified	
<b>LESOTHO</b>				
SADC	01.09.00	Goods	2004	GATT Art. XXIV
<b>NAMIBIA</b>				
SADC	01.09.00	Goods	2004	GATT Art. XXIV
Zimbabwe		Goods	Not Notified	
<b>SOUTH AFRICA</b>				
SADC	01.09.00	Goods	2004	GATT Art. XXIV
EC	01.01.00	Goods	2000	GATT Art. XXIV
Mozambique	07.07. 89	Goods	Not Notified	
Zimbabwe	01.12. 64	Goods	Not Notified	
Malawi	20.06. 90	Goods	Not Notified	
<b>SWAZILAND</b>				
COMESA	08.12.94	Goods	1995	Enabling Clause
SADC	01.09.00	Goods	2004	GATT Art. XXIV

\* Dates of signature.

Source: WTO Secretariat.

COMESA: Common Market for Eastern and Southern Africa; As per WTO Notification WT/COMTD/N/3 dated 29 June 1995, COMESA Members are: Angola, Burundi, Comoros, Eritrea, Ethiopia, Kenya, Lesotho, Malawi, Mauritius, Rwanda, Sudan, Swaziland, Tanzania, Uganda, Zambia, Zimbabwe. Current membership is as follows: Burundi, Comoros, D.R. Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, Zimbabwe.

SADC: Southern African Development Community; As per WTO Notification WT/REG176/N/1/Rev.1 dated 27 August 2004, SADC Members are Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe. Current membership is as follows: Angola, Botswana, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe. The Democratic Republic of Congo and the Seychelles are members of SADC, but are not parties to the Trade Protocol..

ANNEX

**Indicators of SACU's tariffs as applied to third parties**

1. A breakdown of SACU's MFN rates (based on available data) is shown in Table A.1. SACU's MFN tariff is variable in structure. Its (unweighted) average MFN rate (2003) is 6.4% on all goods, with a lower average tariff applied to non-agricultural goods than to agricultural products. In 2005, its (unweighted) average MFN rate was 8.0%. However, given the high number of non *ad valorem* lines in the 2003 tariff, these figures are not comparable.

Table A.1  
SACU: Indicators of MFN tariff rates

Origin of goods	Year	ALL PRODUCTS			Agricultural products <sup>a</sup>			Non-agricultural products		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2002	6.6	15.7	57.8	9.4	17.9	47.8	6.2	15.2	59.3
	2003	6.4	15.3	58.2	7.9	16.0	50.9	6.2	15.2	59.3
	2005	8.0	17.5	54.3	7.8	15.9	50.8	8.0	17.7	54.8
	2007	7.9	17.9	55.8	8.5	16.4	47.9	7.8	17.9	56.8

<sup>a</sup> WTO Definition.

MFN (2002) based on a total of 5,933 *ad valorem* lines (1,978 additional lines in the tariff schedule are subject to specific duties)  
 MFN (2003) based on a total of 5,899 *ad valorem* lines (2,010 additional lines in the tariff schedule are subject to specific duties)  
 MFN (2005) based on a total of 6,465 *ad valorem* lines (209 additional lines in the tariff schedule are subject to specific duties)  
 MFN (2007) based on a total of 6,449 *ad valorem* lines (203 additional lines in the tariff schedule are subject to specific duties)\*

Source: WTO Secretariat estimates based on IDB data (2002, 2003, 2005) and data provided by South Africa (2007).