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ECONOMIC COMMISSION FOR AFRICA

Third Meeting of the Intergovernmental  
Negotiating Team on the Treaty for the  
Establishment of a Preferential Trade  
Area in Eastern and Southern Africa

Addis Ababa, 28 February - 5 March 1979

FINAL REPORT

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## A. INTRODUCTION

1. The third meeting of the Intergovernmental Negotiating Team on the Treaty for the establishment of a Preferential Trade Area in Eastern and Southern Africa was held in Addis Ababa, Ethiopia, from 28 February to 5 March 1979.
2. The meeting was one in a series of meetings of the Intergovernmental Negotiating Team on the Treaty for the establishment of the Preferential Trade Area. The purpose of the meeting was to continue and finalize negotiations on a draft protocol on rules of origin and one on transport and communications, and to consider draft protocols on transit trade and transit facilities, simplification and harmonization of trade documents and procedures and standardization of goods, to hold preliminary discussions on the Botswana-Lesotho-Swaziland report and to finalize the revised list of commodities to be traded once the PTA is established.

## B. ATTENDANCE AND ORGANIZATION OF WORK

### Opening of the meeting

3. The meeting was formally opened on 28 February 1979 by the leader of the Ethiopian delegation, Mr. Yoseph Woldemichael. Mr. H.L. Bazin, Chief of the International Trade and Finance Division of ECA, made an opening statement on behalf of the Executive Secretary.
4. The meeting was attended by representatives of Angola, Botswana, Ethiopia, Kenya, Lesotho, Mauritius, Tanzania (United Republic of), Uganda and Zambia.

### Election of officers

5. The following officers were unanimously elected:

- Chairman: Mr. Yoseph Woldemichael (Ethiopia)
- Vice-Chairman: Mr. Edward Joseph Chanda (Zambia)
- Rapporteur: Mr. Keith K. Diako (Botswana)

## C. AGENDA

6. The following agenda was adopted:

1. Opening of the meeting
2. Election of officers
3. Adoption of the agenda and organization of work
4. Consideration of the draft protocol and memorandum on simplification and harmonization of trade documents and procedures
5. Finalization of the revised draft protocol on rules of origin
6. Finalization of the revised draft protocol on transport and communications
7. Consideration of the draft protocol and memorandum on transit trade and transit facilities
8. Consideration of the draft protocol and memorandum on standardization of goods

9. Finalization of the revised list of commodities to be traded at the commencement of the PTA
10. Preliminary discussion of the Botswana-Lesotho-Swaziland report
11. Any other matters
12. Adoption of the report.

D. ACCOUNT OF PROCEEDINGS

7. In his opening statement, Mr. Yoseph Woldemichael, the leader of the Ethiopian delegation, welcomed the participants to Ethiopia and wished them success in their deliberations. He stated that it was his hope that the same spirit of frankness in negotiations that the participants had in Swaziland would be maintained. He pointed out that substantial progress had already been made on the negotiations on the protocols on rules of origin and transport and communications; however, there were some issues still outstanding with respect to certain articles of the draft protocols on which the participants had had to seek fresh instruction from their respective Governments. It was therefore his hope that negotiations on those protocols on which initial negotiations had begun in Swaziland would be finalized during that meeting of the inter-governmental negotiating team.

8. In his introductory statement, Mr. H.L. Bazin, Chief of the International Trade and Finance Division of ECA, welcomed the delegations to the ECA secretariat on behalf of the Executive Secretary, Mr. Adebayo Adedeji. He congratulated the delegates on the substantial progress they had made and on the co-operative manner in which they had conducted negotiations and expressed the hope that the unresolved issues relating to the protocols on rules of origin and transport and communication would be resolved at that meeting.

9. With regard to the list of commodities to be traded within the PTA, he pointed out that the list received so far was still incomplete, and appealed to the delegations to provide such lists in good time in order to enable the secretariat to analyse for consideration at the June meeting as had been agreed at the meeting of the Council of Ministers of the Lusaka-based MULPOC held in Nairobi from 1 to 2 February 1979.

10. He also drew attention to the Revised Time-table for the negotiations which had been agreed upon at that meeting and expressed the hope that delegates will spare no efforts to adhere to this time-table.

Consideration of the draft protocol and memorandum on the simplification and harmonization of trade documents and procedures (agenda item 4)

11. After the secretariat had tabled the Draft Protocol on Simplification and Harmonization of Trade Documents and Procedures within the Preferential Trade Area for Eastern and Southern Africa (ECA/MULPOC/LUSAKA/PTA/III/6) and the Memorandum relating to the Draft Protocol on the Simplification and Harmonization of Trade Documents and Procedures within the Preferential Trade Area for Eastern and Southern Africa (ECA/MULPOC/LUSAKA/PTA/III/7) one delegation proposed and the proposal was accepted - that there should be general discussions on both the draft protocol and the related memorandum. Some delegations expressed the view that the documents before the meeting appeared

to be a kind of summary of conclusions and that in order to have useful discussions on the draft protocol, it was desirable to have a detailed analysis of the problems of trade facilitation with specific reference to examples of the procedures and documentation of various countries. Such background information, they maintained, would underline the need for harmonization and simplification as proposed in the draft protocol.

12. Some delegations were of the opinion that the problems relating to national procedures and documentation of individual countries should not delay the discussion of the draft protocol, which contained the relevant principles and provided a framework for co-operative action by Government and detailed studies to be undertaken later by experts in that field.

13. A representative of the secretariat explained that the memorandum and the draft protocol had been based on the available information and studies covering Botswana, Kenya, Lesotho, Malawi, Swaziland, Uganda, the United Republic of Tanzania and Zambia and that similar work was currently underway in Mozambique and Mauritius. But in some countries, for example Ethiopia and Somalia, no work had been undertaken as yet. However, if it was the wish of the meeting, a summary of the findings of those studies could be made available.

14. It was unanimously agreed that the secretariat should provide the required background information orally so that discussions of the draft protocol could proceed; it could then circulate the same information, including appropriate recommendations, in documentary form. The essence of the information that was given by the secretariat orally is contained in document ECA/MULPOC/LUSAKA/PTA/III/7/Add.1, which was circulated as agreed.

15. It was unanimously agreed that the draft protocol should be discussed article by article.

#### Article 1

16. After considering various suggested amendments to the definition of the words "Council", "member State or member States", "Preferential Trade Area" and "Treaty", it was decided that the definitions or interpretations adopted at the second meeting of the Intergovernmental Negotiating Team held in Mbabane, Swaziland, should be maintained in the protocol on the simplification and harmonization of trade documents and procedures. In addition, the following definitions were agreed upon:

"Trade facilitation" means mechanism designed to smooth the flow of information and reduce cumbersome procedures relating to the movements of goods from their place of origin to their destination.

"Trade facilitation committee" means the committee established under Article 5 of this protocol.

"Trade procedures" means the activities related to the collecting, presenting, processing and disseminating of data and information concerning all activities constituting international trade.

Article 2

17. Paragraph 1 of the article was accepted without any amendments. After some discussions and consideration of various proposals for amendments it was agreed that paragraph 2 should be amended to read as follows:

"2. In the implementation of this protocol member States undertake to, where it is possible, simplify procedures and reduce to the barest minimum formalities, administrative work and expenses related to external trade by:

- (i) Minimizing the number of trade documents and their copies
- (ii) minimizing the number of institutions which have to handle such documents; and
- (iii) harmonizing the information to be presented in those documents".

18. Inasmuch as the content of Article 2(b) was covered by Article 4, it was decided that Article 2(b) should be deleted.

19. Article 3, paragraphs (a) to (g) were accepted without any amendments. Paragraph (h) was amended to read as follows: "(h) initiating or encouraging appropriate joint training programmes for personnel engaged in trade facilitation among the member States."

Article 4

20. One delegation suggested that, in view of the fact that the contents of that Article formed part of the objectives of the protocol under consideration it should be included in Article 3 as paragraph (i). However, recalling the decision made earlier when discussing Article 2, to the effect that the matters concerning alignment and standardization of documentation required in the various external activities of the member States were of such importance that they deserved being singled out in a separate Article, it was agreed that Article 4 should be adopted without any amendments.

Article 5

21. After some discussions regarding the position and functions of the proposed Trade Facilitation Committee within the framework of overall institutional arrangements for the Preferential Trade Area, it was recognized that the entire institutional structure would not become clear until after the end of the negotiations and preparation of the draft Treaty. On this understanding it was agreed that paragraphs 1 and 2 should be adopted without any amendments.

22. It was agreed that paragraph 3 should be amended to read as follows:

"3. Each member State shall establish or designate, at national level, an appropriate organ to serve as a focal point for trade facilitation activities".

23. Paragraph 4 was also approved without any amendments.

24. It was unanimously agreed that articles 6 to 13 should be discussed together as they were standard articles which applied to all the protocols as well as to the Treaty itself. After some discussions concerning the relationship between ratification of the Treaty and the protocols, it was decided that, in future, those articles should not be discussed in connexion with individual protocols, inasmuch as they would ultimately have to be discussed as a package when the time came to draft the Treaty.

Consideration of the revised Draft Protocol on Rules of Origin  
Related to Commodities to be exchanged within PTA (Agenda item 5)<sup>1/</sup>

Rule 1, para. 1 - Interpretation:

25. Three items were deferred at the second INT meeting. These were the interpretation of (a) "ex-factory price", (b) "materials", and (c) "value added". The third INT meeting took these decisions on them:

(a) "Ex-factory price". The text of the revised draft of ex-factory price was acceptable to the delegates. One delegation, however, reserved its position, preferring "ex-factory cost" to "ex-factory price".

(b) "Materials". After detailed explanation, the interpretation on materials was accepted as proposed in the revised draft.

(c) "Value added". The revised text of these words was accepted, except that the delegation that reserved its position on the definition of "ex-factory price" also reserved its position under this heading in order to be consistent with the argument the same delegation had advanced in relation to the discussion on ex-factory price, and stated that for the purposes of determining value added, "ex-factory cost" would be more desirable.

Rule 1, para. 2

26. This provision was approved at the second INT meeting.

Rule 1, para. 3

27. One delegation doubted whether member States had enough naval officers to fulfil the requirements of Rule 1 (3)(b). Other delegates wanted "a vessel of a member State" defined. The meeting agreed that the aim of the provision was to encourage member States to manage and own the vessels, and that so long as one of the conditions set out in the provisions had been met, then goods would qualify. The attention of the meeting was drawn to provisions of Rule 1 (2) which dealt with the matter adequately. The words "paragraph (2)" in line 1 of this paragraph was deleted and the words "this protocol" substituted therefor.

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<sup>1/</sup> The agenda item 5 on Rules of Origin was not adopted at the Final session of the meeting since the select committee that was required to agree on certain articles for inclusion in the draft report did not submit its report in time. The meeting therefore agreed that the discussion under this item be tabled at the Fourth Intergovernmental Negotiating Team meeting to be held from 12-16 June 1979.

Rule 2, Rules of Origin of Preferential Trade Area Goods

28. Rule 2(1) (i): This sub-paragraph was discussed at length. The various views expressed were that the figure of 60 per cent was too high; that the requirement of indigenous management might discourage foreign investors; that the countries of the subregion should aim at 51 per cent national ownership; that some countries were not ready even for 51 per cent control of enterprises; others that the figures suggested in the Protocol were appropriate in order to encourage the use of local resources. One delegation proposed that the sub-paragraph should be amended by replacing the paragraph with the words: "goods shall be accepted as originating in the PTA if they are produced by the national firms". Other delegation agreed with the above proposals but suggested an addition to it was as follows: "If they are grown, manufactured and produced by the national firms". An objection was raised to the above proposals, maintaining that Rule 2(1)(i) as drafted aimed at reducing reliance on imported materials and encouraging the exploitation and use of national resources. At this point the secretariat referred to the proposal made at the second INT meeting which reads as follows: ECA/MULPOC/Lusaka/141, page 4(i), "They have been produced by enterprises in a member State which are subject to majority or substantial indigenous management and to at least 51 per cent equity holding by nationals of the member State and/or a Government or Governments of the member States, or institutions, agencies, enterprises or corporations of such Government or Governments."

29. It was also stated by the secretariat that in drafting this provision it was guided by statements made by many African delegates at various international conferences to the effect that encouragement of the use of local resources is vital for the promotion of the New International Economic Order. Continued discussion led to the withdrawal of the proposal made earlier that reads "goods shall be accepted as originating in the PTA if they are produced by the national firms". A decision on Rule 1(i) was thereupon deferred to a later date. Rule 2, para. 1(ii): it was noted that this provision was adopted at the second meeting.

30. Rule 2, para. 1(iii)(a) was also accepted at the second INT meeting.

Rule 2(1)(iii)(b):

31. Some delegates accepted the criterion as proposed. However, one delegation objected to the figure of 60 per cent of imported material content and suggested the percentages ranging from 35 to 60 per cent, depending on the availability of goods and raw materials locally. The same delegation proposed that further classification in the commodities to be traded should be carried out. After lengthy discussions it was decided that the representatives of Kenya, Uganda and Ethiopia should re-draft the paragraph for consideration by the Team. Until a new draft was produced, Rule 2(i), (iii)(b) as drafted was accepted provisionally.

Rule 2(1)(iii)(c):

32. Referring to the proposal made at the second INT meeting that the percentage of value added be increased from 45 per cent to 75 per cent, one delegation proposed that 50 per cent should be adopted. An alternative



proposal of 40 per cent was made by another delegation. The proposal of 50 per cent was supported by some delegates. After a lengthy discussion the decision on this provision was deferred.

33. Rule 2, (1)(iii)(d) was deferred until an alternative solution is proposed for Rule 2, (1)(iii)(b).

Rule 2(1)(iii)(c)

34. The application of substantial transformation criterion was examined in detail. The secretariat explained that the application of this criterion has significant advantages as compared to the other criterion since in most cases it is sufficient to show changes in CCCN headings. It makes possible avoidance of lengthy collection of documents and calculations linked with the application of other criteria, causes less doubts on the part of certifying authorities and customs officers, and gives rise to few requests for verification. Attention was also drawn to the words "subject to such exemptions as may be determined by the Council". In this connexion it was explained that safe application of the criterion would involve specific regulations to be based on this Protocol, which would list "qualifying processes". A number of delegations expressed the view that the criterion was sound and useful, but that the conditions for its successful application was the working out of the lists of exceptions, which will cover the cases where there is a change in CCCN numbers, but transformation is not substantial. It was concluded, therefore, that the provision should be re-drafted to indicate that regulations, to be based on this Protocol, will provide for the preparation of list A and list B, such lists to specify which commodities will be excluded from preferential treatment in spite of a change in tariff heading (List A) and which commodities will be granted preferential treatment although there is no change in tariff heading (List B). One delegation, however, felt that the criterion should be dropped, since the criteria on imported material content and value added were sufficient for the purposes. It was further agreed that the definition of such lists should be included under Rule 1 of this Protocol. The meeting also agreed that such lists would be prepared by the PTA secretariat and submitted to the Trade Committee for their consideration. The meeting accepted the (e), so long as the above conditions were adhered to.

Rule 2(2):

35. This item was deferred to a later date when agreement has been reached on criteria for origin of goods.

Rule 2(3):

36. The secretariat explained that this important principle of cumulative treatment of origin was in fact inherent in the first draft but it was more clearly spelt out in the second draft. After some discussion Rule 2(3)(i) was approved, as amended by the provision of a clause dealing with successive processing of goods. It was also resolved to delete Rule 2(3)(ii) on the grounds that the issues it raised may best be dealt with at a much later stage in the evolution of the PTA.

Rule 3:

37. Rule 3 was amended in line 1 by deleting the words "sub-paragraph (iii) of paragraph (a) of Rule 2 and substituting "Rule 2(i)(iii)(a)" therefor.

38. It was noted that Rule 3, paragraphs (a) to (j) were approved at the second meeting of the INT in Mbabane. One delegation thought that it would help if paragraph (f) were amended by defining the words "a vessel of a member State" perhaps in the light of Rule 1(2). However, other delegations drew attention to the fact that the same issue had been dealt with under Rule 1 paragraph 3.

39. The approval of Rule 4 as a whole at the second INT meeting was reconfirmed.

40. Rule 5 was approved as a whole at the second INT meeting, but the need to keep that Rule was questioned in the light of a decision to work out the lists of "qualifying processes". Following the explanation by the secretariat that it would be wise to retain that Rule as long as the lists are not available it was decided to retain the Rule in its present form, but an amendment was introduced by replacing the phrase "For the purpose of Rule" by "Notwithstanding the provision of Rule 2".

41. The approval of Rule 6 at the second INT meeting was reconfirmed.

42. The approval of Rules Nos. 7 and 8 at the second meeting was also reconfirmed.

43. Rule 9 contained a new paragraph 4 on containers. Following the adoption of that paragraph, the approval of Rule 9 as a whole was reconfirmed.

44. Rule 10 was considerably amended at the second INT meeting, but approved as a whole. However, one delegation questioned the value of submitting the names, functional titles and specimen signatures of the persons authorized to sign the certificates of origin on behalf of exporters, as stipulated under paragraph 6, since such persons change from time to time and since such details were internal matter of member States. In the light of these discussions it was decided to delete paragraph 6, Rule 10, and to amend paragraph 7 by deleting the words following "names ... certificates" in lines 2-3 and substituting these words therefor: "names of departments and agencies authorized to give the certificates ...".

45. Rule 11, para. 1 was amended by inserting the phrase "if such legislation is not in existence," between "legislation" and "making" in line 1. The approval of Rule 11, as amended, was reconfirmed.

46. New Rules 12 (on settlement of disputes) and 17 (on accession) were approved. Rule 13 on regulations was amended by deleting all the words after "protocol" in line 2.

47. Rules 14, 15, 16, 18 and 19 dealing with formal legal matters, were approved as a whole.

Consideration of the finalization of the revised list of commodities to be traded at the commencement of the PTA - A note by the secretariat (agenda item 9)

48. In introducing this item, a representative of the secretariat informed the meeting that not all countries had submitted revised list of products as had been agreed at the Mbabane meeting held from 30 November to 6 December 1978 which also agreed that such lists should reach the ECA not later than 31 January 1979. By that date only six countries had complied with the Mbabane request, and the lists submitted were not complete in terms of the information requested.

49. The attention of the meeting was drawn to the fact that in the light of the revised timetable for the negotiations which was adopted at the Lusaka MULPOC Council of Ministers held in Nairobi in February 1979, the list of commodities would be discussed at the fourth meeting of the Intergovernmental Negotiating Team to be held in June 1979.

50. A number of delegations stressed the difficulties their Customs and Statistical Offices faced in obtaining and compiling the required data with regard, in particular, to the quantities of products that the countries would be able to export or import. With reference to the format for the presentation of the revised list of commodities to be traded at the commencement of the PTA which was circulated by the secretariat at this meeting for completion by competent government departments, it was generally agreed that countries would be able to identify commodities of export/import interest to them on the basis of CCCN or SITC (Rev. 2) codes as well as provide data on tariff and non-tariff barriers and other changes of equivalent effect. With regard to quantities, it was agreed that one country for which it was not possible to provide the required data, would be allowed to give either estimates in values.

51. The meeting was also of the view that the revised list would best be confined to a limited range of products in respect of which countries were actually willing to grant preferences and that due regard should be paid to the provisions of the protocol on rules of origin in the selection of products which would appear on the lists.

52. Finally, it was decided that the revised lists of selected commodities should be submitted to the secretariat not later than 31 March 1979 in order to allow the secretariat to carry out the required analysis and be able to circulate the compiled lists by the middle of May for consideration at the fourth meeting of the INT.

Consideration of the Draft Protocol and Memorandum on Transit Trade and Transit Facilities (agenda item 7)

53. Following a brief introduction by the secretariat on the main provisions of the Draft Protocol, it was agreed that, since most of the delegations had received the documents on arrival in Addis Ababa, and that they had had no opportunity for either studying them or seeking their governments' views thereon, the Draft Protocol should be the subject of preliminary consideration and that substantive discussions and decisions be deferred to the fourth meeting of the Intergovernmental Negotiating Team.

54. During the discussions which followed, it was agreed that the Draft Protocol be discussed paragraph by paragraph.

#### Preamble

55. It was agreed that the preamble should include reference to the resolutions adopted by various international fora regarding the provision of transit facilities to land-locked countries.

#### Article 1 - Interpretation

56. The provisions of Article 1 were generally found agreeable except for the following:

- (i) It was agreed that the Article should include interpretations of "carrier", "TIA (PTA) Carnet", "Survey", and "Goods".
- (ii) Taking into consideration the extensive use of draught animals in certain countries, the interpretation of means of transport should be amended to include pipelines and draught animals, as defined in the United Nations Convention on land-locked countries.
- (iii) The interpretation of "transit traffic" was amended to read as follows: "Transit traffic means the passage of goods, including unaccompanied baggage, mail, persons and their means of transport from one member State to another through another member State".
- (iv) The interpretation of "customs office of destination" was amended by inserting the word "inland" after "port" in the first line.
- (v) The interpretation of "person" was amended to read as follows: "Persons includes legal as well as natural persons engaged in the transportation of goods".

#### Article 2 - General Provisions

57. Article 2 was amended by inserting the words "unaccompanied luggage" after the word "mail" in the first line of paragraph 1.

#### Article 3 - Scope of application

58. On Article 3, it was suggested by one delegate that the word "any persons" should be replaced by "transitor" since the definition of transitor had already been defined in the interpretation. The meeting agreed to delete the words "and container" from Article 3, (2) (b) and insert the word "a" in between "by" and "means".

59. In Article 3, (2) (d), the meeting agreed to delete the expression "thereinafter referred to as TIA (PTA) Carnet" as this word would be defined in Article 1 under interpretation.

#### Article 4 - Licencing of carriers

60. It was agreed to insert the words "in consultation with the member States" between "licenced" and "to" in 4 (3). The same obtained in respect of the phrase "from that country to other PTA States" which should be inserted between the words "traffic" and "provided".

61. On article 4(4), it was also suggested and agreed that the word "protocol" be replaced by "article".

62. One delegate requested the secretariat to shed some light on what constitutes "serious offense" as this may differ from country to country. The secretariat explained that "serious customs offence" will be dealt with in a more comprehensive manner in the protocol on customs co-operation. However, the meeting requested the secretariat to redraft this paragraph and indicate the types of offences which would be considered to be serious for the purpose of this Article.

63. One delegate raised the question regarding the possibility of obtaining a licence by a person who had committed a crime in other member State and it is discovered only after the licence had been issued. In this case, the secretariat replied that the licence would be withdrawn and the criminal would be punished according to the laws of the country under which the new crime had been committed.

64. The secretariat was requested to redraft the Article to reflect the views and comments expressed by the delegates.

#### Article 5 - Approval of means of transport

65. One delegate requested the secretariat to explain what was actually meant by "appropriate authorities" referred to in paragraph 1. He also asked whether the customs authorities referred to in paragraph 2 of this Article were the same. After lengthy discussions, explanation was given by the secretariat that Article 5(1) dealt with technical aspects and Article 5(2) dealt with operational aspects. However, since these two aspects were not clearly reflected in the Article, the meeting requested the secretariat to redraft these provisions.

#### Article 6 - Bonds and sureties

66. In considering the provisions of paragraph 1(a) of this Article several delegations observed that there was need to identify an institution or institutions (e.g. Bank or insurance company) which would be liable for payment of customs duties and other relevant charges in the event of transit goods being retained illegally in the transit State. It was also noted that the words "and containers" appearing in the fourth line of paragraph 1(a) were superfluous since the interpretation of "means of transport" includes containers. It was therefore agreed that the Article should be amended accordingly.

Article 7 - TIA (PTA) carnets

67. No amendments were proposed.

Article 8 - Exemption from customs examinations and charges

68. No amendments were proposed.

Article 9 - Transit procedures

69. No amendments were proposed.

Article 10 - Obligations of member States and sureties

70. Noting that the provisions of this Article could have serious repercussions on member States: foreign exchange and other policies, it was agreed that adequate discussion on the Article would require the participation of member States' Treasury and Central Bank officials during the next INT meeting. However, to facilitate preliminary exchange of views on the subject, the meeting agreed to discuss the Article paragraph by paragraph on the understanding that the views expressed would be provisional.

71. No amendments were proposed with respect to paragraphs 2 and 3.

72. Regarding paragraph 4, several delegations expressed the view that it would be unfair to make the surety liable for concealed goods and goods not enumerated in carnets. In this respect some delegations felt that reference to concealed goods and goods carried in sealed sections of the means of transport should be deleted from this paragraph. A suggestion was made that the respective goods could be confiscated by the transit State. Noting the implications of this provision the meeting agreed that the paragraph should be redrafted taking into account the views expressed by various delegates.

Paragraph 5 and 6

73. No amendments were proposed.

74. In considering paragraph 7 discussion centred on the stipulated periods within which claims for payments have to be presented. Most of the delegates were of the view that the periods stipulated were too short, particularly where certificates of discharge are issued fraudulently. In this respect one delegation proposed a period of 10 years, while another one suggested that there should be no time limit. Regarding the period stipulated in respect of erroneously issued certificates, one delegation proposed a period of two years. Noting the secretariat's clarification that while offenders in respect of fraudulently issued certificates would remain indefinitely liable for any offence committed, and that it would be unfair to bind sureties indefinitely after the discharge of the respective carnets, the meeting agreed that the paragraph should be redrafted taking into account all the views expressed by delegates.

Paragraph 8

75. No amendments were proposed.

76. Paragraph 9 was amended to read as follows: "9. Member States shall, where feasible, use the services available in other member States in all transit traffic operations provided such services are competitive and not less efficient than those offered by other parties."

77. It was agreed that paragraph 10 should be redrafted to include other relevant international transport projects which have been approved for implementation within Eastern and Southern Africa.

Article 12-19

78. No amendments were proposed.

Consideration of the Revised Protocol on the Transport and Communications  
(agenda item 6)

79. The preamble of the document ECA/MULPOC/Lusaka/122/Rev.1, ECA/MULPOC/Lusaka/PTA/III/3 was accepted without any amendments.

80. Article 1 was accepted without any amendments.

81. Article 2 was accepted without any amendments.

82. Article 3

Sub-paragraphs a, b, c, d, e, f, g, h, k, l, m, were accepted without any amendments.

83. Sub-paragraphs i - The problem of implementing this sub-paragraph was raised by one delegation. After some discussions and explanations of the provision of sub-paragraph i, the sub-paragraph i was accepted without amendments. One sub-paragraph j the problem of having common standards of design of roads and bridges, in the member countries was raised. Some delegations explained that this was a long-term issue and that in the construction of roads and bridges some common standards would have to be adopted to facilitate transport and trade. After this explanation, sub-paragraph j was accepted without amendments.

84. One delegation requested the secretariat to indicate which member States of the proposed PTA had acceded the conventions mentioned in sub-paragraph 3a. A representative of the secretariat read the list of countries that have signed the Conventions and of those countries who have not signed the Conventions. One delegation from a country which had not yet acceded to the Convention pointed out that it was only after a thorough analysis of the document that it would be in a position to consider recommending to its Government to accede to the Convention. With this reservation, sub-paragraph a was accepted without amendments by all delegations.

85. On sub-paragraph n, after extensive discussions, the meeting agreed that the phrase "on proportional basis" be deleted and the sub-paragraph n would read as: "ensure that inter-State transport operations to and from their territories are shared between carriers from their territories and the carriers from other member States".

86. On sub-paragraph o one delegation made a remark that this provision was different in substance than the one originally proposed during the second INT meeting and referred back to the original proposal which reads as: "Ensure that transport rates of such common carriers applicable within their areas to the conveyance of passengers and goods to and from other countries of PTA shall not be less favourable than similar transport rates within their territories".

87. One delegation asked further clarification on the word "areas" in the proposed provision and suggested to change the word by replacing it with "national territories". After discussion, it was finally agreed to replace the word by "national territories" and accept the original provision as proposed in second INT meeting and delete the provision o in the revised protocol.

88. Sub-paragraphs p, and q were accepted as proposed in the revised protocol.

89. One delegation proposed to include an additional sub-paragraph on prevention of illegal transport of goods. The meeting accordingly agreed to include this provision in under the provisions relating to all modes of transport to read as: "Member States shall take necessary measures to prohibit transportation of those products mail and merchandise that are considered as illegal in other PTA member States and are gazetted as illegal in accordance with rules and regulations of that country."

#### Article 4

90. Sub-paragraphs a, and b were accepted without amendments. Sub-paragraph c was accepted as proposed in the revised protocol.

91. Sub-paragraphs d, e, f, g, h, and i, were accepted without amendments.

92. Sub-paragraph j was accepted as proposed in the revised protocol.

93. Sub-paragraph k was accepted without amendments. On the basis of earlier discussions and amendments the phrase "on a proportional basis" on sub-paragraph l was deleted. So that it would read as "agree to allocate railway rolling stock for the conveyance of goods to and from the territories of each other without discrimination".

94. Sub-paragraph m was accepted as proposed in the revised protocol.

95. As already mentioned earlier, a new provision on prevention of illegal transport of goods would also be included in this article as shown in article 3.



Article 5

96. Sub-paragraphs a, and b were accepted without amendments. On sub-paragraph c, it was agreed that the word "co-ordination" be added to read: "develop, maintain and co-ordinate their navigational, communication and meteorological facilities for the provision safe air navigation".

97. Sub-paragraphs d, e, f, g, and h were accepted.

98. Sub-paragraph i was amended on the basis of earlier discussion by deleting the phrase: "on a proportional basis" to read: "Agree to allocate space on board the aircraft of their designated airlines for goods consigned to or from the territories of other member States". As already mentioned earlier a new provision on prevention of illegal transport of goods would also be included in this article.

Article 6

99. Some delegations raised the question as to why the land-locked countries were excluded in the introductory sentence of this article. After explanation from the secretariat and discussion, it was agreed to accept the following wording in the introductory sentence: "The member States shall:".

100. Sub-paragraph a was accepted.

101. Sub-paragraph b which was a new formulation, was discussed at length. After detailed explanation by the representative of IMCO, the meeting accepted the provision with the following addition "endeavour to" to be inserted at the beginning of the sentence and at the end of the sentence: "and where the member States find it advantageous":

102. Sub-paragraph c was accepted with the following amendment: the words "of land-locked" were substituted by "among".

103. Sub-paragraph d was accepted.

104. Sub-paragraph e was amended as follows: "where they are coastal States, co-operate with land-locked member States in maritime transport so as to facilitate the trade of such land-locked member States".

105. Sub-paragraph f was accepted.

106. Sub-paragraph g and h as in earlier article were accepted with the deletion of words "on proportional basis".

107. As already mentioned earlier, a new provision on prevention of illegal transport of goods would also be included in this article.

Article 7

108. The introductory sentence was amended to read as follows: "Member States sharing navigable waterways shall:"

109. Sub-paragraphs a, b, c, d, and f were accepted.

110. Sub-paragraph g as in earlier articles was accepted with deletion of words "on a proportional basis".

111. As already mentioned, earlier, a new provision on prevention of illegal transport of goods would also be included in this article.

112. It was proposed by one delegation that a new provision should be added under this article, and the meeting accepted the new proposal which reads as follows: "Whenever possible promote co-operation among themselves, for joint ventures in inland waterway transport including establishment of joint shipping services".

113. Article 8 was accepted.

114. Article 9

Sub-paragraph a was accepted with amendment to read as follows: "Endeavour to establish a national freight booking centre".

115. Sub-paragraph b was accepted as proposed in the revised protocol.

116. Sub-paragraphs c, d, and e were accepted.

Article 10

117. Sub-paragraphs a, b, c, and d were accepted.

118. Sub-paragraph e as in earlier articles was accepted with deletion of the words "on a proportional basis".

119. It was agreed to introduce in the Article 1, definitions of "multimodal transport", and multimodal transport facilities.

120. One delegation suggested that the provision on prevention on illegal transport of goods should not be repeated in all modes of transport. Since there are several provisions that are repeated in all other modes of transport, it was agreed that the secretariat would propose an appropriate place where this provision and other provisions that are repeated in all other modes of transport should be inserted.

Article 11

121. All provisions of this article were accepted.

Article 12

122. All provisions of this article were accepted.

Article 13

123. One delegation suggested that the phrase telecommunications should be used to cover telephones, telex and telegraphs, which would therefore not need to be mentioned. In this regard the meeting agreed that the definition of telecommunications be included under Article 1 on interpretation. Accordingly, the same changes be made in sub-paragraphs a, and b. On sub-paragraph c the meeting agreed to delete its reference to the resolution 278 (XII) as this was already mentioned in the preamble. The provision would therefore read as: "establish a direct system of telecommunications among themselves so that messages may be transmitted speedily and at reduced rates." Sub-paragraph d was accepted without amendments.

Article 14

124. It was proposed and agreed that sub-paragraph b should be deleted and that Article 14 should accordingly read as follows:

"The member States shall exchange radio and television programmes on matters related to trade in products originating in the member States and for which trade concessions are granted."

125. Articles 15, 16, 17, 18, 19, 20, 21 and 22 were approved in principle since these were standard articles that appeared in all the protocols. It was However, agreed that the words "and for matters incidental to or connected therewith" in Article 16 and in other protocols where they are used should be deleted since they gave the Council more power than was deemed necessary.

126. One delegation proposed two new provisions to be included in the Article 5 on air transport because of their importance to the air transport industry and overall economic development in the subregion.

127. The proposed provisions were as follows:

(k) Take measures directed towards a unified policy for collective purchasing of aircrafts.

(l) Take measures directed towards aircraft standardization including co-operation for the preparation of common technical specification for the type of aircraft to be operated.

128. The new proposals were welcomed by all delegates and accepted. However, one delegation suggested that the wording of the provision (g) was not very clear and requested the secretariat to propose an alternative formulation.

Consideration of draft protocol on standardization and quality control  
(Agenda item 8)

129. The secretariat introduced documents ECA/MULPOC/Lusaka/PTA/III/8 - Draft Protocol on standardization and quality control in the Preferential Trade Area for the Eastern and Southern African States and ECA/MULPOC/Lusaka/PTA/III/9 - Memorandum on the Draft Protocol on standardization and quality control in the Preferential Trade Area for Eastern and Southern African States by succinctly outlining the provisions of the draft protocol and the main objectives, needs, present situation and problems of standardization and quality control of goods in the Eastern and Southern African Subregion.

130. One delegation proposed and it was agreed that the discussions on these documents should only be considered as preliminary and that finalization of the protocol should be done at the fourth meeting of the Intergovernmental Negotiating Team, scheduled to take place in June 1979. This being the case, it was also agreed to discuss the draft protocol article by article.

131. It was suggested that the preamble to the protocol should spell out the specific fields in which member States should endeavour to co-ordinate and harmonize their standardization and quality control policies. The secretariat explained that an attempt had been made in the memorandum to highlight the scope of standardization and quality control and that more specific examples would be provided in the revised draft to accommodate the concerns of delegates.

132. One delegation stressed the importance of linking the issue of standardization and quality control with the broader issue of co-operation in the field of technology. It was agreed that the revised draft would make mention of this.

Article 1

133. It was suggested and agreed that the definition of the word "ARSO" in the English text should come before the definition of the word "Council" in line with the decision taken while discussing other protocols to list words to be defined by alphabetical order.

Article 2

134. There were no comments on this article.

Article 3

135. No comments were made on paragraphs (a) and (d) of this article. Paragraph (b) was amended to read as follows:

"(b) Co-ordinate and share facilities already in existence and develop their potential for research, testing, sizing calibration and control for elaboration and application of standards specifications"

Paragraph (c) was also amended to read as follows:

"(c) Co-ordinate their views with regard to the selection, recognition, adoption and application of regional and international standards in so far as the needs of Preferential Trade Area are concerned".

136. A concensus was reached that the substance of paragraph (e) should be incorporated in paragraph (c).

137. No comments were made on articles 4,5,6, and 7.

138. As agreed earlier during the discussions of other protocols, articles 8-15 were not discussed.

139. It was agreed to include in the draft protocol a provision for training in the field of standardization and quality control, taking into consideration the need to collaborate with ARSO and ISO so as to avoid duplication in this connexion.

#### Preliminary discussion on the BLS report (agenda item 10)

140. After an introduction of this item by a representative of the secretariat, the meeting decided to take note of the report for the time being and to postpone discussion thereof until the fourth meeting of the Intergovernmental Negotiating Team so as to give governments enough time to study its contents in depth. Such substantive discussions as would take place at the fourth meeting would assist the secretariat in preparing the Draft Protocol on the BLS countries which the Council of Ministers of the Lusaka-based MULPOC, at its session held in Nairobi from 1-2 February 1979, decided to put on the agenda of the INT for its fifth meeting.

#### Any other matters (agenda item 11)

141. It was agreed that the agenda for the fourth meeting of the Intergovernmental Negotiating Team would include the following items:

1. Opening of the meeting
2. Election of officers
3. Adoption of the agenda and organisation of work
4. Finalization of the draft protocol on Rules of Origin
5. Finalization of the draft protocol on Transit Trade and Transit Facilities
6. Finalization of the draft protocol on harmonization of trade documents and procedures
7. Finalization of the draft protocol on standardization of goods
8. Consideration of the BLS report
9. Consideration of draft protocol relating to re-export within the PTA of goods imported from third countries
10. Consideration of draft protocol relating to customs co-operation

11. Consideration of lists of commodities to be traded within the framework of PTA
12. Date and venue of the fifth meeting
13. Any other matters
14. Adoption of the report

Date and venue of the next meeting

142. At the invitation of the Government of the People's Republic of Angola, the meeting agreed that the fourth meeting of the Intergovernmental Negotiating Team should be held from 12 to 16 June 1979, in Angola.

Closure of the meeting

143. After the customary exchange of courtesies, the Chairman declared the meeting closed.