



Adopted

SACU5/S/DC

COMMUNIQUÉ

5th SUMMIT OF THE SACU HEADS OF STATE AND GOVERNMENT

LOZITHA, SWAZILAND

1. The 5th Summit of the Heads of State and Government of the Member States of the Southern African Customs Union (SACU), was held on Friday, 23rd June 2017 in Lozitha, Swaziland.
2. The purpose of the Summit was for the Heads of State and Government to consider the Report of the Council, on the progress made on the implementation of the Roadmap to reinvigorate the SACU Work Programme that was endorsed by the Heads of State and Government, on 12th November 2015, in Windhoek, Namibia.
3. The Summit was chaired by His Majesty, **King Mswati III of the Kingdom of Swaziland**, and was attended by, His Excellency **Jacob Gedleyihlekisa Zuma**, President of the Republic of South Africa, His Honour, **Mokgweetsi Eric Keabetswe Masisi**, Vice President of the Republic of Botswana, **Honourable Carl-Hermann Gustav Schlettwein**, Minister of Finance of the Republic of Namibia, and a representative of the Kingdom of Lesotho.
4. The Summit *noted* with appreciation that in accordance with the Roadmap, the SACU Council of Ministers convened its 3rd Ministerial Retreat on 19-20 June 2016, in Muldersdrift, South Africa, where the Council discussed and agreed on broad principles that are crucial to enhancing the SACU Work Programme.
5. The Summit *reaffirmed* the importance of SACU as an organisation in deepening regional economic integration, industrialisation and economic diversification of SACU economies as a common goal, as well as positioning SACU to take advantage of regional and global economic developments.
6. The Summit *noted and endorsed* the Work Programme, based on the outcomes of the 3rd Ministerial Retreat, which outlines detailed activities, key deliverables and the timelines within which the proposed activities will be undertaken.
7. The following is a summary of the main focus areas of the Work Programme:
 - (a) *the review and development of a suitable architecture for tariff-setting, rebates, duty drawbacks and trade remedies;*
 - (b) *a review of the Revenue Sharing Formula and the long-term management of the Common Revenue Pool;*
 - (c) *the establishment of a Stabilisation Fund and exploring the feasibility of a financing mechanism for regional industrialisation;*
 - (d) *identifying financing options for regional projects; and*

(e) *the development of public policy interventions to promote and align industrial development and value chains.*

8. The Summit **noted** that the Council has agreed to review aspects of the SACU Agreement, 2002, to facilitate the development of SACU economies.
9. The Summit **commended** the Council of Ministers for establishing two Ministerial Task Teams on Trade and Industry, and on Finance, including the approval of their Terms of Reference, to facilitate the urgent implementation of the Work Programme.
10. The Summit **emphasized** that SACU economies experience similar economic challenges, which can be better dealt in an integrated manner within the region. In this regard, the Summit directed the Ministerial Task Teams to prioritize industrial development and develop concrete cross-border projects to promote industrialization to ensure that the region is able to optimise economic benefits to withstand global economic shocks.
11. The Summit **noted** that the Republic of Botswana will be the Chair of SACU, effective 15 July 2017 to 14 July 2018, taking over from the Kingdom of Swaziland.
12. The Heads of State and Government therefore **commended** His Majesty, King Mswati III, for the able leadership and guidance rendered during his term. In the same vein, the Heads of State and Government congratulated His Excellency Lieutenant General Dr. Seretse Khama Ian Khama, on assuming the Chair of SACU, from 15 July 2017.
13. The Heads of State and Government **expressed** their appreciation to the Government and the people of the Kingdom of Swaziland, for the warm hospitality extended, and for hosting a successful 5th Summit of the SACU Heads of State and Government.

DONE AT LOZITHA IN THE KINGDOM OF SWAZILAND, ON FRIDAY, 23 JUNE 2017.

SACU Secretariat

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