



**PROPOSED TREATY FOR THE ESTABLISHMENT  
OF A PREFERENTIAL TRADE AREA  
FOR EASTERN AND SOUTHERN AFRICAN STATES**

**Memorandum by the Executive Secretary  
of the United Nations Economic Commission for Africa**

**To**  
**The Second Extraordinary Conference of Ministers  
of Trade, Finance and Planning of the Eastern and Southern  
African States, Kampala, Uganda, from 27 October to 1 November 1980**

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**UNITED NATIONS  
ECONOMIC COMMISSION FOR AFRICA**

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FOREWORD

PART I

INTRODUCTION

1. I have the honour to forward herewith for your consideration the proposed Treaty for the Establishment of a Preferential Trade Area for Eastern and Southern African States which, except for certain provisions indicated hereunder, has been adopted by the Intergovernmental Negotiating Team.

First Extraordinary Conference of Ministers of Trade, Finance and Planning - Declaration of Intent and Commitment, March, 1978

2. It will be recalled that, following a decision by the Lusaka-based MULPOC Council of Ministers held in Lusaka on 4 November, 1977, the first Extraordinary Conference of Ministers of Trade, Finance and Planning took place in Lusaka, Zambia, on 30 and 31 March 1978 at which the Ministers adopted the Lusaka Declaration of Intent and Commitment on the Establishment of a Preferential Trade Area for Eastern and Southern African States as a first step towards the creation of a common market and eventually an economic community for the subregion. At that meeting the Ministers also agreed on the establishment of an Intergovernmental Negotiating Team of Officials which would conduct negotiations on the Treaty for the Establishment of the Preferential Trade Area and adopted the Team's terms of reference. Furthermore the Ministers adopted an indicative time table for the work of the Negotiating Team which provided for the negotiations to end by June 1979, and the Draft Treaty being reviewed by a Second Meeting of the Extraordinary Conference of Ministers of Trade, Finance and Planning October/December 1979 and finally signed by the Heads of State and Government early in 1980. The terms of the Declaration of Intent and Commitment are set out in Part V of this Document.

3. While I have no doubt that the representatives of your Government on the Negotiating Team have briefed you regularly on the progress of the negotiations, permit me to review briefly the developments which have culminated in the adoption of the attached Proposed Treaty.

PART II

Brief account of the Seven Meetings of the Intergovernmental Negotiating Team First Meeting, June, 1978

4. Following the adoption of the Lusaka Declaration of Intent and Commitment, the first meeting of the Intergovernmental Negotiating Team was held in Addis Ababa, Ethiopia, from 27 to 30 June 1978. At this meeting the Team adopted the Principles which were to form the basis of the Proposed Treaty. The Team agreed that:

- (a) The members of the preferential trade area would be the States

of Eastern and Southern Africa 1/ which ratified the Treaty and such of them as might accede to it thereafter:

(b) The Member States would negotiate from time to time the reduction and elimination among themselves of customs duties and other charges of equivalent effect in respect of imports and exports of selected goods produced within the area. The result of such negotiations would be the subject of specific protocols:

(c) The Member States should consider arrangements for the relaxation and/or abolition of quantitative and administrative restrictions on trade among themselves;

(d) The Member States should agree to the application of the most-favoured nation clause among themselves;

(e) The Member States should consider appropriate payments arrangements among themselves with a view to facilitating trade in goods and services:

(f) The Member States should promote direct contracts and regular exchanges of information among State trading institutions, export promotion and marketing bodies, chambers of commerce, associations of businessmen, trade information and publicity centres and so on:

(g) The Member States should take steps to foster co-operation among themselves in transport, communications and other aspects of infrastructure with a view to facilitating trade in goods and services;

(h) The Member States should consider the possibility of gradually evolving a common commercial policy among themselves within the context of the Preferential Trade Area agreement:

(i) The Member States should consider the establishment of appropriate machinery for the exchange of agricultural products, minerals, metals, manufactures and semi-manufactures within the Preferential Trade Area with a view to promoting direct trade among themselves:

(j) The Member States should consider the possibility of exchanging information on their industrial and agricultural development policies with a view to co-ordinating their policies in those sectors:

(k) The Member States should negotiate common rules of origin with respect to products that would be traded within the Preferential Trade Area:

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1/ The Eastern and Southern African subregion embraces the following countries: Angola, Botswana, the Comoros, Djibouti, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Seychelles, Somalia, Swaziland, Uganda, the United Republic of Tanzania, Zambia and Zimbabwe.

(l) The Member States should negotiate conditions for the re-export of goods within the Preferential Trade Area;

(m) The Member States should negotiate conditions for facilitating transit trade within the Preferential Trade Area;

(n) The Member States should agree on the establishment of an appropriate institutional framework for the Preferential Trade Area;

(o) The Member States should consider the simplification and harmonization of trade documents and procedures;

(p) The Member States should endeavour to co-operate in customs matters;

(q) The Member States should endeavour to standardize the production and packaging of goods produced and traded within the Preferential Trade Area;

(r) The Member States should agree to incorporate other principles which might be required to further the objectives of the Preferential Trade Area;

(s) The Treaty for the establishment of the Preferential Trade Area would be supplemented by a number of protocols, including:

- (i) The Protocol relating to the definition of Rules of origin;
  - (ii) The Protocol relating to the Re-export within the Preferential Trade Area of goods imported from third countries;
  - (iii) The Protocol relating to Clearing and Payments Arrangements;
  - (iv) The Protocol relating to the Simplification and Harmonization of Trade Documents and Procedures;
  - (v) The Protocol on the Standardization of Goods;
  - (vi) The Protocol relating to Transit Trade and Transit facilities;
  - (vii) The Protocol relating to Transport and Communications;
  - (viii) The Protocol relating to Customs Co-operation;
  - (ix) The Protocol relating to the unique situation of Botswana, Lesotho and Swaziland;
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- (x) Any other protocols as might be required to further the objectives of the Preferential Trade Area.

5. The Intergovernmental Negotiating Team has since its inception met seven times in the capitals of various countries has considered, on the basis of proposals submitted by the ECA secretariat, the relevant issues relating to the Principles agreed upon as summarized in the following paragraphs.

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

6. The meeting was held in Mbabane, Kingdom of Swaziland, from 30 November to 6 December 1978. It considered the List of Commodities to be traded among the Member States; the Draft Protocol on Rules of Origin and an explanatory memorandum; and the Draft Protocol on Transport and Communications and explanatory memorandum;

7. On the List of Commodities it was decided that since not all countries had submitted complete lists, they should be given another chance to do so at the third meeting of the Team.

8. The Draft Protocol on Rules of Origin was discussed and amended as appropriate;

9. The Draft Protocol on Transport and Communications was also discussed in depth and amended appropriately;

10. Since the discussions on Commodities, Draft Rules of Origin and the Draft Protocol on Transport and Communications were inconclusive, it was decided to finalize them at the third meeting of the Team in Addis Ababa in February/March 1979 after members had the chance to consult their Governments on outstanding policy questions relating inter alia to criteria to be applied in determining the nationality of vessels, criteria to be applied in determining the origin of goods and the application of the principle of cumulative treatment of goods.

11. Prior to the third meeting of the Team, the Lusaka-based MULPOC Council of Ministers met in Nairobi, Kenya, on 1 and 2 February 1979. The Ministers decided that the Team should add co-operation in the fields of Agriculture and of Industry to the list of Protocols to be negotiated. They also adopted a revised timetable for the negotiations. The revised timetable provided for three rounds of negotiations, for the negotiations to be concluded in October 1979, for the Draft Treaty and Protocols to be reviewed by the Second Extraordinary Conference of Ministers of Trade, Finance and Planning in March 1980, and for the Treaty as approved by the Ministers to be referred to the Heads of State and Government for signature in May 1980.

Third meeting of the Negotiating Team on the Treaty for the establishment of the Preferential Trade Area for Eastern and Southern African States

12. The meeting was held in Addis Ababa, Ethiopia, from 27 February to 5 March 1979. That meeting considered:

- (a) The revised draft Protocol on the Rules of Origin;
- (b) The Revised List of Commodities to be traded within the Preferential Trade Area;
- (c) The Revised Draft Protocol on Transport and Communications;
- (d) The Draft Protocol and Memorandum on Transit Trade and Transit facilities;
- (e) The Draft Protocol and Memorandum on Standardization and Quality Control;
- (f) The draft Protocol and Memorandum on the Simplification and Harmonization of trade documents and procedures;
- (g) Discussion on the report of the ECA Mission to Botswana, Lesotho and Swaziland on their participation in the establishment of a Preferential Trade Area in Eastern and Southern Africa.

13. The third meeting concluded negotiations on the Revised Draft Protocol on Transport and Communications.

Fourth meeting of the Intergovernmental Negotiating Team on the Treaty for the establishment of the Preferential Trade Area for Eastern and Southern African States

14. This meeting was held in Luanda, Peoples Republic of Angola, from 12 to 16 June 1979. The Team continued its negotiations with respect to those issues on which negotiations had not been concluded during the third meeting, namely:

- (a) The Revised Draft Protocol on the Rules of Origin;
- (b) The Revised Draft Protocol on Transit Trade and Transit facilities;
- (c) The Revised Draft Protocol on the Simplification and Harmonization of trade documents;
- (d) The Revised Draft Protocol on Standardization and Quality Control;
- (e) Consideration of the Report of the ECA Mission to Botswana, Lesotho and Swaziland;
- (f) The Revised List of Commodities to be traded within the Preferential Trade Area.

15. In addition, the fourth meeting of the Team held preliminary negotiations with respect to:

(a) The Draft Protocol and Memorandum relating to re-export within the PTA of goods imported from third countries, and

(b) The Draft Protocol and Memorandum relating to Customs Co-operation.

16. The fourth Team meeting was able to conclude negotiations on three protocols, namely:

(a) The Draft Protocol on Transit Trade and Transit facilities;

(b) The Draft Protocol on the Simplification and Harmonization of Trade Documents; and

(c) The Draft Protocol on Standardization and Quality Control.

Fifth meeting of the Intergovernmental Negotiating Team on the Treaty for the establishment of the Preferential Trade Area for Eastern and Southern African States

17. The fifth meeting of the Team was held in Addis Ababa, Ethiopia, from 8 to 19 October, 1979. The Team continued its negotiations on the outstanding protocols as well as on new ones. The issues on which negotiations had not been concluded during the fourth meeting and which were renegotiated at the fifth meeting were:

(a) The Revised Draft Protocol on the Rules of Origin;

(b) The Revised Draft Protocol on Customs Co-operation; and

(c) The Memorandum on the Revised List of Commodities to be traded within the Preferential Trade Area.

18. The fifth meeting also held negotiations on the following new draft protocols:

(a) The Draft Protocol and Memorandum on Co-ordination of Agricultural Policies;

(b) The Draft Protocol and Memorandum on Co-ordination of Industrial Policies;

(c) The Draft Protocol and Memorandum on Botswana, Lesotho and Swaziland; and

(d) The Draft Protocol and Memorandum on Clearing and Payments Arrangements.

19. During this fifth meeting the Team concluded its negotiations on the Protocol on Customs Co-operation.

Sixth meeting of the Intergovernmental Negotiating Team on the Treaty for the establishment of the Preferential Trade Area for Eastern and Southern African States

20. The sixth meeting was held in Gaborone, Republic of Botswana, from 14 to 22 January, 1980. This meeting held negotiations with respect to all outstanding protocols on which negotiations had not been concluded during the previous INT meetings, plus new ones. The agenda for the sixth INT meeting comprised the following items:

- (a) The Revised Draft Protocol on the Rules of Origin;
- (b) The Revised Draft Protocol on Co-ordination of Agricultural Policies;
- (c) The Revised Draft Protocol on Co-ordination of Industrial Policies;
- (d) The Revised Draft Protocol on Clearing and Payments Arrangements;
- (e) The Revised Draft Protocol relating to the unique situation of Botswana, Lesotho and Swaziland (BLS countries);
- (f) The Draft Protocol relating to the List of Commodities to be traded within the Preferential Trade Area;
- (g) Consideration of and negotiation on the Revised List of Commodities to be traded within the Preferential Trade Area; and
- (h) The Draft Treaty on the Establishment of the Preferential Trade Area for Eastern and Southern African States.

21. The sixth meeting of the Team was able to conclude its negotiations on the following protocols:

- (a) The Draft Protocol on co-operation in the field of agricultural development; and
- (b) The Draft Protocol on co-operation in the field of industrial development.

22. Therefore, by the end of the sixth meeting negotiations had been concluded with respect to eight protocols, namely:

- (a) The Draft Protocol relating to the re-export within the Preferential Trade Area of goods imported from third countries;



- (b) The Draft Protocol relating to the simplification and harmonization of trade documents and procedures.
- (c) The Draft Protocol on Standardization of goods and Quality control;
- (d) The Draft Protocol relating to Transit trade and Transit facilities;
- (e) The Draft Protocol relating to Transport and Communications;
- (f) The Draft Protocol relating to Customs co-operation;
- (g) The Draft Protocol relating to Customs co-operation;
- (g) The Draft Protocol on co-operation in the field of agricultural development; and
- (h) The Draft Protocol on co-operation in the field of industrial development.

23. Thus negotiations had yet to be concluded on the following four Draft Protocols and the Draft Treaty:

- (a) The Draft Protocol on the Rules of Origin;
- (b) The Draft Protocol on Clearing and Payments Arrangements;
- (c) The Draft Protocol relating to Commodities to be traded within the Preferential Trade Area;
- (d) The Draft Protocol relating to the unique situation of the BLS countries; and
- (e) The Draft Treaty on the establishment of the Preferential Trade Area for Eastern and Southern African States.

24. Since it was obvious that the Intergovernmental Negotiating Team could not conclude the negotiations in accordance with the revised timetable adopted during the second meeting of the Lusaka-based MULPOC Council of Ministers, the third meeting of the MULPOC Council of Ministers held in Gaborone, Botswana on 28 and 29 January 1980, decided once again to revise the timetable for negotiations in order to allow the Team to hold a seventh and final meeting in May 1980. It was, therefore, further agreed that the second Extraordinary Conference of Ministers of Trade, Finance and Planning should be held during August or September 1980, and that the Summit of Heads of State and Government be held before the end of 1980.

Seventh meeting of the Intergovernmental Negotiating Team on the Treaty for the Establishment of the Preferential Trade Area for Eastern and Southern African States:

25. The seventh and last meeting of the Intergovernmental Negotiating Team was held in Addis Ababa, Ethiopia, from 28 May to 7 June 1980. Since the Team had to finalize its deliberations on all provisions of the Draft Treaty and related Protocols at this meeting its agenda comprised the following items:

(a) Finalization of negotiations on the revised Draft Protocol on Rules of Origin;

(b) Finalization of negotiations on the revised Draft Protocol on Clearing and Payments Arrangements;

(c) Finalization of negotiations on the revised Draft Protocol on the unique situation of the BLS countries;

(d) Finalization of negotiations on the revised Draft Protocol on the reduction and elimination of trade barriers on selected commodities to be traded within the Preferential Trade Area;

(e) Finalization of discussions on the revised List of Commodities to be traded within the Preferential Trade Area;

(f) Finalization of negotiations on the revised Draft Treaty for the Establishment of the Preferential Trade Area;

(g) Consideration of the provisional agenda for the second Extraordinary Conference of Ministers of Trade, Finance and Planning; and

(h) Date and venue for the second Extraordinary Conference of Ministers of Trade, Finance and Planning.

Proposed Treaty for the Establishment of the Preferential Trade Area for Eastern and Southern African States:

26. The seventh and last meeting of the Team adopted the Proposed Treaty of the Preferential Trade Area for Eastern and Southern African States (together with the 12 protocols approved at previous meetings of the Team annexed to the Draft Treaty. The provisions of the Proposed Treaty are set out in Part VI of this Document. Some countries reserved their positions on various parts of this Document. These reservations are set out in the paragraphs that follow for decision by the Second Extraordinary Conference of Ministers of Trade, Finance and Planning.

PART III

Reservations by some countries on specific provisions of the Draft Treaty:

Article 13 of the Draft Treaty: Most-favoured-nation treatment

27. While it was generally agreed that trade preferences granted by any member State to third countries should be extended to other member States, the representatives of the Comoros and Djibouti felt strongly that, since their countries did not at present have any goods "originating" in their territories to export to the other member States, the two countries should be exempted from the application of the provisions of this Article which provides that member States should accord to each other most-favoured-nation treatment in relation to trade between them. Since the other delegations could not accept the request of the two countries on the grounds that it would be contrary to the spirit of preferential trade arrangements, it was agreed that the issue should be referred to the Conference of Ministers for a decision.

Article 19 of the Draft Treaty - Internal legislation

28. Since the Article stipulates that no member State should enact legislation which would restrict the importation of goods from other member States, several delegations felt that the provision would be disadvantageous to some of the member States, particularly the least developed ones, as it would limit their freedom to protect their infant or strategic industries. As the meeting could not reach a consensus on whether or not to allow member States to enact legislation for the protection of their industries, it was agreed that the matter should be referred to the Conference of Ministers for a decision.

Article 20 of the Draft Treaty - Re-exportation of goods and transit facilities

29. While both paragraphs of this Article were generally accepted, one delegation strongly felt that provision should be made under this Article and also under Article 3 of the Draft Protocol on the re-export of goods (Annex IV) to prohibit the re-exportation of goods imported by member States from the Preferential Trade Area to third countries generally. This proposal was not acceptable to other delegations on the grounds that it would be against the principles of international trade and would also curtail intra-African trade. As no agreement could be reached on the proposed provisions, the meeting decided to refer the issue to the Conference of Ministers for a decision.

Articles 33-36 of the Draft Treaty - The Eastern and Southern African Development Bank

30. The attention of participants was drawn to paragraph 67 of the report of the third meeting of the Council of Ministers of the Lusaka-based

MULPOC held in Gaborone, Botswana, on 28 and 29 January, 1980. Under this paragraph the Ministers had decided that, before a decision was taken on whether or not to establish an Eastern and Southern African Development Bank, "the United Nations Economic Commission for Africa in close collaboration with the African Development Bank and the African Centre for Monetary Studies should first undertake a comprehensive study on the feasibility of having such a subregional Development Bank, taking into account the experience of Africa in the management and financing of the African Development Bank." In undertaking this study the secretariat should look into the possibility of expanding the East African Development Bank into a subregional bank, subject to the willingness of the three East African States jointly owning the Bank. Since the study on the feasibility of establishing such a Development Bank was not yet ready, the seventh meeting agreed that Articles 33 to 36 of the Proposed Treaty be put in brackets and submitted to the second Extraordinary Conference of Ministers of Trade, Finance and Planning for a decision on whether or not Articles 33 to 36 should be retained in the Treaty while the study that had been called for by the third meeting of the Council of Ministers of the Lusaka-based MULPOC was being undertaken. This however was a major study that would take time to complete.

Annex III - Revised Draft Protocol on the Rules of Origin:  
subparagraph (a) of paragraph 1 of Rule 2

31. All the previous meetings of the Team had failed to reach a consensus on this provision. At the seventh meeting it was generally agreed that goods should be accepted as originating in a Member State if they were consigned directly from a Member State to a consignee in another member State if:

- "(a) They have been produced by enterprises in the Member States which are subject to majority indigenous management and to at least 51 per cent equity holding by nationals of the Member States and/or a Government or Governments of the Member States or institutions, agencies, enterprises or corporations of such Government or Governments: provided that in the case of the Comoros and Djibouti the percentage of their equity holding shall be 25 per cent for an initial period of 5 years from the definitive entry into force of the Treaty. Thereafter the Council shall upon the recommendation of the Commission determine their levels of participation and equity holding".

It was then proposed that a general proviso should be added to the subparagraph to enable the Council to grant temporary exemptions from the requirement of 51 per cent equity holding and majority indigenous management to any country which faced serious socio-economic problems. Consensus could not be reached on the proposal to include a second proviso to the subparagraph. Consequently, one delegation reserved its position on the whole of subparagraph (a) of paragraph 1 of Rule 2 of the draft Protocol on the Rules of Origin. Thereupon the meeting decided to refer the matter to the second Extraordinary meeting of Ministers for a decision.

In response to a proposal that Mauritius too should be exempted from the full application of subparagraph (a) of paragraph 1 of Rule 2 as had been agreed by the second meeting of the Lusaka-based MULPOC Council of Ministers for Comoros and Djibouti, the meeting decided that a special mission comprising ECA staff members and one official each from Angola, Swaziland and the United Republic of Tanzania should be sent to Mauritius as soon as possible to determine whether the economic situation of the country justified if being exempted from the full application of the subparagraph and submit its findings to the second Extraordinary Conference of Ministers of Trade, Finance and Planning for a decision.

Annex IV - Revised Draft Protocol on the re-export of goods:  
Paragraph 2 of Article 2

32. Paragraph 1 of Article 3 of Annex IV provided for a 100 per cent refund and remission of duties collected in respect of goods when they were re-exported. It was proposed that paragraph 2 should permit the Comoros and Djibouti to refund only 50 per cent of import duties collected from goods originating from third countries for a period of five years from the definitive entry into force of the Treaty. Thereafter the Council would, on the recommendation of the Commission, determine the percentage of duties to be refunded by the Comoros and Djibouti.

Both countries found the 50 per cent offered unacceptable as that would affect their customs revenues adversely. They asked to be granted a 100 per cent exemption for a period of five or six years during which they would restructure their economies accordingly. No consensus could be reached on this matter. The Comoros and Djibouti then reserved their positions on the whole protocol. The meeting thereupon decided to refer this item to the second Extraordinary Conference of Ministers for a decision.

Annex VI - Draft Protocol on Clearing and Payments Arrangements

33. While the Draft Protocol was generally accepted, one delegation proposed that it should be referred to the East African subcommittee of the Association of African Central Banks for review before it was submitted to the Conference of Ministers. However, others felt that since several delegations included Central Bankers in their ranks, and since the Team was directly answerable to the Conference of Ministers, it would be improper to refer the Draft Protocol to the subcommittee of the regional subcommittee of the Association of African Central Banks. The delegation which had made the proposal then reserved its position on the whole Draft Protocol. Thereupon the meeting decided to refer the matter to the second Extraordinary meeting of Ministers for a decision.

Annex VII - Revised Draft Protocol on Transport and Communications

34. One delegation felt that paragraph (f) of this Article requiring the Member States to charge the same rates and to apply the same rules and regulations to railway transport among themselves was not practicable. He made the same observation on paragraph (j) of the same Article requiring the Member States to take measures to facilitate the transfer of railway wagons used for inter-State railway transport, and on paragraph (h) of Article 5 which requires the Member States to adopt a common policy for the collective purchasing of aircraft. Since no agreement could be reached on whether to retain or delete these three provisions the meeting decided to refer the matter to the second Extraordinary Conference of Ministers for a decision.

Annex VIII - Revised Draft Protocol on Co-operation in the Industrial Field

35. Consensus would not be reached on the provisions of paragraph (f) of Article 3, paragraph 2 of Article 4, subparagraph (b) of paragraph 3 of Article 5, and paragraph 2 of Article 8.

- (i) With respect to paragraph (f) of Article 3 which provides for a common industrial investment code and incentives, one delegation proposed that the provision should be deleted on the grounds that it would interfere with the sovereignty of member States in determining their national investment policies.
- (ii) On paragraph 2 of Article 4 which provides that multinational industrial enterprises shall be regulated by the Council, several delegations could not accept the proposal that the criteria, conditions, priorities and guidelines relating to the establishment and operation of multinational enterprises should be determined by the Council.

- (iii) One delegation could not accept the provisions of paragraph 3 of Article 5, to the effect that the proposed Centre for the Promotion of Industrial Development should be responsible for the formulation of guidelines for industrial development in relation to multinational enterprises and investment codes and incentives;
- (iv) On paragraph 2 of Article 8 several delegations objected to the Committee on Industrial co-operation being empowered to promote industrial investments from third countries on the grounds that this would open the door for foreign transnational corporations to exploit the economies of the member States.

Since no consensus could be reached on these issues the meeting decided to refer them to the second Extraordinary Conference of Ministers for its decision.

Annex XII - Revised Draft Protocol on Botswana, Lesotho, and Swaziland

36. The representative of Botswana proposed that:

- (i) The heading of paragraph 2 of Article 3 be deleted and the following substituted therefor:

"Pursuant to the provisions of paragraph 1 of this Article, the Member States agree to exempt the BLS States from granting tariff and non-tariff concessions envisaged in the Treaty to the other Member States for a duration to be determined by the Council while the BLS States remain members of the Southern African Customs Union Agreement"; and that

- (ii) Paragraph 3 of Article 3 be deleted and the following substituted therefor:-

"Nothing contained in the Treaty shall affect the continued application by BLS States of the Southern African Customs Union Agreement after the coming into force of the Treaty. The BLS States shall use their best endeavours to ensure that the objectives assumed under the said Agreement and the Treaty do not conflict".

Since there was no consensus on the two proposals made by Botswana, it was agreed to refer them to the Conference of Ministers for its decision.

37. It was noted that, in accordance with the provisions of Article 19 of South African Customs Union Agreement of 1969, Botswana, Lesotho and Swaziland could not participate in Preferential Trade Area arrangements with other countries without prior consultation with the Republic of South Africa. It was, therefore, not clear whether the BLS States would sign or ratify the Treaty if South Africa objected to its provisions so far as they affect the BLS States. In view of this situation the meeting decided that BLS States should contact the Republic of South Africa as soon as possible with a view to clarifying the position and reporting unequivocally to the Conference of Ministers in order to enable them to advise the Heads of State and Government appropriately on the Revised Draft Protocol on the BLS States.

#### PART IV

#### The Final Phase of Negotiations: Second Extraordinary Meeting of Ministers of Trade, Finance and Planning - Conclusion

38. Your Excellency, it is clear from the foregoing that the progress so far achieved by the officials in negotiating the Treaty is commendable and encouraging. Throughout their negotiations the members of the Intergovernmental Negotiating Team have displayed a spirit of co-operation and diligence in tackling the various problems which have arisen from time to time. If unanimity could not be reached on the issues described in this letter, it was not because the Team was unco-operative but because the respective delegations could not depart from the specific instructions given to them by their Governments. Hence at its second Extraordinary meeting, the Conference of Ministers of Trade, Finance and Planning is expected to pronounce its decisions on the unresolved issues which have been referred to it by the Intergovernmental Negotiating Team, and endorse the Proposed Treaty and its 12 annexes for transmission to the Heads of State and Government. Furthermore, the Conference of Ministers will be expected to agree on the Draft Agenda and the date and venue of the Summit Meeting of Heads of State and Government.

39. In the meantime, as agreed at the seventh meeting of the Intergovernmental Negotiating Team, I intend to send missions of senior staff from the ECA secretariat to visit all countries members of the proposed Preferential Trade Area and brief them on outstanding issues with a view to assisting the Governments to reach the necessary decisions.

#### Draft annotated Provisional Agenda for the Second Extraordinary Conference of Ministers of Trade, Finance and Planning

40. After consultation with the Government of Uganda, it has been decided that the Second Extraordinary Conference of Ministers of Trade, Finance and Planning should be held in Kampala from 27 October to 1 November 1980. The provisional draft agenda for this conference is proposed by the Seventh Team meeting is as follows:



1. Opening of the meeting

Opening statements will be made by a high official of Uganda Government and the Executive Secretary of ECA.

2. Election of officers

The Second Extraordinary meeting of Ministers of Trade, Finance, and Planning will elect a Chairman, a Vice-Chairman and a Rapporteur.

3. Adoption of the provisional agenda and programme of work

The Extraordinary meeting of Ministers will adopt its agenda and decide on the programme of work.

4. Consideration of the Draft Treaty and Protocols on the establishment of the Preferential Trade Area for Eastern and Southern African States adopted by the 7th INT meeting

The Chairman of the 7th INT meeting will table the Treaty and the Protocols to the Second Extraordinary meeting of Ministers of Trade, Finance and Planning.

5. Consideration of the draft provisional-agenda for the Summit of Heads of State and Government for the signing of the Treaty and Protocols

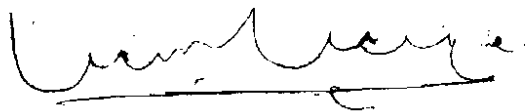
6. Date and venue for the Summit of Heads of State and Government

7. Any other business

8. Adoption of the report

41. Your Excellency, I have no doubt that the same spirit which underlies the Lusaka Declaration of Intent and Commitment will now find full expression in the establishment of a Preferential Trade Area for Eastern and Southern African States as a first step towards the creation of a common market and eventually an economic community for the subregion.

Accept, Sir, the assurances of my highest consideration.



Adebayo Adedeji  
Executive Secretary  
Economic Commission for Africa

PART IV

LUSAKA DECLARATION OF INTENT AND COMMITMENT TO THE  
ESTABLISHMENT OF A PREFERENTIAL TRADE AREA  
FOR EASTERN AND SOUTHERN AFRICAN STATES

(as revised and approved by the Conference)

We, the Ministers of Trade, Finance and Planning of Eastern and Southern African States, convened in Lusaka on 30 and 31 March 1978 in an Extraordinary Council pursuant to the Recommendation of the Third Conference of the Council of Ministers of the Lusaka-based MULPOC held on 4 November 1977, and entrusted, inter alia, with the task of formulating the principles for the establishment of a Preferential Trade Area for Eastern and Southern African States;

Recalling the 1965 recommendation of the Lusaka Conference of Ministers on the establishment of an Economic Community for Eastern Africa with a view to the expansion of trade and the stimulation of economic development and co-operation within the area;

Recalling further the recommendation of the 1966 and 1967 Addis Ababa meetings of the Interim Council of Ministers of Eastern and Southern African States on the terms and measures to be taken for the creation of an Association for the Economic Community of Eastern Africa;

Taking note of the 1967 resolution of the Conference of Heads of State of Eastern and Central African countries on economic co-operation particularly in the field of transport co-operation and its importance for the economic development of this part of the Continent;

Recalling the recommendation of the Third Conference of the Council of Ministers of the Lusaka-based MULPOC held on 4 November 1977 to the effect that Governments of Eastern and Southern African States should pledge their political commitment to the establishment of a Preferential Trade Area as a first step towards the setting up of a Common Market and eventually of an Economic Community;

Having observed the low level of and the deterioration in trade among the countries of the area particularly during the last five years as well as the adverse terms of trade affecting the countries of the area and the lack of meaningful intra-area co-operation in inter-country projects such as transport and communications;

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Recalling further the 1964 resolutions 95(VI) and 100(VI) adopted by the Sixth Session of the Economic Commission for Africa on the establishment of an African Common Market and an African Payments Union with a view to the expansion of intra-African trade;

Inspired by the African Declaration on Co-operation, Development and Economic Independence adopted by the Heads of State and Government of the Organization of African Unity at their Tenth Ordinary Session held in Addis Ababa in May 1973;

Taking note of the recommendations of the 1976 Kinshasa Eleventh Extraordinary Session of OAU Council of Ministers on the gradual establishment of an African Economic Community through the promotion of subregional economic integration;

Recalling further resolution 311(XIII), of the Fourth Meeting of ECA Conference of Ministers held in Kinshasa in February/March 1977 concerning the creation of subregional common markets as a first step towards the establishment of a regional common market;

Having in mind the principles for the implementation of the New International Economic Order in Africa as adopted by the Fourth ECA Conference of Ministers and the Fourteenth Summit Conference of Heads of State and Government of the OAU held in Gabon in July 1977;

Recalling resolutions 3201(S-VI) and 3202 (SIVI) of 1 May 1974 adopted at the Sixth Special Session of the General Assembly of the United Nations on the Declaration and Programme of Action on the establishment of a New International Economic Order, an essential basis for the implementation of which is the promotion of economic co-operation and collective self-reliance among developing countries;

Deeply aware that real industrial and overall socio-economic development will only be effected through economic co-operation and reduction of external dependence;

Determined from past experiences to move towards greater economic co-operation;

HEREBY DECLARE AS FOLLOWS:

1. that we AFFIRM the acceptance and commitment of our respective Governments to the principle of establishing a Preferential Trade Area for the Eastern and Southern African States as a first and major step towards the creation of an effective common market;
  2. that our respective Governments AGREE to negotiate among themselves a Treaty for the establishment of a Preferential Trade Area and such Protocols as may be annexed thereto, and to obtain ratification of the same in accordance with the constitutional procedures of our respective Governments, preferably not later than the end of 1980, and for these purposes HEREBY ESTABLISH an Inter-governmental Negotiating Team composed of representatives of our respective Governments, to prepare the drafts of such Treaty and Protocols for our consideration and approval and to HAVE the Terms of Reference as specified in the document annexed to this Declaration;
  3. that our Governments FURTHER AGREE that for the purposes therein they would create conditions favourable to the achievement of such purposes and in particular that each of our respective Governments would take all appropriate measures to give effect to the Treaty for the establishment of a Preferential Trade Area for Eastern and Southern African States and such Protocols as may be required under or to such Treaty;
  4. that the Treaty to be established will be kept under constant review so that within a period of ten years, consideration can be given to upgrading the co-operation to a subregional Common Market with a view to the eventual creation of an Economic Community for Eastern and Southern African States.
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PART VI

PROPOSED TREATY FOR THE ESTABLISHMENT OF THE PREFERENTIAL  
TRADE AREA FOR EASTERN AND SOUTHERN AFRICAN STATES

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PREAMBLE

The President of the Peoples Republic of Angola;  
The President of the Republic of Botswana;  
The President of the Federal and Islamic Republic  
of Comoros;  
The President of the Republic of Djibouti;  
The Chairman of the Provisional Military Administrative  
Council and Commander in Chief of the Revolutionary  
Army of Socialist Ethiopia;  
The President of the Republic of Kenya;  
His Majesty the King of the Kingdom of Lesotho;  
The Life President of the Republic of Malawi;  
The President of the Democratic Republic of  
Madagascar;  
The Prime Minister of Mauritius;  
The President of the Peoples Republic of Mozambique;  
The President of the Republic of Seychelles;  
The President of the Islamic Republic of Somalia;  
His Majesty the King of the Kingdom of Swaziland;  
The President of the United Republic of Tanzania;  
The President of the Republic of Uganda;  
The President of the Republic of Zambia;  
The President of the Republic of Zimbabwe;

Conscious of the overriding need to foster,  
accelerate and encourage the economic and social  
development of their States in order to improve the  
living standards of their peoples;

Convinced that the promotion of harmonious economic  
development of their States calls for effective  
economic co-operation largely through a determined  
and concerted policy of self-reliance;

Recalling the African Declaration on Co-operation, Development and Economic Independence adopted by the Tenth Assembly of Heads of State and Government of the Organization of African Unity, in May 1973 at Addis Ababa in Ethiopia;

Bearing in mind the Declaration of Intent and Commitment of the establishment of a Preferential Trade Area for Eastern and Southern African States adopted by the First Extraordinary Conference of Ministers of Trade, Finance and Planning held in Lusaka, Republic of Zambia, from the 30th to the 31st March, 1978;

Inspired by the decision contained in the Final Act of the Second Extraordinary Session of the Assembly of Heads of State and Government of the Organization of African Unity held at Lagos 28 to 29 April 1980; that there should be established an African Common Market by the year 2000;

Determined to foster closer economic and other relationships among their States and to contribute to the progress and development of the African continent and the achievement of an African Common Market;

Resolved to act in concert for the establishment of a Preferential Trade Area for Eastern and Southern African States as a first step towards the establishment of a Common Market and eventually of an Economic Community of Eastern and Southern African States;

CHAPTER ONE

ARTICLE I

Interpretation

HEREBY AGREE as follows:

In this Treaty:

"Authority" means the Authority of the Preferential Trade Area established by Article 6 of this Treaty;

("Bank" means the Eastern and Southern African Development Bank established by Article 33 of this Treaty;)

"Commission" means the Intergovernmental Commission of Experts established by Article 10 of this Treaty;

"Committee" means any of the Committees established by Article 10 of this Treaty;

"Common customs tariff" implies an identical rate of tariff imposed in the same manner;

"Co-operation" includes the undertaking by the Member States in common, jointly or in concert of activities undertaken in furtherance of the objectives of the Preferential Trade Area as provided for under this Treaty or under any contract or agreement made thereunder or in relation to the objectives of the Preferential Trade Area;

"Council" means the Council of Ministers established by Article 7 of this Treaty;

"Customs duties" means import or export duties and other charges of equivalent effect levied on goods by reason of their importation or exportation and includes suspended duties and fiscal duties or taxes where such duties or taxes affect the importation or exportation of goods;

"goods in transit" means goods being conveyed between two Member States or between a Member State and a third country and passing through another Member State or States and, "transit" shall be construed accordingly;

"Member State" or "Member States" means a Member State or Member States of the Preferential Trade Area;

"person" includes both natural and legal persons;

"Preferential Trade Area" means the Preferential Trade Area for Eastern and Southern African States established by Article 2 of this Treaty;

"Secretariat" means the Secretariat of the Preferential Trade Area established by Article 9 of this Treaty;

"Secretary-General" means the Secretary-General of the Preferential Trade Area provided for by Article 9 of this Treaty;

"third country" means any country other than a Member State;

"Treaty" means the Treaty for the establishment of the Preferential Trade Area for Eastern and Southern African States;

"Tribunal" means the Tribunal of the Preferential Trade Area established by Article 11 of this Treaty.

CHAPTER TWO

Establishment and Purposes

ARTICLE 2

Establishment and membership  
of the Preferential Trade Area  
for Eastern and Southern African States

1. The HIGH CONTRACTING PARTIES hereby establish among their respective States a Preferential Trade Area for Eastern and Southern African States as a first step towards the establishment of a common market and eventually of an Economic Community of Eastern and Southern African States.

2. Membership of the Preferential Trade Area shall be open to the following Eastern and Southern African States:

The Peoples' Republic of Angola  
The Republic of Botswana;  
The Federal Islamic Republic of Comoros;  
The Republic of Djibouti;  
The Socialist Ethiopia;  
The Republic of Kenya;  
The Kingdom of Lesotho;  
The Republic of Malawi;  
The Democratic Republic of Madagascar;  
Mauritius;  
The Peoples' Republic of Mozambique;  
The Republic of Seychelles;  
The Islamic Republic of Somalia;  
The Kingdom of Swaziland;  
The United Republic of Tanzania;  
The Republic of Uganda;  
The Republic of Zambia;  
The Republic of Zimbabwe.

3. The Member States of the Preferential Trade Area shall be the Eastern and Southern African States set out in paragraph 2 of this Article that sign, ratify or accede to this Treaty and such other immediately neighbouring African States that become Member States of the Preferential Trade Area under the provisions of Article 46 of this Treaty.

### ARTICLE 3

#### Aims and specific undertakings of the Preferential Trade Area

1. It shall be the aim of the Preferential Trade Area to promote co-operation and development in all fields of economic activity particularly in the fields of trade, customs, industry, transport, communications, agriculture, natural resources and monetary affairs with the aim of raising the standard of living of its peoples, of fostering closer relations among its Member States, and to contribute to the progress and development of the African continent.
2. The functioning and development of the Preferential Trade Area shall be reviewed in accordance with the provisions of this Treaty with a view to the establishment of a Common Market and eventually of an Economic Community for Eastern and Southern African States.
3. For the purposes set out in the preceding paragraphs, the Member States agree to implement the undertakings set out in paragraph 4 of this Article and as provided for elsewhere in particular provisions of this Treaty.
4. (a) The Member States undertake by way of the Protocols annexed to this Treaty to:
  - (i) gradually reduce and eventually eliminate as between themselves customs duties in respect of imports of selected commodities produced within the Preferential Trade Area;

- (ii) establish common rules of origin with respect to products that shall be eligible for preferential treatment;
- (iii) establish appropriate payments and clearing arrangements among themselves that would facilitate trade in goods and services;
- (iv) foster such co-operation among themselves in the fields of transport and communications as would facilitate trade in goods and services;
- (v) co-operate in the field of industrial development;
- (vi) co-operate in the field of agricultural development;
- (vii) establish conditions regulating the re-export of products within the Preferential Trade Area;
- (viii) promulgate regulations for facilitating transit trade within the Preferential Trade Area;
- (ix) simplify and harmonize their trade documents and procedures;
- (x) co-operate in customs matters;
- (xi) standardize the manufacture and quality of goods produced and traded within the Preferential Trade Area;
- (xii) recognize the unique situation of the Republic of Botswana, the Kingdom of Lesotho and the Kingdom of Swaziland

as members of the Southern African Customs Union within the context of the Preferential Trade Area and to grant temporary exemptions to the Republic of Botswana, the Kingdom of Lesotho and the Kingdom of Swaziland from the full application of certain provisions of this Treaty; and

- (xiii) govern such other matters as may be necessary to further the aims of the Preferential Trade Area.

(b) The Member States further undertake to:

- (i) relax and/or abolish quantitative and administrative restrictions on trade among themselves;
- (ii) promote the establishment of appropriate machinery for the exchange of agricultural products, minerals, metals, manufactures and semi-manufactures within the Preferential Trade Area;
- (iii) promote the establishment of direct contacts between, and regulate the exchange of information among, their commercial organizations such as State trading corporations, export promotion and marketing organizations, chambers of commerce, associations of businessmen and trade information and publicity centres;
- (iv) ensure the application of the most favoured nation clause to each other;
- (v) adapt progressively their common commercial policy in accordance with the provisions



- of this Treaty; and
- (vi) take in common such other steps as are calculated to further the aims of the Preferential Trade Area.

#### ARTICLE 4

##### General undertaking

The Member States shall make every effort to plan and direct their development policies with a view to creating conditions favourable for the achievement of the aims of the Preferential Trade Area and the implementation of the provisions of this Treaty and shall abstain from any measure likely to jeopardize the achievement of the aims of the Preferential Trade Area or the implementation of the provisions of this Treaty.

#### CHAPTER THREE

#### INSTITUTIONS OF THE PREFERENTIAL TRADE AREA

#### ARTICLE 5

##### Institutions

The institutions of the Preferential Trade Area shall be:

- (a) the Authority;
- (b) the Council of Ministers;
- (c) the Secretariat;
- (d) the Tribunal; and
- (e) such technical and specialised commission, committees or bodies as may be established or provided for by this Treaty.

2. The institutions of the Preferential Trade Area shall perform the functions and act within the limits of the powers conferred upon them by or under this Treaty.

#### ARTICLE 6

##### The Authority of the Preferential Trade Area: establishment, composition and functions

1. There is hereby established an Authority which shall be known as the Authority of the Preferential Trade Area and which shall consist of the Heads of State and Government of the Member States.
  2. The Authority, which shall be the principal executive institution of the Preferential Trade Area, shall be responsible for, and have the general direction and control of, the performance of the executive functions of the Preferential Trade Area and the achievement of its aims.
  3. The decisions and directions of the Authority taken or given in pursuance of the provisions of this Treaty shall be binding on all other institutions of the Preferential Trade Area and on those to whom they are addressed other than the Tribunal of the Preferential Trade Area.
  4. The Authority shall meet at least once every year and may hold extraordinary meetings at the request of any member of the Authority provided that such a request is supported by one-third of the members of the Authority or upon the proposal of the Council of Ministers, addressed to the Secretary-General of the Preferential Trade Area. Subject to the provisions of this Treaty, the Authority shall determine its own rules of procedure.
  5. The decisions of the Authority shall be taken by consensus.
-

ARTICLE 7

Council of Ministers -  
establishment, composition and functions

1. There is hereby established a Council which shall be known as the Council of Ministers and which shall consist of such Ministers as may be designated by each Member State.

2. It shall be the responsibility of the Council:

- (a) to keep under constant review and ensure the proper functioning and development of the Preferential Trade Area in accordance with the provisions of this Treaty;
- (b) to make recommendations to the Authority on matters of policy aimed at the efficient and harmonious functioning and development of the Preferential Trade Area;
- (c) to give directions to all other subordinate institutions of the Preferential Trade Area; and
- (d) to exercise such other powers and perform such other duties as are conferred or imposed on it by this Treaty or as may be determined from time to time by the Authority.

3. The decisions and directions of the Council taken or given in pursuance of the provisions of this Treaty, shall be binding on all other subordinate institutions of the Preferential Trade Area and on those to whom they are addressed other than the Tribunal of the Preferential Trade Area.

4. The Council shall meet at least twice a year and one of such meetings shall be held immediately preceding the annual meeting of the

Authority. Extraordinary meetings of the Council may be held at the request of a Member State provided that such a request is supported by one-third of the Member States.

5. Subject to any directions that the Authority may give and to the provisions of this Treaty, the Council shall determine its own procedure including that for convening its meetings, for the conduct of business thereat and at other times and for the rotation of the office of Chairman among the members of the Council.

6. The decisions of the Council shall be taken by consensus.

7. Where an objection is recorded on behalf of a Member State to a proposal submitted for the decision of the Council, the proposal shall, unless such objection is withdrawn, be referred to the Authority for its decision.

#### ARTICLE 8

##### Decisions of the Authority and the Council

The Authority shall determine the procedure for the dissemination of its decisions and directions and those of the Council and for matters relating to the coming into effect of such decisions and directions.

#### ARTICLE 9

##### The Secretariat

1. There shall be established a Secretariat of the Preferential Trade Area.

2. The Secretariat shall be headed by a Secretary-General who shall be appointed by the Authority to serve in such office for a term of four years and shall be eligible for re-appointment for a further period of four years.

3. The Secretary-General shall be the principal executive officer of the Preferential Trade Area. In addition to the Secretary-General, there

shall be such other staff of the Preferential Trade Area as the Council may determine.

4. The terms and conditions of service of the Secretary-General and the other staff of the Preferential Trade Area shall be governed by regulations that may from time to time, be made by the Council:

Provided that the Secretary-General shall only be removed from office by the Authority upon the recommendation of the Council.

5. In appointing staff to offices in the Secretariat, regard shall be had, subject to the paramount importance of securing the highest standards of efficiency and technical competence, to the desirability of maintaining an equitable distribution of appointments to such posts among citizens of the Member States.

6. (a) In the performance of their duties the Secretary-General and the staff of the Secretariat shall not seek or receive instruction from any Member State or from any other authority external to the Preferential Trade Area. They shall refrain from any actions which might reflect on their position as international officials responsible only to the Preferential Trade Area.

(b) Each Member State undertakes to respect the international character of the responsibilities of the Secretary-General and the staff of the Secretariat and shall not seek to influence them in the discharge of their responsibilities.

7. The Secretary-General shall:

- (a) as appropriate, service and assist the institutions of the Preferential Trade Area in the performance of their functions;
- (b) keep the functioning of the Preferential Trade Area under continuous examination and, where appropriate, report the results of his examination to the Council.

- (c) submit a report on the activities of the Preferential Trade Area to all meetings of the Authority and the Council;
- (d) on his own initiative or as may be assigned to him by the Authority or the Council, undertake such work and studies and perform such services relating to the aims of the Preferential Trade Area and to the implementation of the provisions of this Treaty; and
- (e) be responsible for the administration and finances of the Secretariat of the Preferential Trade Area and all its institutions and act as secretary to the Authority and the Council.

ARTICLE 10

The Intergovernmental Commission and Technical Committees -  
establishment, composition and functions

1. There shall be established as institutions of the Preferential Trade Area the following Commission and Committees:
  - (a) the Intergovernmental Commission of Experts;
  - (b) the Customs and Trade Committee;
  - (c) the Clearing and Payments Committee;
  - (d) the Committee on Agricultural Co-operation;
  - (e) the Committee on Industrial Co-operation;
  - (f) the Transport and Communications Committee;

- (g) the Committee on Botswana, Lesotho and Swaziland.

2. There may be such other Committees as the Authority, on the recommendation of the Council, may from time to time establish or as may be established under this Treaty.
3. The Commission or a Committee other than the Clearing and Payments Committee, shall consist of representatives designated by the Member States to serve on the Commission or on a Committee. Such representatives may be assisted by advisers.
4. The Commission or a Committee may establish such sub-committee as it may deem necessary for the purpose of discharging its functions and specify the composition of such sub-committees.
5. The Commission shall:
  - (a) submit from time to time reports and recommendations to the Council either on its own initiative or upon the request of the Council concerning the implementation of the provisions of this Treaty; and
  - (b) have such other functions as are imposed on it under this Treaty.
6. Each Committee shall submit from time to time reports and recommendations to the Commission either on its own initiative or upon the request of the Commission or the Council concerning the implementation of related provisions of this Treaty, and have such other functions as are imposed on it under this Treaty.
7. Subject to any directives which may be given by the Council, the Commission or a Committee shall meet as often as necessary for the proper discharge of its functions and shall determine its own rules of procedure.

ARTICLE 11

Tribunal of the Preferential Trade Area

1. There is hereby established a judicial organ to be known as the Tribunal of the Preferential Trade Area which shall ensure the proper application or interpretation of the provisions of this Treaty and adjudicate upon such disputes as may be referred to it in accordance with Article 40 of this Treaty.
2. The composition, competence, statutes and other matters relating to the Tribunal shall be prescribed by the Authority.

CHAPTER FOUR

CUSTOMS AND TRADE MATTERS

ARTICLE 12

Liberalization of trade

The Member States agree in accordance with the provisions of this Treaty to:

- (a) the gradual reduction and eventual elimination of customs duties and non-tariff barriers to trade conducted among themselves and
- (b) the gradual evolution of a common external tariff in respect of all goods imported from third countries with a view to the eventual establishment of a common market among themselves.

ARTICLE 13

Customs duties

1. The Member States shall reduce and eventually eliminate in accordance with the provisions of the Protocols on the gradual reduction and



elimination of customs duties and co-operation in customs matters annexed to this Treaty respectively, as Annexes I and II, customs duties imposed on or in connection with the importation or exportation of the commodities which are set out in the Common List to be agreed upon from time to time by the Member States in terms of Annex I to this Treaty and which are eligible for preferential treatment in accordance with Article 15 of this Treaty. Any such duties or other charges are hereinafter referred to as "customs duties".

2. During a period of ten years from the definitive entry into force of this Treaty, a Member State may not be required to reduce or eliminate customs duties except in accordance with the provisions of paragraph 1 of this Article. During this period of ten years the Member States shall not impose any new customs duties or increase existing ones on goods appearing on the Common List and shall transmit to the Secretary-General all information on customs duties for study by the Customs and Trade Committee.

3. The Commission shall, after considering proposals from the Customs and Trade Committee submitted to it by the Secretary-General, recommend to the Council for its approval, a programme for the progressive reduction of customs duties among the Member States with a view to eliminating such duties not later than ten years after the definitive entry into force of this Treaty. Such a programme shall take into account the effects of the reduction and elimination of customs duties on the revenues of the Member States:

Provided that the Council may subsequently decide that any customs duties shall be reduced more rapidly or eliminated earlier than is approved under the provisions of this paragraph.

ARTICLE 14

Common external tariff

For the purposes of this Treaty, the Commission shall, on the recommendation of the Customs and Trade Committee, submit from time to time to the Council for its approval, a programme for the gradual establishment of a common external tariff.

ARTICLE 15

Preferential treatment

1. For the purposes of this Treaty, goods shall be accepted as eligible for preferential treatment if such goods:
  - (a) originate in the Member States; and
  - (b) are during the period of ten years specified in paragraph 2 of Article 13 of this Treaty, contained in the Common List to be agreed upon from time to time by the Member States in terms of Annex I to this Treaty.
2. Goods shall be accepted as originating in the Member States where they satisfy the conditions prescribed in the Protocol on rules of origin annexed to this Treaty as Annex III.

ARTICLE 16

Non-tariff restrictions on goods

1. Except as is provided in this Article and in accordance with Annex I to this Treaty, each of the Member States undertakes that upon the definitive entry into force of this Treaty, it shall relax and remove the then existing quota, quantitative or the like restrictions or

prohibitions on goods which apply to the transfer to that State of goods originating in the other Member States and which are contained in the Common List to be agreed upon from time to time by the Member States. Except as may be provided or permitted by this Treaty, the Member States will thereafter refrain from imposing any further restrictions or prohibitions on such goods.

2. Except as is provided in this Article, the Commission, shall after considering proposals from the Customs and Trade Committee submitted to it by the Secretary-General, recommended to the Council for its approval a programme for the gradual relaxation and eventual elimination not later than ten years from the definitive entry into force of this Treaty, of all the existing quota, quantitative or the like restrictions or prohibitions which apply to the import of goods originating in the other Member States. Except as may be provided for or permitted by this Treaty, the Member States will thereafter refrain from imposing any further restrictions or prohibitions on such goods:

Provided that the Council may subsequently decide that any quota, quantitative or the like restrictions or prohibitions shall be relaxed more rapidly or removed earlier than is approved under the provisions of this paragraph.

3. Notwithstanding the provisions of this Article, a Member State may, after having given notice to the other Member States of its intention to do so, introduce or continue to impose restrictions or prohibitions affecting:

- (a) the application of security laws and regulations;
- (b) the control of arms, ammunition and other war equipment and military items;
- (c) the protection of human, animal or plant health or life, or the protection of public mortality;

- (d) the transfer of gold, silver and precious and semi-precious stones;
- (e) the protection of national treasures or
- (f) the control of nuclear materials, radio-active products or any other material used in the development or exploitation of nuclear energy.

4. If a Member State encounters balance-of-payments difficulties arising from the application of the provisions of this Chapter, that Member State may, provided that it has taken all reasonable steps to overcome the difficulties, impose for the purpose only of overcoming such difficulties for a specified period to be determined by the Council, quantitative or the like restrictions or prohibitions, on goods originating from the other Member States.

5. A Member State imposing quantitative or the like restrictions or prohibitions under paragraph 4 of this Article shall inform the other Member States and the Secretary-General as soon as possible of such restrictions.

6. The Council shall keep under review the operation of any quantitative or the like restrictions or prohibitions imposed under the provisions of paragraph 4 of this Article and take appropriate decisions thereon.

#### ARTICLE 17

##### Dumping

1. The Member States undertake to prohibit the practice of dumping goods within the Preferential Trade Area.

2. For the purposes of this Article, "dumping" means the transfer of goods originating in a Member State to another Member State for sale:

- (a) at a price lower than the comparable price charged for similar goods in the Member State where such goods originate (due allowance being made for the differences in the conditions of sale, in taxation, in transport costs or for any other factors affecting the comparability of price); and
- (b) under circumstances likely to prejudice the production of similar goods in that Member State.

#### ARTICLE 18

##### Most favoured nation treatment

1. The Member States shall accord to one another in relation to trade between them the most favoured nation treatment.
2. In no case shall trade concessions granted to a third country under an agreement with a Member State be more favourable than those applicable under this Treaty.
3. Any agreement between a Member State and a third country under which tariff concessions are granted shall not derogate from the obligations of that Member State under this Treaty.

(Note: Reservations as to the provisions of this Article were made by Comoros and Djibouti).

#### ARTICLE 19

##### Internal legislation

The Member States shall refrain from enacting legislation which directly or indirectly discriminates against the same or like products originating from another Member State or which is in conflict with or which frustrates the attainment of the objectives of this Treaty.

(Note: It was decided to refer the provisions of this Article to the Second Extraordinary Conference of the Ministers of Trade, Finance and Planning of Eastern and Southern African States).

## ARTICLE 20

### Re-exportation of goods and transit facilities

1. Subject to the provisions of this Article, the Member States undertake to facilitate trade in re-exports among themselves in accordance with the provisions of the Protocol on the re-exportation of goods annexed to this Treaty as Annex IV.
2. Each Member State shall grant freedom of transit through its territory of goods proceeding to or from another Member State indirectly through that territory in accordance with the provisions of the Protocol on transit trade and transit facilities annexed to this Treaty as Annex V.
3. The Member States agree that goods imported into their territories from the Republic of South Africa shall not be re-exported into the territories of another Member State and that goods imported into the Member States from a Member State shall not be re-exported to the Republic of South Africa.
4. The Member States further agree that goods being imported or re-exported in contravention with the provisions of paragraph 3 of this Article shall not benefit from the transit facilities and privileges provided for in this Treaty.

(Note: A delegation proposes the introduction of a new paragraph which would prohibit the re-exportation of goods originating from the Member State to any third country. The delegation reserved its position on the matter when it was not accepted by the other delegations).

Customs administration

The Member States shall in accordance with the provisions of Annex II to this Treaty, take measures to harmonize and standardize their customs regulations and procedures to ensure the effective application of the provisions of this Chapter and to facilitate the movement of goods and services across their frontiers.

ARTICLE 22

Drawback

1. The Member States may within ten years from the definitive entry into force of this Treaty, refuse to accept as eligible for preferential treatment the commodities set out in the Common List to be agreed upon from time to time by the Member States in terms of Annex I to this Treaty, and thereafter goods generally, in relation to which drawback is claimed or made use of in connection with their exportation from the Member State in the territory of which the goods have undergone the last process of production.

2. For the purposes of this Article:

(a) "drawback" means any arrangement, including temporary duty-free admission or the refund of all or part of customs duties applicable to imported materials, provided that the arrangement, expressly or in effect, allows such refund or remission if goods are exported but not if they are retained for home use;

(b) "remission" includes exemption from duties on materials brought into free ports, free zones or other places which have similar customs privileges.

CHAPTER FIVE

CO-OPERATION IN PARTICULAR FIELDS

ARTICLE 23

Clearing and payments arrangements

The Member States undertake, in accordance with the provisions of the Protocol on clearing and payments arrangements annexed to this Treaty as Annex VI, to promote trade in goods and services within the Preferential Trade Area by:

- (a) promoting the use of national currencies in the settlement of eligible transactions between themselves;
- (b) establishing machinery for the multilateral settlement of payments among themselves;
- (c) reducing as much as possible the use of foreign exchange by the Member States in their inter-State transactions; and
- (d) undertaking regular consultations among themselves on monetary and financial matters.

(Note: A delegation reserved its position on this Article until it was satisfied with the definition of "Services" provided for in Article I of Annex VI).

ARTICLE 24

Transport and communications

The Member States, recognizing the importance of efficient transport



and communications links and the removal of obstacles to their transport and communications systems for the development of the Preferential Trade Area, undertake to evolve within the framework of the Transport Commission for Eastern and Southern African States and in accordance with the provisions of the Protocol on co-operation in the fields of transport and communications annexed to this Treaty as Annex VII, complementary transport and communications policies and systems. They also undertake to improve and expand their existing transport and communications links and establish new ones as a means of furthering the physical cohesion of the Member States and the promotion of greater movement of persons, goods and services within the Preferential Trade Area.

#### ARTICLE 25

##### Industrial development

The Member States shall in order to enhance industrial development within the Preferential Trade Area, endeavour in accordance with the provisions of the Protocol on co-operation in the field of industrial development annexed to this Treaty as Annex VIII, to promote collective self-reliance, complementary industrial development, the expansion of trade in industrial products and the provision of related training facilities within the Preferential Trade Area.

#### ARTICLE 26

##### Agricultural development

The Member States, aware of the vital role of agricultural development particularly the production of food in the development of their economies, undertake in accordance with the provisions of the Protocol on co-operation in the field of agricultural development annexed to this Treaty as Annex IX, to co-operate in the formulation and implementation of their agricultural policies and programmes

in the various fields of agriculture such as the supply of staple foodstuffs, the export of agricultural commodities, the development of agro-industries and the establishment of institutional machinery for agricultural development.

#### ARTICLE 27

##### Trade documents and procedures

The Member States agree to simplify and harmonize their trade documents and procedures in accordance with the provisions of the Protocol on the simplification and harmonization of trade documents and procedures annexed to this Treaty as Annex X, so as to facilitate trade in goods and services within the Preferential Trade Area.

#### ARTICLE 28

##### Standardization and quality control of goods

The Member States agree to evolve in accordance with the provisions of the Protocol on standardization and the quality control of goods annexed to this Treaty as Annex XI, a common policy with regard to the standardization and quality control of goods originating in the Member States and to undertake such other activities in standardization as would promote trade within the Preferential Trade Area.

#### CHAPTER SIX

##### CO-OPERATION IN OTHER FIELDS

#### ARTICLE 29

##### General and other aspects

Subject to the provisions of this Treaty, the Member States undertake to consult with one another through appropriate institutions of the

Preferential Trade Area for the purpose of harmonizing their respective policies in such fields as they may, from time to time, consider necessary or desirable for the efficient and harmonious functioning and development of the Preferential Trade Area and the implementation of the provisions of this Treaty. In particular, but without prejudice to the generality of the foregoing, the Member States undertake to:

- (a) promote the establishment of direct contacts between, and regulate the exchange of information among, their commercial organizations such as State trading corporations, export promotion and marketing organizations, chambers of commerce, associations of businessmen and trade information and publicity centres;
- (b) adapt their commercial relations with each other and with third countries in such a way as to bring about not later than ten years from the definitive entry into force of this Treaty, the evolution and implementation of a common external trade policy;
- (c) promote the establishment of appropriate machinery for the exchange of agricultural products, minerals, metals, manufactures and semi-manufactures within the Preferential Trade Area;
- (d) promote the establishment of common training programmes and institutions in various fields which would assist in the development of the manpower required within the Preferential Trade Area;
- (e) regulate the activities of their State trading and other commercial enterprises so as to ensure that they play an effective role in the development of the Preferential Trade Area; and

- (f) take in common such other steps as are calculated to further the aims of the Preferential Trade Area and the implementation of the provisions of this Treaty.

CHAPTER SEVEN

ECONOMIC COMMUNITY FOR EASTERN  
AND SOUTHERN AFRICAN STATES

ARTICLE 30

Gradual establishment of a Common Market  
and an Economic Community  
for Eastern and Southern African States

Two years before the expiry of ten years from the definitive entry into force of this Treaty, the Commission shall propose to the Council for its consideration and recommendation to the Authority for its approval, measures which in addition to the provisions of this Treaty, would be required to be implemented as from the end of the said period of ten years, in order to assist in the development of the Preferential Trade Area into a Common Market and eventually into an Economic Community for Eastern and Southern African States.

CHAPTER EIGHT

SPECIAL PROVISIONS IN RESPECT OF BOTSWANA,  
LESOTHO AND SWAZILAND AND COMOROS AND DJIBOUTI

ARTICLE 31

Protocol in respect  
of Botswana, Lesotho and Swaziland

The Member States agree that the Protocol on the unique situation of Botswana, Lesotho and Swaziland within the context of the Preferential

Trade Area annexed to this Treaty as Annex XII, shall taking into account their membership of the Southern African Customs Union, regulate such unique situation of Botswana, Lesotho and Swaziland and the granting to Botswana, Lesotho and Swaziland of temporary exemptions from the full application of certain provisions of this Treaty.

ARTICLE 32

Special provisions in respect of Comoros and Djibouti

The Member States, recognizing the special economic conditions of Comoros and Djibouti, agree to grant them the temporary exemptions from the full application of certain provisions of the Treaty as provided for in this Treaty.

CHAPTER NINE

THE EASTERN AND SOUTHERN AFRICAN  
DEVELOPMENT BANK

ARTICLE 33

Establishment

There is hereby established a development bank to be known as the Eastern and Southern African Development Bank (hereinafter referred to as "the Bank").

ARTICLE 34

Objectives of the Bank

The objectives of the Bank shall be, among other things to:

- (a) provide financial and technical assistance  
to promote the economic and social development

of the Member States, taking into account the prevailing various economic and other relevant conditions within the Preferential Trade Area:

- (b) further the aims of the Preferential Trade Area by financing, wherever possible, projects designed to make the economies of the Member States increasingly complementary to each other;
- (c) supplement the activities of the national development agencies of the Member States by joint financing operations and by the use of such agencies as channels for financing specific projects;
- (d) co-operate, within the terms of its Charter, with other institutions and organizations, public or private, national or international, which are interested in the economic and social development of the Member States; and
- (e) undertake such other activities and provide such other services as may advance the objectives of the Bank.

#### ARTICLE 35

##### Charter of the Bank

The authorized capital stock and resources of the Bank, the determination of the contributions to be paid by the members of the Bank, the regulations governing the payments and the currencies in which they shall be effected, the operation, organization, management and status of the Bank and matters related and incidental thereto, shall be contained in a Charter of the Bank to be prescribed by the Authority.

## ARTICLE 36

### Membership of the Bank

The members of the Bank shall be the Member States and such bodies corporate, enterprises or institutions which with the approval of the Authority, may become members of the Bank.]

(Note: It was decided by the 7th meeting of the Inter-governmental Negotiating Team that since the report commissioned by the third meeting of the LUSAKA-based MULPOC was not yet ready, this Chapter should be submitted to the Second Extraordinary Conference of Ministers of Trade, Finance and Planning of Eastern and Southern African States for its consideration and decision).

## CHAPTER TEN

### FINANCIAL PROVISIONS

## ARTICLE 37

### Budget of the Preferential Trade Area

1. There shall be established a budget of the Preferential Trade Area.
2. All expenditures of the Preferential Trade Area, other than those in respect of the Bank, shall be approved in respect of each financial year by the Council and shall be met from the budget.
3. The resources of the budget shall be derived from annual contributions of the Member States and such other sources as may be determined by the Council.
4. The budget shall be in balance as to revenue and expenditure.

5. A draft budget for each financial year shall be prepared by the Secretary-General and approved by the Council.
6. There shall be special budgets to meet extraordinary expenditures of the Preferential Trade Area.

#### ARTICLE 38

##### Contributions by Member States

1. The Council shall determine the payment and currencies of contributions by the Member States to the budgets of the Preferential Trade Area:  
Provided that the Council may exempt Comoros and Djibouti from the payment of any contributions determined under this paragraph during the three years after the definitive entry into force of this Treaty and thereafter shall pay such amounts of contributions that may be determined annually by the Council on the recommendation of the Commission.
2. Where a Member State is in arrear for more than one year in the payment of its contribution for reasons other than those caused by public or natural calamity or exceptional circumstance that gravely affect its economy, such Member State may, by a resolution of the Authority, be suspended from taking part in the activities of the Preferential Trade Area and shall cease to enjoy the benefits provided for under this Treaty.

#### ARTICLE 39

##### Financial regulations

The Council shall upon the recommendation of the Secretary-General, make financial regulations for the application of the provisions of this Chapter.

#### CHAPTER ELEVEN

#### SETTLEMENT OF DISPUTES

#### ARTICLE 40

##### Procedure for the settlement of disputes

Any dispute that may arise among the Member States regarding the



interpretation and application of the provisions of this Treaty shall be amicably settled by direct agreement between the parties concerned. In the event of failure to settle such disputes, the matter may be referred to the Tribunal by a party to such dispute and the decision of the Tribunal shall be final.

## CHAPTER TWELVE

### GENERAL AND TRANSITIONAL PROVISIONS

#### ARTICLE 41

##### Headquarters of the Preferential Trade Area

The headquarters of the Preferential Trade Area shall be determined by the Authority.

#### ARTICLE 42

##### Official languages

The official languages of the Preferential Trade Area shall be English, French and Portuguese.

#### ARTICLE 43

##### Relations with other regional organizations

1. The Member States may be members of other regional or subregional associations, whether with other Member States or not, provided that the conditions of their membership of such associations shall, except as provided for in this Treaty, not derogate from the provisions of this Treaty.

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2. The Secretary-General shall endeavour to co-ordinate the activities of the Preferential Trade Area with those of the associations referred to in paragraph 1 of this Article.

3. The Preferential Trade Area shall maintain such continuous working relations with the United Nations Economic Commission for Africa as would assist the former in the implementation of the provisions of this Treaty and for this purpose, the Secretary-General shall establish appropriate arrangements with the Executive Secretary of the United Nations Economic Commission for Africa.

#### ARTICLE 44

##### Status, privileges and immunities

1. The Preferential Trade Area shall enjoy international legal personality.

2. It shall have in the territory of each Member State:

- (a) the legal capacity required for the performance of its functions under this Treaty, and
- (b) power to acquire or dispose of movable and immovable property in accordance with the laws and regulations in force in each Member State.

3. The Preferential Trade Area shall in the exercise of its legal personality be represented by the Secretary-General.

4. The privileges and immunities to be recognised and granted by the Member States in connection with the Preferential Trade Area shall be determined by the Council.

5. The Secretary-General acting on behalf of the Preferential Trade Area, shall conclude with the Government of the Member State in whose territory the Headquarters or other institutions of the Preferential Trade Area

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shall be situated, agreements relating to the legal capacity and the privileges and immunities to be recognised and granted in connection with the Preferential Trade Area.

#### ARTICLE 45

##### Preliminary arrangements

1. The Authority shall at its first meeting:
    - (a) appoint the Secretary-General;
    - (b) determine the place where the Headquarters of the Preferential Trade Area shall be situated, and if necessary, arrangements for an interim Secretariat, and
    - (c) give such directions to the Council and other institutions of the Preferential Trade Area as are necessary for the expeditious and effective implementation of this Treaty.
  
  2. Subject to the provisions of paragraph 1 of this Article, the Council shall within two months of the provisional entry into force of this Treaty, hold its first meeting and:
    - (a) appoint persons to offices in the Secretariat in accordance with the provisions of this Treaty;
    - (b) give directions to subordinate institutions of the Preferential Trade Area;
    - (c) give all necessary directions to the Secretary-General as to the implementation of this Treaty; and
-

- (d) do all such other things as may be necessary for the expeditious and effective implementation of this Treaty.

ARTICLE 46

Association of other countries  
with the Preferential Trade Area

The Member States may together negotiate with any African State not included among those referred to in paragraph 2 of Article 2 of this Treaty but which is an immediate neighbour of a Member State and which has transmitted to the Secretary-General its intention of becoming a Member State of, or entering into other co-operative arrangements with, the Preferential Trade Area.

ARTICLE 47

Amendment

1. This Treaty may be amended by the Authority.
2. Any Member State may submit proposals for the amendment of this Treaty.
3. Any proposals for the amendment of this Treaty shall be submitted to the Secretary-General who shall communicate them to the Member States.
4. Any proposals for the amendment of this Treaty shall be submitted by the Secretary-General through the Council to the Authority for its consideration not less than six months after the Member States have been given notice thereof under the provisions of paragraph 3 of this Article.
5. Any amendment to this Treaty shall be adopted by the Authority and shall enter into force when ratified by a majority of the Member States.

ARTICLE 48

Withdrawal

1. Any Member State wishing to withdraw from the Preferential Trade Area shall give to the Secretary-General one year's written notice of its intention to withdraw and at the end of such year, shall, if such notice is not withdrawn, cease to be a Member State of the Preferential Trade Area.

2. During the period of one year referred to in paragraph 1 of this Article, a Member State wishing to withdraw from the Preferential Trade Area shall nevertheless observe the provisions of this Treaty and shall remain liable for the discharge of its obligations under this Treaty.

ARTICLE 49

Annexes to the Treaty

The Annexes to this Treaty shall form an integral part of this Treaty.

ARTICLE 50

Entry into force,  
ratification and accession

1. This Treaty shall enter into force provisionally when signed by or on behalf of the High Contracting Parties and definitively upon ratification by at least seven signatory States.

2. Any State referred to in paragraph 2 of Article 2 of this Treaty may accede to this Treaty on such terms and conditions as the Authority may determine. This Treaty shall enter into force in relation to an acceding State on such date as its Instrument of Accession is deposited.

ARTICLE 51

Depository

1. This Treaty and all Instruments of Ratification or Accession shall be deposited with the Executive Secretary of the United Nations Economic Commission for Africa who shall transmit certified true copies of this Treaty to all Member States.
2. The Executive Secretary of the United Nations Economic Commission for Africa shall notify the Member States of the dates of deposit of Instruments of Ratification and Accession and shall register this Treaty with the United Nations, the Organization of African Unity and such other organizations as the Council may determine.

DONE at \_\_\_\_\_ on the \_\_\_\_\_  
day of \_\_\_\_\_ in the year ONE THOUSAND NINE  
HUNDRED AND EIGHTY in the English, French and Portuguese languages,  
the three texts being equally authentic.

IN FAITH WHEREOF the undersigned have placed  
their signatures at the end of this Treaty.

The President of the Peoples Republic of Angola:

The President of the Republic of Botswana:

The President of the Federal and Islamic Republic of Comoros:

The President of the Republic of Djibouti;

Chairman of the Provisional Military Administrative Council and  
Commander in Chief of the Revolutionary Army of Socialist Ethiopia;

The President of the Republic of Kenya;

His Majesty the King of the Kingdom of Lesotho;

The Life President of the Republic of Malawi;

The President of the Democratic Republic of Madagascar;

The Prime Minister of Mauritius;

The President of the Peoples Republic of Mozambique;

The President of the Republic of Seychelles;

The President of the Islamic Republic of Somalia;

His Majesty the King of the Kingdom of Swaziland;

The President of the United Republic of Tanzania;

The President of the Republic of Uganda;

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The President of the Republic of Zambia

The President of the Republic of Zimbabwe



ANNEX I

PROTOCOL ON THE REDUCTION AND ELIMINATION OF TRADE BARRIERS  
ON SELECTED COMMODITIES TO BE TRADED WITHIN  
THE PREFERENTIAL TRADE AREA

## PREAMBLE

## THE HIGH CONTRACTING PARTIES

PURSUANT to the provisions of item (i) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty to the effect that the Member States shall by way of a Protocol to be annexed to the Treaty provide for the gradual reduction and elimination among themselves of customs duties and other charges of equivalent effect in respect of imports and exports of selected commodities originating within the Preferential Trade Area, and in view of the desirability of making provisions for the elimination of non-tariff barriers with respect to such commodities.

HEREBY AGREE AS FOLLOWS:

## ARTICLE 1

Interpretation

In this Protocol:

"basic rates" means the rates of customs duties imposed by the Member States on commodities appearing on the Common List at the date of the definitive entry into force of this Protocol or at such dates when it is subsequently amended, and which shall constitute the basis for the reduction of customs duties in respect of such commodities, in accordance with the provisions of paragraph 2 of Article 6 of this Protocol;

"Committee" means the Customs and Trade Committee established by Article 10 of the Treaty;

"Commission" means the Intergovernmental Commission of Experts established by Article 10 of the Treaty;

"Common List" means the list of commodities originating in the Member States and which are of both export and import interest to the Member States established from time to time, in accordance with the provisions of Article 3 of this Protocol;

"non-tariff barriers" means non-tariff measures for the regulation of trade which have the effect of restricting or otherwise controlling the importation or exportation of goods, including import and export licence permits, foreign exchange licencing, temporary restriction or prohibition of certain imports or exports, advance import deposit requirements, specification of import sources, the levying of special charges for the acquisition of foreign exchange licences, advance registration by foreign exporters as a condition for granting import permit and other measures with similar effect.

"originating in the Member States" when used with reference to commodities means commodities which are accepted as originating in the Member States in accordance with the provisions of Annex III of the Treaty.

## ARTICLE 2

### Scope and objective

1. The scope and objective of this Protocol shall be to assist in the promotion and gradual liberalization of trade among the Member States with a view to the progressive establishment of a common market and eventually an economic community among the Member States.
2. Subject to the provisions of the Treaty, the Member States for the purposes of paragraph 1 of this Article, undertake to:
  - (a) reduce and progressively eliminate among themselves customs duties and non-tariff barriers to trade on a common list of selected commodities to be agreed upon from time to time;
  - (b) promote direct trade among themselves.

## ARTICLE 3

### The Common List - establishment and effect

1. The Member States agree to the establishment of a Common List of selected commodities originating in the Member States (hereinafter referred to as "the Common List") which shall be annexed to this Protocol and the accordence of preferential treatment to such selected commodities when traded among the Member States.
2. The Common List shall include selected commodities which are of both export and import interest to the Member States and shall be amended from time to time by the Council on the recommendation of the Committee.
3. The Member States agree to reduce and eliminate among themselves in accordance with the provisions of this Protocol, customs duties and non-tariff barriers with respect to the commodities appearing in the Common List.

## ARTICLE 4

Classification of goods and  
determination of tariff concessions

1. The Member States agree to adopt a common percentage for the reduction of customs duties to be applied to each commodity or group of commodities appearing on the Common List.

2. For the purposes of paragraph 1 of this Article, the Member States agree that the commodities appearing in the Common List shall be classified under various groups in respect of which the basic rates shall be progressively reduced and eventually eliminated commencing with reductions by percentages on various groups of commodities as follows:

- Group I:	Food (excluding luxury items)	- 30 per cent
- Group II:	Raw materials:	
	(a) Agricultural	- 50 per cent
	(c) Non-agricultural	- 60 per cent
- Group III:	Intermediate goods	- 65 per cent
- Group IV:	Manufactured consumer goods: (excluding luxury items)	
	(a) Durable consumer goods (excluding (c) and (d) below)	- 35 per cent
	(b) Non-durable consumer goods (excluding (c) and (d) below	- 35 per cent
	(c) Highly competing consumer goods	- 30 per cent
	(d) Consumer goods of parti- cular importance to economic development	- 70 per cent
- Group V:	Capital goods (including transport equipment)	- 70 per cent
- Group IV:	Luxury goods	- 10 per cent

3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, Comoros and Djibouti shall, during the period of two years after the definitive entry into force of the Treaty, be at liberty to reduce their customs duties by 25 per cent only of the rates of tariff reductions applicable to the Member States in accordance with the provisions of paragraphs 1 and 2 of this Article. Thereafter, the rate of tariff reductions that shall be applicable to Comoros and Djibouti shall be determined at every round of negotiations in accordance with the provisions of paragraph 1 of Article 7 of this Protocol.

4. The Member States agree that where there are no customs duties in respect of any commodity contained in the Common List, no customs duty shall be introduced on such commodities when traded within the Preferential Trade Area.

5. Commodities which originate in the Member States but which do not appear on the Common List, shall none the less be accorded the most favoured nation treatment by the Member State.

#### ARTICLE 5

##### Non-tariff barriers and concessions

1. Subject to the Treaty and unless otherwise specified, non-tariff barriers in respect of commodities appearing in the Common List shall be relaxed or eliminated as follows:

<u>Non-tariff barriers</u>	<u>Concessions</u>
(a) Quantitative restrictions	- Preferential treatment in allocation of quotas.
(b) Export and import licencing	- Preferential treatment in issuing licences.
(c) Foreign exchange licencing	- Preferential treatment in issuing licences.
(d) Stipulation of import sources	- Preferential treatment
(e) Prohibition or temporary prohibition of imports	- Exempted where possible.
(f) Advance import deposits	- Preferential treatment.
(g) Conditional permission for imports	- Preferential treatment.
(h) Special charges for acquiring foreign exchange licences	- Preferential treatment.

2. The Member States undertake to keep under constant review the non-tariff barriers to trade among themselves with a view to progressively relaxing and eventually abolishing them.

## ARTICLE 6

### Basic rates and standstill provisions

1. The Member States undertake not to increase customs duties and non-tariff barriers in respect of commodities appearing in the Common List with effect from the date on which agreement is reached to include such commodities in the Common List.

2. For the purposes of paragraph 3 of Article 3 of this Protocol, the Member States agree that:

- (a) the customs duties applied by them on the date of the definitive entry into force of the Treaty shall be the basic rates on which tariff reductions in respect of commodities appearing in the Common List shall be based, and that for other commodities which may subsequently be added to the Common List their basic rates shall be as specified in sub-paragraph (b) of paragraph 6 of Article 7 of this Protocol; and
- (b) the non-tariff barriers applied by them on the date of the definitive entry into force of this Protocol shall be those on which concession in respect of commodities appearing in the Common List shall be based.

3. The Member State shall not later than one hundred and eighty days after agreement is reached in pursuance of the provisions this Protocol, for the reduction or elimination of a tariff or non-tariff barrier in respect of a commodity appearing in the Common List, give effect to such reduction or elimination.

## ARTICLE 7

### Procedure for negotiations on the reduction and elimination of trade barriers

1. The Member States undertake to negotiate among themselves every two years commencing from the date of the definitive entry into force of the Treaty concerning the commodities to be included in the Common List, and subject to the Treaty, the progressive reduction and eventual elimination of customs duties and non-tariff barriers to trade among themselves within a period of ten years.

2. The negotiations concerning the commodities to be included in the Common List shall be undertaken by the Committee and the results of such negotiations approved by the Council.

3. Unless otherwise directed by the Council, each round of negotiations shall last not more than six months; provided that the first round of the negotiations after the date of the definitive entry into force of this Protocol shall commence not later than two years from that date.

4. For the purposes of paragraph 1 of this Article, the Member States undertake to submit to the Secretariat lists of commodities of export and import interest to them and any other relevant information which may at any time be required by the Committee for the purpose of identifying the commodities to be included in the Common List.

5. On receipt of the lists of commodities, the Secretariat shall, taking into account its own proposals, compile a comprehensive list of all commodities of export and import interest to the Member States which the Secretariat shall forward to the Committee to assist it in determining the Common List for approval by the Council.

6. For the purpose of determining the tariff and non-tariff concessions to be granted within the Preferential Trade Area, the Member States agree that:

- (a) the prevailing preferential customs duties in respect of commodities already in the Common List shall be the basic rates on which further tariff reductions shall be based, and that the reductions shall be based on a common percentage to be determined by the Council on the recommendation of the Committee in respect of each group of commodities at every round of negotiations;
- (b) the basic rates in respect of commodities which may from time to time be included in the Common List, shall be the national rates of customs duties applied by the Member States to such commodities on the date on which the inclusions in the Common List are approved by the Council, and the rates of reduction on customs duties shall be those applicable to the group to which such commodities belong as set out in paragraph 2 of Article 4 of this Protocol;

- (c) the non-tariff concessions in respect of commodities which may from time to time be included in the Common List shall be based on the non-tariff barriers applied by the Member States on the date on which agreement is reached on such concessions, and reductions of non-tariff barriers shall be determined in accordance with the provisions of paragraph 1 of Article 5 of this Protocol;
- (d) the Council on the recommendation of the Committee submitted to it by the Commission, may exempt for a specified period any Member State from the application of the agreed reductions or eliminations of customs duties or non-tariff barriers in respect of any commodity:

Provided that such exemption does not frustrate the attainment of the objectives of this Protocol and is communicated as soon as practicable by the Secretariat to the other Member States.

6. Any trade concessions agreed upon in accordance with the provisions of this Article shall be applied multilaterally within the Preferential Trade Area.

## ARTICLE 8

### Treatment of other preferential trade arrangements

1. The Member States agree that all tariff and non-tariff concessions exchanged among some of them in respect of and in force between such Member States may be extended to any other Member State desirous of enjoying such concessions on a reciprocal basis.

2. Nothing in this Protocol shall prevent any two or more of the Member States from maintaining existing or entering into new bilateral or multilateral preferential trade arrangements among themselves in respect of commodities which are not included in the Common List.

3. Nothing in this Protocol shall prevent a Member State from maintaining existing or entering into new preferential trade arrangements with third countries:

Provided that such arrangements do not impede or frustrate the objectives of this Protocol, and that any preferences granted to third countries under such arrangements are extended to the Member States on a reciprocal basis.

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ARTICLE 9

The Committee

Subject to the provisions of this Protocol and to such directions as the Council may give from time to time, the functions of the Committee shall include the following:

- (a) to review the Common List and related tariff and non-tariff reductions or eliminations as may be directed by the Council from time to time;
- (b) to undertake every two years negotiations as to the commodities to be included in the Common List and on the reduction or elimination of customs duties and non-tariff barriers on such commodities and submit their recommendations through the Commission for the consideration and approval of the Council;
- (c) to recommend to the Council through the Commission the exemptions that may be made by the Council in pursuance of the provisions of sub-paragraph (d) of paragraph 6 of Article 7 of this Protocol;
- (d) to undertake such other functions for the liberalization and promotion of trade within the Preferential Trade Area as may be directed by the Council from time to time.

ARTICLE 10

Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

APPENDIX

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA

Ser. No.	Customs tariff heading No.	Commodity description	Countries		Existing import restrictions		Proposed PTA preferences	
			Export interest	Import interest	Tariffs other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preferences
<u>Section 1: Food (excluding luxury goods)</u>								
1	01,02	Live cattle	Djibouti Swaziland	Mauritius Mozambique	None 20 per cent	SR, TER -	30 per cent "	Preferential treatment in import and exchange licensing Bound as non-restricted imports
2	01,05	Poultry live	Ethiopia Kenya Swaziland Zambia	Mozambique Tanzania Uganda	- - None	- - EL, TER	" " "	Bound as non-restricted imports " " " " Preferential treatment in import and exchange licensing
3	02,01	Meat of bovine animals <sup>1/</sup>	Botswana Ethiopia Kenya Madagascar Swaziland Tanzania Uganda Somalia	Angola Comoros Mauritius Mozambique	Kz. 240/Kg+11 per cent 8 per cent None None	- SR SR -	" " "	Bound as non-restricted imports Bound as non-restricted imports
4	03,01	Fish fresh, chilled or frozen <sup>2/</sup>	Angola Djibouti Madagascar Somalia	Swaziland	600C/100 kg	SR, II, EL	"	Preferential treatment in import and exchange licensing
5	03,02	Fish dried, salted or smoked <sup>3/</sup>	Angola Somalia Tanzania Uganda	Comoros Swaziland	21 per cent 30 per cent	SR SR, II, EL	"	Preferential treatment in import and exchange licensing
6	03,03	Crustacean and molluscs	Madagascar Tanzania	Swaziland	550c/100kg	SR, II, EL	"	Preferential treatment in import and exchange licensing
7	04,02	Milk <sup>4/</sup>	Mozambique	Angola Djibouti Ethiopia Mozambique Madagascar Uganda	Kz. 4.00/kg+11 per cent None Br. 30/100kg+19 per cent 8 per cent 12 per cent 50 per cent	- None SR, II - - None	" " " " " "	Bound as non-restricted imports Bound as non-restricted imports Preferential treatment in import and exchange licensing Bound as non-restricted imports " " " " " " " "

\* When a country has no import restrictions, it is bound to maintain this concession.

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity description	Countries		Existing import restrictions		Proposed PTA preferences		
			Export interest	Import interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preference	
8	04.03	Butter (Chee)	Kenya	Angola	Kz.12.00/kg+11 per cent	-	30 per cent	Bound as non-restricted imports	
			Mozambique	Djibouti	None	None	"	" " " "	
				Ethiopia	69-94 per cent	SR, IL	"	Preferential treatment in import and exchange licensing	
			Madagascar	60 per cent	-	"	Bound as non-restricted imports		
9	04.04	Cheese	Kenya	Angola	Kz.20.00/kg+11 per cent	-	"	" " " "	
				Madagascar	120 per cent	-	"	" " " "	
10	04.05	Eggs	Ethiopia	Djibouti	-	-	"	" " " "	
			Zambia						
11	07.01	Vegetables fresh and processed n.e.s.	Madagascar	Comoros	21 per cent	SR	"	Bound as non-restricted imports	
			Swaziland	Djibouti	None	None	"	" " " "	
			Zambia						
12	07.05	Peas and beans 5/ (pulses n.e.s.)	Ethiopia	Angola	Kz.0.80/kg+11 per cent	-	"	" " " "	
			Lesotho						
			Madagascar						
			Mozambique						
13	04.06/ 17.02	Honey (including artificial honey)	Tanzania	Lesotho	350c/100 kg	-	"	" " " "	
			Swaziland						
14	08.0	Edible fruits and nuts 6/	Kenya	Djibouti	None	None	"	" " " "	
			Madagascar	Kenya	25 per cent	None	"	" " " "	
			Mozambique	Mauritius	None	SR, TER	"	Preferential treatment in import and exchange licensing	
			Somalia						
			Tanzania						
			Uganda						
15	09.01	Coffee 7/	Angola	Kenya	40 per cent	None	"	Bound as non-restricted imports	
			Madagascar	Botswana	-	-	"	" " " "	
			Tanzania	Djibouti	None	None	"	" " " "	
			Uganda	Mauritius	None	QR	"	Priority in quota allocation	
			Kenya	Mozambique	Esc. 10/kg	-	"	Bound as non-restricted imports	
			Mozambique	Somalia	Various	-	"	" " " "	
				Swaziland	550c/100	-	"	Preferential treatment in import and exchange licensing	
				Zambia				(a) Preferential treatment in import and exchange licensing	
					12 per cent	QR, IL, EL, ST	"	(b) Priority in quota allocation	

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity Description	Countries		Existing import restrictions		Proposed PTA preferences	
			Export interest	Import interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preferences
16	09.02	Tea <u>8/</u>	Kenya	Angola	Kz.36.00/kg+11 per cent	-	30 per cent	Bound as non-restricted imports
			Madagascar	Botswana	-	-	"	" " " "
			Mauritius	Comoros	43 per cent	SR	"	" " " "
			Mozambique	Djibouti	None	None	"	" " " "
			Tanzania	Ethiopia	Br.3.00-3.50/kg + 19%	IL	"	Preferential treatment in import and exchange licensing
			Uganda	Somalia	44 per cent	-	"	Bound as non-restricted imports
				Swaziland	180c/100kg	IL	"	" " " "
				Zambia				
		Zambia		12 per cent	QR, IL, ELL, ST	(a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation		
17	09-04-10	Spices <u>9/</u>	Comoros	Kenya	45 per cent	TER	"	Preferential treatment in imports and exchange licensing
			Madagascar	Mauritius	None	SR, TER, IL, EL	"	" " " " " "
			Tanzania	Swaziland	400c/100kg	IL, EL	"	" " " " " "
18	10.05	Maize	Madagascar	Angola	Kz.0.60/kg+11 per cent	-	"	Bound as non-restricted imports
			Uganda	Lesotho	-	-	"	" " " "
			Zambia	Mozambique	Esc.1/kg	-	"	" " " "
19	10.06	Rice	Madagascar	Angola	Kz.1.30/kg+11 per cent	-	"	" " " "
				Djibouti	None	None	"	" " " "
				Mauritius	None	SR, TER, IL, EL	"	Preferential treatment in imports and exchange licensing
				Mozambique	Esc.2.50/kg	-	"	Bound as non-restricted imports
				Zambia	2 per cent	QR, IL, ILL, ST	"	(a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation
20	15.07	Fixed vegetable oils <u>10/</u>	Mozambique	Angola	31 per cent	-	"	Bound as non-restricted imports
			Swaziland	Djibouti	None	None	"	" " " "
			Tanzania	Kenya	40 per cent	None	"	" " " "
			Uganda	Madagascar	25 per cent+32F/kg- (net)	-	"	" " " "
				Tanzania	-	-	"	" " " "
				Uganda	40 per cent	EL, TER	"	Preferential treatment in import and exchange licensing
		Zambia		2 per cent	QR, IL, ILL, ST	(a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation		

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity description	Countries		Existing import restrictions		Proposed PTA preference	
			Export interest	Import interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preference
21	15,02/04	Tallow	Botswana Swaziland	Uganda Kenya	- 40 per cent	EL, TER IL	30 per cent "	Preferential treatment in import and exchange licensing Preferential treatment in import and exchange licensing
22	16,02 16,04	Meat and fish extracts and preparations <u>11a/</u>	Botswana Ethiopia Kenya Madagascar Mauritius Somalia Tanzania	Angola Mozambique Swaziland	29 per cent (20-25) per cent (25-30) per cent	- - IL, EL	" " "	Bound as non-restricted imports " Preferential treatment in import and exchange licensing
23	17,01	Sugar <u>11b/</u>	Ethiopia Kenya Madagascar Mozambique Tanzania Uganda Zambia	Angola Botswana Comoros Djibouti Lesotho Tanzania	Kz.2,00/kg+11 per cent - 24 per cent+10F/kg None - -	- SR - None - -	" " " " " "	Bound as non-restricted imports " " " "
24	18,01	Cocoa	Madagascar Tanzania	Kenya Mozambique Swaziland	35 per cent 175c/100kg 12 per cent	None None -	" " "	" " "
25	19,08	Breads, biscuits, infants food preparations	Kenya Madagascar Mauritius	Mozambique	Bsc.3,50/kg	-	"	" " "
26	20,02	Fruits and vegetables preserved or canned	Lesotho Madagascar Mozambique	Angola (tomato)	Kz.2,40/kg+11 per cent	-	"	" " "
27	20,05	Jams, marmalade	Kenya Mozambique Tanzania	Angola	Kz.5,20/kg+11 per cent	-	"	" " "
28	20,07	Fruit and vegetable juice	Kenya Mozambique Tanzania	Angola	Kz.22,00/kg+11 per cent	-	"	" " "

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity description	countries		Existing import restrictions		Proposed PTA preference		
			Export interest	Import interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preferences	
29	22.03	Beer	Ethiopia Kenya Mozambique	Somalia	40% per cent	-	30 per cent	Bound as non-restricted imports	
30	23.0	Feeding stuff for animals <sup>12/</sup>	Angola Botswana Kenya Madagascar Mozambique Swaziland Uganda	Mozambique Uganda Zambia	Esc. 20/kg 10 per cent 2 per cent	- EI, TER QR, IL, ILL, ST	" " "	" " " Preferential treatment in import and exchange licensing (a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation	
31	25.01	Common salt	Angola Djibouti Ethiopia Madagascar Mozambique Somalia Tanzania Uganda	Zambia (in bulk)	2 per cent	QR, IL, ILL, ST	"	(a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation	
<u>Section II A: Agricultural raw materials</u>									
1	12.01	Oilseeds and oleaginous fruits <sup>13/</sup>	Angola Comoros Ethiopia Madagascar Uganda Zambia	Kenya Madagascar Mauritius Somalia	35 per cent 41 per cent None 49 per cent	None - - -	50 per cent " " "	Bound as non-restricted imports " " " " " " " " "	
2	12.03	Seeds and spores for sowing	Kenya	Madagascar	22 per cent	-	"	" " "	
3	13.02	Gum arabic (gum used as incense)	Ethiopia Somalia	Kenya	35 per cent	None	"	" " "	
4	14.0	Materials of vegetable origin used for plaiting	Madagascar	Kenya	35 per cent	None	"	" " "	
5	24.01	Unmanufactured tobacco	Madagascar Mozambique <sup>a/</sup> Tanzania Uganda Zambia	Ethiopia Kenya Mozambique	Br. 5/kg + 76 per cent 35 per cent 6 per cent	IL None -	" " "	Preferential treatment in import and exchange licensing Bound as non-restricted imports " " "	

<sup>a/</sup> When a country has no import restrictions, it is bound to maintain this concession.

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity description	Countries		Existing import restrictions		Proposed PTA preferences		
			Export interest	Import interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preferences	
6	41.0	Hides and skins <u>1A/</u>	Angola Botswana Djibouti Lesotho Madagascar Uganda	Kenya	35 per cent	None	50 per cent	Bound as non-restricted imports	
7	53.05	Wool	Lesotho Tanzania	Madagascar	32 per cent	-	"	" " " "	
8	55.03	Cotton waste not carded or combed	Tanzania Zambia	Kenya	35 per cent	None	"	" " " "	
9	55.1	Raw cotton	Mozambique Tanzania Uganda Zambia	Djibouti Kenya	None 25 per cent	None None	" "	" " " " "	
<u>Section II B: Non-agricultural raw materials</u>									
1	25.01	Common salt	Angola Djibouti Ethiopia Madagascar Mozambique Somalia Tanzania Uganda	Zambia (in bulk)	2 per cent <del>25</del>	QR, IL, ILL, ST	60 per cent	(a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation	
2	25.15	Marble (rough)	Angola Ethiopia Mozambique	Kenya Tanzania	20 per cent 15 per cent	None -	" "	Bound as non-restricted imports " " "	
3	25.20	Gypsum and plaster	Zambia (Gypsum Anhydrate)	Djibouti Mozambique Uganda	None 40 per cent 7 per cent	None IL, EL, TER "	" "	" " " " Preferential treatment in import and exchange licensing Bound as non-restricted imports	
4	27.01	Coal	Mozambique Swaziland Zambia	Angola Kenya	23 per cent 40 per cent	- None	" "	Bound as non-restricted imports " " "	

COMMON LISTS OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity description	Countries		Existing import restrictions		Proposed PTA preferences		
			Export interest	Import interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preferences	
5	25.22	Lime	Zambia	Djibouti Swaziland	None None	None IL, EL	60 per cent "	Bound as non-restricted imports Preferential treatment in import and exchange licensing Bound as non-restricted imports	
				Tanzania	30 per cent	-	"	" " "	
6	26.01	Copper concentrates	Mozambique	Tanzania	10 per cent	-	"	" " "	
<u>Section III: Intermediate goods</u>									
1	13.03	Pyrethrum extracts	Kenya Botswana	Tanzania	-	-	65 per cent	Bound as non-restricted imports	
2	15.02	Tallow	Swaziland	Kenya Uganda	40 per cent -	IL EL, TER	" "	Preferential treatment in import and exchange licensing " " " " "	
3	15.16	Waxes	Angola (artificial and Manufactured) Madagascar Tanzania Zambia	Kenya	35 per cent	QR, IL	"	(a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation	
4	25.15	Marble (worked)	Angola Ethiopia Mozambique	Kenya Tanzania	40 per cent 15 per cent	- -	" "	Bound as non-restricted imports " " "	
5	25.22	Lime	Zambia	Djibouti Swaziland	None 7.50 per cent	None IL, EL	" "	" " " Preferential treatment in import and exchange licensing Bound as non-restricted imports	
				Tanzania	30 per cent	-	"	" " "	
6	25.24	Chrysotile asbestos	Swaziland	Uganda	20 per cent	EL, TER	"	Preferential treatment in import and exchange licensing	
	28.08	Sulphuric acid	Zambia	Tanzania Mozambique	10 per cent 3 per cent	None -	" "	Bound as non-restricted imports " " "	
7	28.42	Soda ash	Kenya	Tanzania Uganda Zambia	10 per cent 20 per cent 2 per cent	- IL, EL, TER QR, IL, ILL, ST	" " "	Bound as non-restricted imports Preferential treatment in import and exchange licensing (a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation	



COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
EDUCATIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity description	Countries		Existing import restrictions		Proposed PTA preferences	
			Export interest	Import interest	Tariffs and other charges equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preferences
8	32.03	Tanning extracts, synthetic tanning material	Kenya	Tanzania (synthetic)	10 per cent	None	65 per cent	Bound as non-restricted imports
				Mozambique (synthetic)	7 per cent	-	"	" " "
9	35.06	Prepared glues	Angola	Mozambique	Esc. 4/kg + 7 per cent	-	"	" " "
				Uganda	20 per cent	IL, EL, TER	"	Preferential treatment in import and exchange licensing
10	36.02	Explosives	Swaziland	Mozambique	20 per cent	-	"	Bound as non-restricted imports
11	39.02	Polymerization products P.V.C.	Angola	Madagascar	55 per cent	-	"	" " "
			Mauritius	Mozambique	20%, 10% or 5%	-	"	" " "
12	44.1	Improved or reconstituted wood and other wood, wood manufactures, n.e.s. <u>15/</u>	Angola	Djibouti	None	None	"	Bound as non-restricted imports
			Kenya	Kenya	45 per cent	None	"	" " "
			Mozambique	Mauritius	-	-	"	" " "
			Swaziland	Somalia	2 1/2 per cent	-	"	" " "
			Tanzania	Tanzania	42 per cent	-	"	" " "
			Uganda	Zambia	2 per cent	QR, IL, ILL, ST	"	(a) Preferential treatment in import and exchange licensing
			Zambia				"	(b) Priority in quota allocation
13	48.0	Paper <u>16/</u>	Kenya	Djibouti	None	None	"	Bound as non-restricted imports
			Madagascar	Ethiopia	19 per cent	None	"	" " "
			Swaziland	Madagascar	32 per cent	-	"	" " "
			Tanzania	Mauritius	30 per cent	-	"	" " "
				Mozambique n/	15 per cent	-	"	" " "
				Uganda		EL, TER	"	Preferential treatment in import and exchange licensing
				Tanzania	Varying to type	None	"	Bound as non-restricted imports
				Zambia	2 per cent	QR, IL, ILL, ST	"	(a) Preferential treatment in import and exchange licensing
							"	(b) Priority in quota allocation
14	69.02	Tiles of ceramic and P.V.C.	Kenya	Mozambique	Esc. 30/kg	-	"	Bound as non-restricted imports
				Tanzania	-	-	"	" " "
15	73.10	Wire rods	Kenya	Tanzania	10 per cent	None	"	" " "
				Zambiq	2 per cent	QR, IL, ILL, ST	"	(a) Preferential treatment in import and exchange licensing
							"	(b) Priority in quota allocation

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity description	Countries		Existing import restrictions		Proposed PTA preferences		
			Export interest	Import interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preferences	
16	73.14	Sheets, tubes, bars of iron or steel <u>17/</u>	Angola Kenya Mozambique Tanzania	Botswana Djibouti Madagascar Somalia Zambia	- None 17 per cent 24 per cent 2 per cent	- None - - QR, IL, ILL, ST	65 per cent " " " "	Bound as non-restricted imports " " " " (a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation	
17	74.03/04	Copper rods and cables	Zambia	Angola Kenya Madagascar Mozambique	Kz.1.00/kg+7 per cent 35 per cent 17 per cent 25 per cent	- None - -	" " " "	Bound as non-restricted imports " " " "	
18	76.01	Aluminium alloys, products thereof	Kenya (copper extension)	Angola Mozambique (sheets, cables)	Kz.2.00/kg+11 per cent Esc. 0.80 and 3.50/kg respectively	- -	" "	" " " "	
19	83.15	Welding rods and electrodes	Kenya Mozambique	Tanzania	30 per cent	None	"	" " "	
<u>Section IV A: Non-durable consumer goods (excluding (c) and (d))</u>									
1	15.16	Waxes	Angola Madagascar Tanzania Zambia	Kenya	35 per cent	QR, IL	35 per cent	(a) Preferential treatment in import and exchange licensing (b) Priority in quota allocation	
2	32.09	Distempers, lacquers, varnishes	Angola Kenya Mauritius Mozambique Swaziland	Djibouti Uganda	None 60-75 per cent	None IL, EL, TER	35 per cent "	Bound as non-restricted imports Preferential treatment in import and exchange licensing	
3	34.0	Soap, toilet and washing preparations	Kenya Tanzania	Angola Botswana Djibouti Tanzania	Kz.4.00/kg+11 per cent - None 52 per cent	- - None -	" " " "	Bound as non-restricted imports " " " "	
4	29.02/07	Plastic materials	Kenya Mauritius Tanzania	Angola Djibouti	51 per cent None	- None	" "	" " " "	

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA (continued)

Ser. No.	Customs tariff heading No.	Commodity description	Countries		Existing import restrictions		Proposed PTA preference		
			Export interest	Import interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other * charges of equivalent effect	Other preferences	
5	40.11	Rubber tyres and inner tubes for motor vehicles and bicycles <u>18/</u>	Angola	Botswana	-	-	35 per cent	Bound as non-restricted imports	
			Kenya	Comoros	37 per cent	None	"	" " "	
			Tanzania	Mauritius	105 per cent	-	"	" " "	
			Mozambique	Swaziland	20 per cent	None	"	" " "	
			Zambia	Tanzania	52 per cent	-	"	" " "	
			Uganda	Uganda	50 per cent	IL, EL, TER	"	Preferential treatment in import and exchange licensing	
6	41.0/	Leather and articles thereof		Mozambique	20%, 15% or 10%	-	"	Bound as non-restricted imports	
			Djibouti	Kenya <u>x/</u>	35 per cent	None	"	Bound as non-restricted imports	
			Ethiopia	Mauritius <u>x/</u>	15 per cent	-	"	" " "	
			Kenya						
			Madagascar						
			Mauritius						
7	47.01	Pulp, (unbleached wood pulp)	Swaziland	Ethiopia (paper pulp)	19 per cent	IL	"	Preferential treatment in import and exchange licensing	
				Mozambique	Esc. 60.00 or 20.00/kg	-	"	Bound as non-restricted imports	

Notes: x/ Kenya exports handbags and travel goods, imports leather (dressed).  
Mauritius exports watches straps, imports leather.

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA  
(continued)

Ser. No.	Customs Tariff Heading No.	Commodity Description	Countries		Existing import restrictions		Proposed PTA preferences	
			Export Interest	Import Interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other charges of equivalent effect	Other preferences
8	48.0	Paper	Kenya	Ethiopia	19 per cent	None	35 per cent	Bound as non-restricted imports
			Madagascar <sup>m/</sup>	Madagascar <sup>m/</sup>	32 per cent	-	"	" " "
			Swaziland	Mauritius	30 per cent	-	"	" " "
			Tanzania	Mozambique <sup>n/</sup>	15 per cent	-	"	" " "
				Zambia	2 per cent	QR, IL, ILL, ST	"	a) Preferential treatment in import & exchange licensing b) Priority in quota allocation.
9	48.18	Exercise books, registers, albums	Kenya	Angola	51 per cent	-	"	Bound as non-restricted imports
			Uganda					
10	66.01	Umbrellas	Lesotho	Madagascar	70 per cent	-	"	" " "
11	68.12	Articles of asbestos, cementite fabrics	Angola	Kenya	35 per cent	None	"	Bound as non-restricted imports
			Mozambique	Tanzania	30 per cent	None	"	
			Swaziland					
12	69.10	Sinks, wash basins, videts, other sanitary fittings	Angola	Mozambique	26,5 per cent	-	"	" " "
				Tanzania	27 per cent	-	"	" " "
				Uganda	25 per cent	IL, EL, TER	"	Preferential treatment in import and exchange licensing
13	69.1	Pottery	Angola	Kenya	45 per cent	-	"	Bound as non-restricted imports
			Swaziland					
14	70.1	Glassware <sup>19/</sup>	Kenya	Angola	Kz. 3.00/kg+11 per cent	None	"	" " "
			Mozambique					
			Tanzania					
			Zambia					
15	73.26	Barbed wires	Mozambique	Tanzania	10 per cent	None	"	" " "
16	73.27	Chicken and Mosquito nets	Mozambique	Tanzania	10 per cent	None	"	" " "
17	73.36	Domestic utensils	Mozambique	Kenya	30 per cent	None	"	" " "
			Tanzania	(of copper)				
			(n.e.s.)					
18	73.31	Nails and screws	Mozambique	Tanzania	3 1/3 per cent	None	"	" " "
19	82.13	Articles of cutlery	Swaziland	Madagascar	65 per cent	-	"	" " "
				Uganda	50 per cent	EL, TER	"	Preferential treatment in import and exchange licensing
20	82.01	Agricultural hand tools (machetes, pangas)	Kenya	Botswana	-	-	"	Bound as non-restricted imports
			Mozambique	(tools n.e.s.)				
			Tanzania	Uganda	None	-	"	Bound as non-restricted imports
21	83.01	Locks and padlocks and parts thereof	Kenya	Angola	41 per cent	-	"	" " "
				Madagascar	Differing according to type			
				Tanzania	42 per cent	None	"	" " "
22	85.03	Batteries and accessories		Somalia	74 per cent	-	"	" " "
			Kenya	Uganda	48 1/3 per cent	IL, EL, TER	"	Preferential treatment in import and exchange licensing
			Mozambique	Tanzania <sup>t/</sup>	22 per cent	-	"	Bound as non-restricted imports
			Tanzania					
			Zambia					
23	85.2	Electric lamps and bulbs	Kenya	Somalia	54 per cent	-	"	" " "
			Mozambique	Tanzania	42 per cent	-	"	" " "
24	90.03	Spectacles, frames, sunglasses	Mauritius	Uganda	10 per cent	EL, TER	"	Preferential treatment in import and exchange licensing
25	91.01	Watches, clocks and parts	Mauritius	Swaziland	10 per cent	-	"	Bound as non-restricted imports
			Mozambique					
26	98.01/02	Buttons, zips	Kenya	Mozambique	23 per cent, Esc. 75.00/kg	-	"	" " "
			Swaziland					
27	98.03/05	Fountain pens, stylographs & components	Mozambique	Angola	(31-35) per cent	-	"	" " "

Note: <sup>m/</sup> Exports antemoro paper and imports dress pattern paper

<sup>n/</sup> Esc. 1.00/kg for craft paper

<sup>t/</sup> Tanzania exports batteries and cells not specified and imports batteries specified for motor vehicles.

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA  
(continued)

Customs Ser. Tariff No. Heading No.	Commodity Description	Countries		Existing import restrictions			Proposed PTA preferences	
		Export Interest	Import Interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other* charges of equivalent effect	Other preferences	
<u>Section IV B - Durable consumer goods</u> <u>(Excluding (C) and (D))</u>								
1	73.24		Kenya	Mozambique	Esc. 1,60/kg	-	40 per cent	Bound as non-restricted imports
2	84.15			Mozambique	Tanzania	54 per cent	"	" " "
3	87.05/06		Kenya	Botswana	-	-	"	" " "
			Mozambique	Swaziland	30 per cent	IL, EL	"	Preferential treatment in import and exchange licensing
4	87.09		Mozambique	Djibouti	None	None	"	Bound as non-restricted imports
			Tanzania	Uganda	-	IL, EL, TFR	"	Preferential treatment in import
5	94.02/03		Kenya	Botswana	-	-	"	Bound as non-restricted imports
			Lesotho	Djibouti	None	None	"	" " "
			Mozambique	Madagascar	33 per cent	-	"	" " "
			Swaziland					
			Tanzania					
			Uganda					
<u>Section IV C - Strongly competing consumer goods</u>								
1	55.06		Uganda	Mauritius <sup>b/</sup>	50 per cent	-	30 per cent	Bound as non-restricted imports
			Tanzania					
2	55.07/09		Kenya	Angola	51 per cent	-	"	" " "
			Madagascar	Comoros	(62 - 73) per cent	None	"	" " "
			Mauritius	Mozambique	(20 - 25) per cent	-	"	" " "
			Mozambique					
			Uganda					
3	61/62		Kenya	Angola	(31 - 79) per cent	-	"	" " "
			Lesotho	Botswana	-	-	"	" " "
			Madagascar	Djibouti	None	None	"	" " "
			Mauritius	Mozambique	25 per cent	-	"	" " "
			Mozambique					
			Swaziland					
			Tanzania					
			Uganda					
			Zambia					
4	64.0		Ethiopia	Angola	Kz. 24,00/pair+11 %	-	"	" " "
			Kenya		Kz. 60,00/pair	-	"	" " "
			Lesotho	Djibouti	None	None	"	" " "
			Mauritius	Tanzania <sup>c/</sup>	22 per cent	-	"	" " "
			Mozambique	Uganda	None	IL, EL, TFR	"	Preferential treatment in imports and exchange licensing
			Tanzania <sup>c/</sup>					
<u>Section IV D - Consumer goods of particular importance to economic develop- ment (other than capital goods)</u>								
1	25.23		Angola	Botswana	-	-	70 per cent	Bound as non-restricted imports
			Djibouti	Comoros	23 per cent	None	"	" " "
			Kenya	Djibouti	None	None	"	" " "
			Mozambique	Lesotho	5 per cent	-	"	" " "
			Zambia	Madagascar	15% + 30F/gross tons	-	"	" " "
				Mauritius	None	-	"	" " "
				Somalia	24 per cent	-	"	" " "
				Tanzania	Shs. 49,25/ton	-	"	" " "
				Uganda	Shs. 118,60/ton	-	"	" " "

Notes: b/ 55 per cent for cotton yarn not put up for retail sale.

c/ Tanzania exports footwear not specified and imports gun-boots specified.

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA  
(continued)

Ser. No.	Customs Tariff Heading No.	Commodity Description	Countries		Existing import restrictions		Proposed PTA preferences	
			Export Interest	Import Interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other* charges of equivalent effect	Other preferences
Section IV D - (continued)								
2	27.0/1	Petroleum products <sup>24/</sup>	Angola <sup>d/</sup> Kenya Mozambique	Angola <sup>d/</sup> Botswana Comoros Lesotho Swaziland Tanzania Somalia Zambia	Kz.0.60/kg+11 per cent - Varying to type 10341C/1000L 10341C/1000L Varying to type Shs. 36/100kg+24 % 2%/12%	- - - None - - - QR, IL, ILL, ST	70 per cent " " " " " " "	Bound as non-restricted imports " " " " " " " a) Preferential treatment in imports & exchange licensing b) Priority in quota allocation " " "
3	30.0	Pharmaceutical products <sup>25/</sup>	Kenya Lesotho Zambia	Angola Botswana Madagascar Mozambique Swaziland Tanzania Uganda	16 per cent - 31 per cent 5 per cent (15-25) per cent Free 75 per cent	- - - - SR, IL, EL - IL, EL, TER	" " " " " " "	Preferential treatment in imports and exchange licensing Bound as non-restricted imports Preferential treatment in imports and exchange licensing "
4	31.01	Manufactured chemical fertilizers	Mauritius Swaziland Zambia	Djibouti Madagascar Mozambique <sup>e/</sup> Tanzania Zambia	None None 12 per cent None 2 per cent 0	None - - - QR, IL, ILL, ST	" " " " "	Bound as non-restricted imports " " " a) Preferential treatment in import & exchange licensing b) Priority in quota allocation "
5	38.11	Insecticides	Kenya Tanzania	Mozambique Tanzania Uganda	Esc. 10/kg or 12% None None	- - IL, EL, TER	" " "	Priority in quota allocation Bound as non-restricted imports Preferential treatment in imports and exchange licensing "
6	85.19	Electrical equipments and appliances <sup>e/</sup>	Kenya Mozambique	Madagascar	Varying to type	-	"	Bound as non-restricted imports

Note: d/ Angola exports crude petroleum oil and imports other petroleum or bituminous oils.

e/ Kenya is importer of other electrical apparatus for breaking circuit

- Mozambique exports electrical stoves, heaters, wires, and cables of high and low tension

COMMON LIST OF PREFERENTIAL COMMODITIES SHOWING THE PROPOSED TARIFF AND NON-TARIFF  
REDUCTIONS FOR THE PTA  
(continued)

Ser. No.	Customs Tariff Heading No.	Commodity Description	Countries		Existing import restrictions		Proposed PTA preferences	
			Export Interest	Import Interest	Tariffs and other charges of equivalent effect	Non-tariff barriers	Tariff and other* charges of equivalent effect	Other preferences
<u>Section V - Capital goods (including transport equipment)</u>								
1	84	Machinery and mechanical appliances <u>26/</u>	Kenya Swaziland Mozambique	Botswana Madagascar Swaziland	- Differing according to type 20 per cent	- - IL, EL	70 per cent " "	Bound as non-restricted imports " " Preferential treatment in imports and exchange licensing
				Tanzania Uganda Zambia	10 per cent None 22 per cent	- IL, EL, TER QR, IL, ILL, ST	" " "	" " a) Preferential treatment in imports & exchange licensing b) Priority in quota allocation Bound as non-restricted imports
2	86.06	Railwagons, vans, parts thereof	Kenya Mozambique	Angola	Kz. 0.50/kg+11 per cent	-	"	Bound as non-restricted imports
3	87.05 06	Motor vehicles, parts, accessories (for commercial purposes) <u>26/</u>	Kenya Mozambique	Botswana Swaziland	- About 30 per cent	- IL, EL	" "	" " Preferential treatment in imports and exchange licensing Bound as non-restricted imports
				Tanzania (exhaust pipe)	-	-	"	"
<u>Section VI - Luxury goods <sup>27/</sup></u>								
1	17.04	Sugar confectionery	Madagascar Mauritius	Lesotho	30 per cent	-	10 per cent	Bound as non-restricted imports
2	18.06	Chocolate confectionery	Kenya Madagascar	Swaziland	20 per cent	IL, EL	"	Preferential treatment in imports and exchange licensing
3	22.03	Beer	Ethiopia Kenya Mozambique	Somalia	404 per cent	-	"	Bound as non-restricted imports
4	22.05	Wine	Ethiopia	Kenya	75-85 per cent+30% sales tax	QR, IL, TER	"	(a) Preferential treatment in import and exchange licensing (b) Priority in quota allocations
5	22.09	Alcoholic beverages <u>28/</u>	Angola Ethiopia Madagascar Mauritius Somalia Swaziland Tanzania Uganda	Botswana Djibouti	- None	- None	" "	Bound as non-restricted imports " "
6	24.02	Cigarettes	Madagascar Mozambique Tanzania Zambia	Botswana Djibouti Swaziland	- None 90c/10kg	- None IL, EL	10 per cent " "	Bound as non-restricted imports " " Preferential treatment in import and exchange licensing
7	33.03/04	Essential oils, perfumes and flavour materials	Comoros Madagascar Mauritius	Kenya	60%, 70%	None	"	Bound as non-restricted imports
8	98.11	Smoking pipes, bowls	Tanzania	Kenya	30 per cent	None	"	" " "

Note: TER - Preliminary authorization of the Government departments concerned with technical and economic restrictions.  
SR - Sanitary restrictions  
QR - Quota restrictions  
ILL - Import Licensing Levy  
IL - Import licensing (and import permission)  
EL - Foreign exchange licensing  
ST - Sales Tax  
\* - When a country has import restrictions it is bound to maintain this concession.

(-) - Information not available.

Note:

E = Exports

I = Imports

n.s. = Not specified

<u>1/</u>	Botswana	<u>E/</u>	Boneless beef, carcass beef, offals
	Comoros	<u>I/</u>	Meat and offals
	Ethiopia	<u>E/</u>	Beef, meat of sheep, goats and kids, meat and edible offals
	Kenya	<u>E/</u>	Canned beef, meat
	Madagascar	<u>E/</u>	Meat of bovine animals and meat offals
	Mauritius	<u>I/</u>	Meat of bovine animals fresh, chilled or frozen
	Mozambique	<u>I/</u>	Meat bovine animals
	Swaziland	<u>E/</u>	Frozen meat
	Tanzania	<u>E/</u>	Meat of bovine animals
	Uganda	<u>E/</u>	Meat of bovine animals
	Somalia	<u>E/</u>	Boneless beef (chilled and frozen), carcass beef
<u>2/</u>	Angola	<u>E/</u>	Fresh fish, frozen/chilled
	Madagascar	<u>E/</u>	Fish n.s.
	Somalia	<u>E/</u>	Frozen fish
	Tanzania	<u>E/</u>	Fish n.s.
	Swaziland	<u>I/</u>	Other fresh fish
<u>3/</u>	Angola	<u>E/</u>	Fish salted
	Comoros	<u>I/</u>	Fish dried
	Somalia	<u>E/</u>	Dry salted fish
	Swaziland	<u>I/</u>	Fish, dried, salted, smoked
	Uganda	<u>E/</u>	Fish, dried, salted, smoked
<u>4/</u>	Angola	<u>I/</u>	Condensed milk
	Djibouti	<u>I/</u>	Milk n.s.
	Ethiopia	<u>I/</u>	Milk and cream evaporated, milk cream condensed
	Madagascar	<u>I/</u>	Milk liquid
	Mozambique	<u>E/</u>	Condensed milk
		<u>I/</u>	Powdered milk



5/	Angola	<u>I/</u>	Haricot
	Ethiopia	<u>E/</u>	Lentils whole, skinned, split or broken, peas dried, horse beans dried, haricot beans dried, chick peas dried, mixed peas dried, other pulses dried.
	Lesotho	<u>E/</u>	Haricot beans-whole, black eyed peas-whole
	Mozambique	<u>E/</u>	Beans
	Madagascar	<u>E/</u>	Haricot beans, lentils and other pulses
6/	Djibouti	<u>I/</u>	Fruits, nuts and preparations
	Kenya	<u>E/</u>	Fresh fruits n.s. pineapple juice
	Kenya	<u>I/</u>	Bananas
	Madagascar	<u>E/</u>	Cashew-nut
	Mauritius	<u>I/</u>	Oranges, Lemons and Lime, fresh grapes, dried grapes, fresh apples.
	Mozambique	<u>E/</u>	Coconuts, citrines (grape fruit)
	Somalia	<u>E/</u>	Banana grape fruit (pompelmo fresh)
	Tanzania	<u>E/</u>	Cashew nuts raw, cashew kernels
	Uganda	<u>E/</u>	Bananas, pineapples
7/	Kenya	<u>E/</u>	Coffee n.s.
	Kenya	<u>I/</u>	Coffee, extracts, essence, concentrates
	Angola	<u>E/</u>	Coffee n.s.
	Botswana	<u>I/</u>	Coffee n.s.
	Djibouti	<u>I/</u>	Coffee n.s.
	Lesotho	<u>I/</u>	Coffee green
	Mauritius	<u>I/</u>	Coffee n.s.
	Mozambique	<u>I/</u>	Coffee n.s.
	Swaziland	<u>I/</u>	Roasted coffee
	Tanzania	<u>E/</u>	Instant coffee, coffee n.e.s.
	Uganda	<u>E/</u>	Coffee n.s.
	Zambia	<u>I/</u>	Coffee in bulk
8/	Angola	<u>I/</u>	Tea n.s.
	Botswana	<u>I/</u>	Tea n.s.
	Comoros	<u>I/</u>	Tea n.s.
	Djibouti	<u>I/</u>	Tea n.s.
	Ethiopia	<u>I/</u>	Tea in bulk or in packets or containers
	Kenya	<u>E/</u>	Tea n.s.
	Madagascar	<u>E/</u>	Tea n.s.
	Mauritius	<u>E/</u>	Tea n.s.
	Swaziland	<u>I/</u>	Tea n.s.
	Tanzania	<u>E/</u>	Tea n.s., tea blended
	Uganda	<u>E/</u>	Tea, tea packed
	Zambia	<u>I/</u>	Tea in bulk

<u>9/</u>	Comoros	<u>E/</u>	Vanilla, Cloves
	Kenya	<u>I/</u>	Cardamon, thyme, saffron, Bayleaves and other spices
	Madagascar	<u>E/</u>	Pepper, Vanila, Cinamon, Cloves
	Mauritius	<u>I/</u>	Pepper, Coriander, spices, other ground
	Swaziland	<u>I/</u>	Spices (not ground or crushed)
	Tanzania	<u>E/</u>	Cloves
	Uganda	<u>E/</u>	Chillies
<u>10/</u>	Angola	<u>I/</u>	Palm oil, groundnut oil, soyabean oil, cotton seed oil, sunflower oil
	Djibouti	<u>I/</u>	Vegetable oils n.s.
	Kenya	<u>I/</u>	Coconut (copra) oil
	Madagascar	<u>I/</u>	Fixed vegetable oils (groundnut oil)
	Mozambique	<u>E/</u>	Copra oil, nutritious oil
	Swaziland	<u>E/</u>	Vegetable oils (future potential)
	Tanzania	<u>E/</u>	<u>I/</u> Fixed vegetable oils
	Uganda	<u>E/</u>	Vegetable oils, cottonseed oils
	Zambia	<u>I/</u>	Fixed vegetable oil
<u>11a/</u>	Angola	<u>I/</u>	Other prepared or preserved or meat of fish
	Botswana	<u>E/</u>	Corned beef
	Ethiopia	<u>E/</u>	Corned beef, meat extracts and meat juice
	Madagascar	<u>E/</u>	Meat conserved, meat extracts and juice
	Mauritius	<u>E/</u>	Canned Tuna
	Mozambique	<u>I/</u>	Canned meat, canned fish
	Somalia	<u>E/</u>	Canned beef, canned fish
	Swaziland	<u>I/</u>	Prepared, preserved, smoked Ancovys, Sardines
	Tanzania	<u>E/</u>	Canned beef
<u>11b/</u>	Angola	<u>I/</u>	Sugar unrefined and other products of beet and cane sugar
	Botswana	<u>I/</u>	Beet and cane sugar
	Comoros	<u>I/</u>	Sugar raw, other sugar n.s.
	Djibouti	<u>I/</u>	Sugar n.s.
	Ethiopia	<u>E/</u>	Sugar refined
	Madagascar	<u>E/</u>	Sugar n.s.
	Mozambique	<u>E/</u>	Sugar n.s.
	Tanzania	<u>E/</u>	Refined sugar
	Tanzania	<u>I/</u>	Sugar raw
	Uganda	<u>E/</u>	Sugar n.s.
	Zambia	<u>E/</u>	Sugar n.s., Sugar syrups, etc.
	Zambia	<u>E/</u>	Sugar raw and refined

<u>12/</u>	Angola	<u>E/</u>	Flours of fish, bran, sharps derived from milling or working cereals and leguminous vegetables Bagasse of ground nuts
	Botswana	<u>E/</u>	Blood and carcass meal
	Kenya	<u>E/</u>	Prepared animal feed n.s.
	Madagascar	<u>E/</u>	Bran freckle, oilcakes
	Mozambique	<u>E/ I/</u>	Oilcakes, Fish flour
	Swaziland	<u>E/</u>	Maize bran (hominy chop)
	Uganda	<u>E/</u>	Cottonseed cakes
	Zambia	<u>I/</u>	Fish meal, stockfeed
<u>13/</u>	Angola	<u>E/</u>	Oil seeds n.s.
	Ethiopia	<u>E/</u>	Sesame seed
	Kenya	<u>I/</u>	Copra
	Madagascar	<u>E/</u>	(Castor oil) groundnuts
		<u>I/</u>	Oilseeds and oleagenous fruits n.s.
	Mauritius	<u>I/</u>	Copra and other oil seeds
	Zambia	<u>E/</u>	Groundnuts (shelled roasted)
<u>14/</u>	Angola	<u>E/</u>	Hides (dressed) of bovine animals, bovine cattle leather unspecified
	Botswana	<u>E/</u>	Hides (wet blue and wet salted)
	Djibouti	<u>E/</u>	Hides and skins, leather
	Kenya	<u>E/</u>	Handbags
		<u>I/</u>	Leather of bovine cattle (dressed), sheep and lamb skins, hides and skins
	Madagascar	<u>E/</u>	Leather goods
	Mauritius	<u>I/</u>	Leather, <u>E/</u> Watches strap
	Tanzania	<u>E/</u>	Leather of bovine cattle (dressed), handbags
	Uganda	<u>E/</u>	Hides and skins, leather and products
<u>15/</u>	Angola	<u>E/</u>	Wood in the rough, wood transformed
	Djibouti	<u>I/</u>	Wood, n.s., fuel wood, wood charcoal, plywood
	Kenya	<u>E/</u>	Fabricated houses, clothes pegs, coat hanger
		<u>I/</u>	Lumber sawn lengthwise, reconstituted wood (particle board)
	Madagascar	<u>E/</u>	Joinery and articles n.s.
	Mauritius	<u>I/</u>	Non-coniferous logs; lumber sawn lengthwise - current tariff - 10 per cent. Building board current tariff - 30 per cent. Plywood; builders carpentary and joinery current tariff - 50 per cent.

Mozambique	<u>I/</u>	Sawed timber, wood boards, finished parquets, plywood a.d., haidboards, raw timber
Swaziland	<u>E/</u>	Sawn timber
Tanzania	<u>E/</u>	Poles, Pilling- posts and other wood in the rough n.s., lumber planed, tongued, grooved etc., plywood and veneer panels
Tanzania	<u>I/</u>	Plywood and veneer panels
Uganda	<u>E/</u>	Plywood, tea chests, timber, (mvule and mahogany)
Zambia	<u>E/</u>	Rough sawn, poles, parquet flooring
Zambia	<u>I/</u>	Rough sawn timber
<u>16/</u>		
Botswana	<u>I/</u>	Packing container of paper and paper board
Ethiopia	<u>I/</u>	Paper pulp
Kenya	<u>E/</u>	Paper bags, craft paper other, carbon paper cut to size
Madagascar	<u>E/</u>	Paper (antemoro paper)
Madagascar	<u>I/</u>	Dress pattern paper
Mauritius	<u>I/</u>	Craft paper, paper board, rolls or sheets other than packaging, paper and paper-board impregnated, coated, other paper and board cut to size other than toilet paper
Mozambique	<u>I/</u>	Printing and craft paper
Swaziland	<u>E/</u>	Paper (craft, newsprint) - (future potential)
Tanzania	<u>E/</u>	Fibreboards and other building boards
Tanzania	<u>I/</u>	Newspaper print, paper board simply finished, fibreboards and building boards, paper and paperboards
Uganda	<u>I/</u>	Paper (printing, writing and craft)
Zambia	<u>I/</u>	Paper and paper products
<u>17/</u>		
Angola	<u>E/</u>	Iron tubes for concretes
Botswana	<u>I/</u>	Sheets, tubes and pipes of iron or steel
Djibouti	<u>I/</u>	Pipes and other articles of base metals
Kenya	<u>E/</u>	Wire rods, mild steel wire, corrugated iron sheets
Mozambique	<u>E/</u>	Sheets, pipes of iron or steel
Somalia	<u>I/</u>	Corrugated iron sheets
Tanzania	<u>E/</u>	Sheets, tubes, bars, pipes, circles and other articles
Zambia	<u>I/</u>	Sheets, plates, slabs, bars, tubes and pipes
<u>18/</u>		
Angola	<u>E/</u>	Rubber tyres for motor vehicles
Botswana	<u>I/</u>	Rubber tyres, cases, threads, inner tubes and flaps
Kenya	<u>E/</u>	Tyres for road motor vehicles and bicycles
Mauritius	<u>I/</u>	Motor vehicle tyres inner tubes
Mozambique	<u>E/</u>	Tyres n.s.
	<u>I/</u>	Inner tubes

	Swaziland	<u>I/</u>	Pneumatic tyres
	Tanzania	<u>E/</u>	Tyres for road motor vehicles, tubes for road motor vehicles
	Uganda	<u>E/</u>	Tyres for road motors, tubes for road motors
<u>19/</u>	Angola	<u>I/</u>	Bottles
	Kenya	<u>E/</u>	Glass hollow wares
	Mozambique	<u>E/</u>	Glasses, bottles, glassware table sets, glass bulbs, glass n.s.
	Zambia	<u>E/</u>	Bottles, jars, glass containers
<u>20/</u>	Botswana	<u>I/</u>	Motor vehicle wagons, parts
	Kenya	<u>E/</u>	Locomotives and parts, vehicle brakelinings, motor vehicle bodies and commercial vehicles, trailers
	Mozambique	<u>E/</u>	Trailers, wagons
	Swaziland	<u>I/</u>	Motor vehicle components
	Tanzania	<u>I/</u>	Exhaust pipes and silencers
<u>21/</u>	Comoros	<u>I/</u>	Other cotton fabrics n.s.
	Mozambique	<u>E/</u>	Cotton thread, cotton textiles
		<u>I/</u>	White and raw cotton textiles, dyed cotton wool textiles n.s.
	Tanzania	<u>E/</u>	Printed cotton fabrics
	Uganda	<u>E/</u>	Cotton fabrics (gray)
<u>22/</u>	Angola	<u>I/</u>	Outergarments men's, women's, girls' and boys' etc.
	Botswana	<u>I/</u>	Jackets, waist coats, trousers, rugs and blankets
	Djibouti	<u>I/</u>	Articles of apparels and clothing accessories, fibres, cordages, ropes
	Kenya	<u>E/</u>	Outergarments n.s., cotton blankets, tents and tarpaulin
	Lesotho	<u>E/</u>	Handprinted garments, other garments, fashion knitwear n.s.
	Mauritius	<u>E/</u>	Trousers, blouses, cotton drill gloves, terry towels, bedsheets
	Mozambique	<u>E/</u>	Clothes, n.s., bed and table clothing, carpets
		<u>I/</u>	Cotton blankets
	Swaziland	<u>E/</u>	Clothing n.s.
	Tanzania	<u>E/</u>	Vests, T-shirts, sports shirts, cardigans and pullover, other garments for women, girls and infants, shirts for men and boys, blankets (cotton).
		<u>I/</u>	Sanitary towels
	Uganda	<u>E/</u>	Underwears, blankets and travelling rugs
	Zambia	<u>E/</u>	Men's and boys' underwear

<u>23/</u>	Angola	<u>I/</u>	Footwear n.s.; shoes of all types (leather, rubber, plastic)
	Botswana	<u>I/</u>	Footwear n.s.
	Djibouti	<u>I/</u>	Footwear n.s.
	Ethiopia	<u>E/</u>	Leather shoes
	Kenya	<u>E/</u>	Footwear gum boots, footwear all types
	Lesotho	<u>E/</u>	Sheepskins slippers footwear
	Mozambique	<u>E/</u>	Shoes n.s.
	Tanzania	<u>E/</u>	Footwear n.s.
		<u>I/</u>	Gum boots
	Uganda	<u>I/</u>	Footwear n.s.
<u>24/</u>	Angola	<u>E/</u>	Crude petroleum oils <u>I/</u> light oils from bitumenous minerals n.s.
	Botswana	<u>I/</u>	Petrol aviation spirits, distillate fuels, lubricating oils and greases
	Comoros	<u>I/</u>	Petrol oil and petrol gas
	Kenya	<u>E/</u>	Aviation spirit, motor spirit jet fuels, lubricating greases, bitumen and bitumenous emulsion
	Lesotho	<u>I/</u>	Petroleum aviation spirit; aviation, power and heating kerosene
	Mozambique	<u>E/</u>	Petrol, fuel oil asphalt
	Somalia	<u>I/</u>	Lubricating oils
	Swaziland	<u>I/</u>	Petrol and aviation spirit; current tariff = 18694C/1000L Diesel and aviation kerosene; current tariff = 20316C/1000L Lubricating oils = 8 per cent
	Tanzania	<u>I/</u>	Petroleum crude, aviation and motor spirit, jet fuel lampoil and motor spirit, distillate fuel heavy lubricating oil, lubricating grease, <del>non</del> -lubricating oil, petroleum jelly, petroleum asphalt and <b>bitumen</b>
	Zambia	<u>I/</u>	Petroleum oils crude, lubricating oils
<u>25/</u>	Angola	<u>I/</u>	Antisera, and microbial vaccines, medicaments n.s.
	Botswana	<u>I/</u>	Medicaments n.s.
	Kenya	<u>E/</u>	Medicaments, drugs, other non-proprietary medical or veterinary preparations, proprietary drugs, medicinal and veterinary preparations
	Lesotho	<u>E/</u>	Pharmaceuticals n.s.
	Mozambique	<u>E/</u>	Medicines n.s.
	Swaziland	<u>I/</u>	<b>Pharmaceutical products</b>
	Tanzania	<u>I/</u>	Medicaments, drugs, pharmaceuticals n.s.
	Uganda	<u>I/</u>	Pharmaceuticals n.s.
	Zambia	<u>E/</u>	Pharmaceuticals (fluids)

<u>26/</u>	Botswana	I/	Machinery -- mechanical appliances and parts
	Kenya	E/	Agricultural, tea making, metal and wood working machinery, wheelbarrows and tractors
	Mozambique	E/	Agricultural implements
	Swaziland	E/	Pumps (submerible), tractors
		I/	Machinery n.s.
	Uganda	I/	Food processing machinery
	Zambia	I/	Wheel barrows, etc.

27/ For the purpose in view defined as those consumer goods not considered essential for average standard of living within the area and therefore not mass consumed and usually high priced.

<u>28/</u>	Angola	E/	Alcoholic beverages n.s.
	Botswana	I/	Brandy
	Djibouti	I/	Alcoholic beverages n.s.
	Ethiopia	E/	Other alcoholic beverages, wine, beer, cognac, other liquers and cordials
	Kenya	I/	Wine
		E/	Beer larger
	Madagascar	E/	Alcoholic beverages, rum
	Swaziland	E/	Liquor
	Tanzania	E/	Konyagi, Brandy, Africoco
	Uganda	E/	Uganda waragi (gin)

ANNEX II

PROTOCOL RELATING TO CUSTOMS CO-OPERATION.  
WITHIN THE PREFERENTIAL TRADE AREA FOR  
EASTERN AND SOUTHERN AFRICAN STATES

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PREAMBLE

THE HIGH CONTRACTING PARTIES

AWARE of the fact that divergencies between national customs laws and procedures and lack of co-operation in customs matters hamper trade among the Member States;

CONVINCED that the elimination or reduction of such divergencies in customs laws and procedures and the promotion of customs co-operation among the Member States can contribute to the development of such trade;

AWARE further of the International Convention on Mutual Administrative Assistance for the prevention, investigation and repression of customs offences done at Nairobi on the 9th June 1977; the International Convention on the Simplification and Harmonization of customs procedures done at Kyoto on the 18th May 1973; the Customs Convention on the International Transit of Goods (ITI Convention) done at Vienna on 7th June 1971; the Customs Convention on the ATA Carnet for the temporary admission of goods (ATA Convention) done at Brussels on the 6th December 1961; and other relevant international Customs Conventions; and

HAVING REGARD to item (x) of sub-paragraph (a) of paragraph 4 of the Treaty which requires that customs co-operation among the Member States shall be set out in a Protocol to be annexed to the Treaty;

HEREBY AGREE as follows:

ARTICLE 1

Interpretation

In this Protocol:

"Committee" means the Customs and Trade Committee of experts established by Article 10 of the Treaty;

"customs law" means all the statutory provisions applied by the customs administration on the importation, exportation, transit or movement of goods whether or not they involve the collection of duties and/or taxes (or security thereof), on the enforcement of prohibitions, restrictions or control or exchange control regulations or on any other customs regime;

"customs offence" means any breach or attempted breach of customs law;

"customs territory" means the territory in which the customs law of a Member State or the Member States applies in full;

"free zone" means a part of the territory of a Member State where any goods introduced into that State are generally regarded, in so far as import duties are concerned, as being outside its customs territory and are not subject to the usual customs control;

"goods declaration" means a statement made in the form prescribed by the customs administration by which the persons concerned furnish the particulars which the customs administration requires to be declared for purposes of the application of the relevant customs procedure;

"import duties" means customs duties and any other charges of equivalent effect levied on or in connection with the importation of goods;

"temporary admission" means customs procedures under which certain goods brought within a customs territory are exempted from payment of import duties and are free of import prohibition and restrictions, on condition that they are within a specified period re-exported from, or finally consumed within, the Member State into which they were imported or from which they are re-exported after having undergone specified manufacturing, processing or repair.

## ARTICLE 2

### Scope and objectives

1. The provisions of this Protocol shall apply to any activity being undertaken in co-operation among the Member States in the field of customs management and organization of customs and shall include in particular:

- (a) matters concerning the preferential treatment of their exports and imports;
- (b) the simplification and harmonization of customs regulations and procedures with particular reference to such matters as the valuation of goods, tariff classification, temporary admission, warehousing, re-exports, frontier trade and export drawback;
- (c) the prevention, investigation and repression of customs offences;

- (d) national and joint institutional arrangements; and
- (e) training facilities and programmes for customs officials.

2. The provisions of paragraph 1 of this Article shall not preclude co-operation in the gradual establishment of uniform external tariffs in respect of goods imported from third countries

### ARTICLE 3

#### Co-operation in preferential treatment of goods

1. The Member States undertake to co-operate in the implementation of the provisions of the Treaty concerning the preferential treatment of goods and more particularly those relating to:

- (a) the evolution of uniform national customs legislation and procedures;
- (b) the reduction and/or elimination of customs duties and non-tariff barriers on trade among themselves; and
- (c) any other aspect of customs law and practice concerning the preferential treatment of goods.

2. The Member States shall through the Council and the Committee keep under constant review progress being made in the application of the provisions of this Protocol.

3. Nothing contained in or done under the authority of any law by any Member State shall be held to be inconsistent with or in contravention of the provisions of this Article to the extent that the law in question makes provision which is reasonably required by a Member State in the interests of defence, public policy, public safety, public order, public morality, public health or hygiene, the preservation of animal or plant life or health, the protection of national treasures possessing artistic, historic or archaeological value, or the protection of industrial or commercial property. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or disguised restriction on trade by the Member States.

ARTICLE 4

Simplification and harmonization  
of customs procedures

1. The Member States undertake to promote the simplification and harmonization of customs laws, regulations and procedures to facilitate the movement of goods and services across their common frontiers.

2. For the purpose of paragraph 1 of this Article the Member States undertake to:

- (a) adopt uniform, comprehensive and systematic tariff classification of goods with a common and specific basis of description and interpretation in accordance with internationally accepted standards;
- (c) adopt a standard system of valuation of goods based on principles of equity, uniformity and simplicity of application in accordance with internationally accepted standards and guidelines;
- (c) agree on common terms and conditions governing temporary admission procedures including the list or range of goods to be covered and the nature of manufacturing or processing to be authorized;
- (d) implement the customs requirements for the re-exportation of goods affected by Annex IV to the Treaty;
- (e) implement the customs requirements for the transit of goods as prescribed in Annex V to the Treaty;
- (f) harmonize and simplify customs formalities and documents in accordance with the provisions of Annex X to the Treaty; and
- (g) adopt common procedures for the establishment and operation of free zones, free ports, customs supervised factories and export drawbacks.

3. The Member States undertake to use the Customs Co-operation Council Nomenclature as a basis for the classification of goods in their customs tariffs and may accordingly set up sub-headings covering those products or categories of products to which they apply preferential treatment among themselves.

4. The Member States undertake to harmonize their customs and statistical nomenclature and standardize their foreign trade statistics to ensure comparability and reliability of the relevant information.

#### ARTICLE 5

##### Communication of customs information

1. The Member States shall exchange information on matters relating to customs and more particularly the following:

- (a) changes in customs legislation, procedures and duties and commodities subject to import or export restrictions;
- (b) information relating to the prevention, investigation and repression of customs offences as set out in Article 6 of this Protocol; and
- (c) any other information deemed necessary by the Committee.

2. For the purposes of paragraph 1 of this Article, the Member States agree to adopt loose-leaf editions of national customs tariff schedules.

#### ARTICLE 6

##### Prevention and investigation of customs offences

1. The Member States undertake to co-operate in the prevention, investigation and repression of customs offences.

2. For the purposes of paragraph 1 of this Article, the Member States undertake to:

- (a) exchange lists of goods and publications the importation of which is prohibited in their respective territories;
- (b) prohibit the exportation of goods and publications referred to in sub-paragraph (a) of this paragraph to each other's customs territories;

- (c) communicate among themselves lists of goods known to be the subject of illicit traffic between their customs territories and maintain special surveillance over the movement of such goods;
- (d) take such steps as may be deemed appropriate to ensure that goods exported or imported through common frontiers pass through the competent and recognized Customs Offices and along approved routes;
- (e) communicate among themselves lists of Customs Offices located along common frontiers, details of the powers of such offices, their working hours and any changes in these particulars for the effective operation of the provisions of sub-paragraph (d) of this paragraph;
- (f) endeavour to correlate the powers and working hours of their corresponding Customs Offices and prohibit the exportation of goods to the Member States where the corresponding Customs Offices in that Member State are not competent to clear them; and
- (g) maintain special surveillance over:
  - (i) the entry into, sojourn in, and exit from their customs territories of particular persons reasonably suspected by any Member State of being involved in activities that are contrary to the customs law of any Member State;
  - (ii) the movement of particular goods suspected by any Member State to be the subject of illicit traffic towards the indicating Member States;
  - (iii) particular places where stocks of goods have been built up giving reason for suspicion that they may be used for illicit importation into any Member State; and
  - (iv) particular vehicles, ships, aircrafts, or other means of transport suspected of being used to commit customs offences in any Member State.

3. The Member States shall exchange with each other:
- (a) spontaneously and without delay, any information regarding:
    - (i) operations which it is suspected will give rise to customs offences in any Member State;
    - (ii) persons, vehicles, ships, aircraft and other means of transport reasonably suspected of being engaged in activities that may be in violation of the customs laws of any Member State;
    - (iii) new techniques of committing customs offences; and
    - (iv) goods known to be the subject of illicit traffic.
  - (b) where appropriate and non-express request, any information referred to in sub-paragraph (a) of this paragraph;
  - (c) on express written request and as promptly as possible any available information:
    - (i) contained in customs documents relating to exchanges of goods between the two countries which are suspected of violating the customs law of the requesting Member State;
    - (ii) enabling false declarations to be detected, in particular with respect to dutiable value; and
    - (iii) concerning certificates of origin, invoices or other documents known to be, or suspected of being, false.
  - (d) on express request and if appropriate in the form of official documents, information concerning the following matters:
    - (i) the authenticity of any official document produced in support of a goods declaration made to customs authorities of the requesting Member State;

- (ii) whether goods which were granted preferential treatment on departure from the territory of the requesting Member State, because they were declared as intended for home use in the other Member State, have been duly cleared for home use in that State;
- (iii) whether goods imported into the territory of the requesting Member State have been lawfully exported from that of the exporting Member States;
- (iv) whether goods exported from the territory of the requesting Member State have been lawfully imported into that of the importing Member States, and in accordance with the importer's declaration; and
- (v) special documents which may be issued by the customs authorities of the exporting Member State for surrender to the customs authorities of the importing Member State in order that they may certify that the goods were lawfully exported.

4. Each Member State undertakes, whenever expressly requested by another Member State, to:

- (a) make enquiries, record statements and obtain evidence concerning a customs offence under investigation in the requesting Member State and transmit the results of the enquiry, as well as any documents or other evidence, to the requesting Member State; and
- (b) notify the competent authorities of the requesting Member State of actions and decisions taken by the competent authorities of the Member State where the customs offence took place in accordance with the law in force in that Member State.



ARTICLE 7

Implementation arrangements

For the effective implementation of the provisions of this Protocol, the Member States undertake to:

- (a) encourage co-operation between their respective national customs administrations and the Committee; and
- (b) establish joint training facilities and arrangements or programmes for the training of personnel engaged in customs administration.

ARTICLE 8

The Committee

The functions of the Committee shall include:

- (a) all activities relating to customs co-operation among the Member States as set out in paragraph 1 of Article 2 of this Protocol; and
- (b) the undertaking of studies and the making of recommendations on the practical aspects of customs co-operation among the Member States, including those relating to joint training for personnel engaged in customs administration.

ARTICLE 9

Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

ANNEX III

PROTOCOL ON THE RULES OF ORIGIN  
FOR PRODUCTS TO BE TRADED BETWEEN  
THE MEMBER STATES OF THE PREFERENTIAL TRADE AREA

PREAMBLE

THE HIGH CONTRACTING PARTIES

HAVING REGARD to item (ii) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty which required that the rules of origin for products that shall be eligible for preferential treatment within the Preferential Trade Area shall be set out in a Protocol to be annexed to the Treaty;

HEREBY AGREE as follows:

RULE 1

Interpretation

1. In this Protocol:

"Committee" means the Customs and Trade Committee established by Article 10 of the Treaty;

"ex-factory cost" is the value of the total inputs required to produce a given product;

"management" includes all those officers in an enterprise who are concerned with the making of policy or executive management such as the managerial and senior administrative personnel and such other persons as are usually responsible for the making or execution of the policy of an enterprise;

"materials" include raw materials, semi-finished products, products, ingredients, parts and components used in the production of goods;

"national" means a natural or legal person regarded as a national of a Member State in accordance with the nationality, citizenship or other laws of that Member State

"produced" and "a process of production" include the application of any operation or process with the exception of any operation or process as set out in Rule 5 of this Protocol;

"producer" includes a mining, manufacturing or agricultural enterprise or any other individual grower or craftsmen who supplies goods for export;

"value-added" means the difference between the ex-factory cost of the finished product and the c.i.f. value of the materials imported from outside the Member States and used in the production.

2. In determining the place of production of marine, river or lake products and goods in relation to a Member State, the vessel of a Member State shall be regarded as part of the territory of that State, in determining the place from which such goods originated, marine, river or lake products taken from the sea, river or lake or goods produced therefrom at sea or on a river or lake shall be

regarded as having their origin in the territory of a Member State if they were taken by or produced in a vessel of that State and have been brought directly to the territories of the Member States.

3. For the purposes of this Protocol, a vessel shall be regarded as a vessel of a Member State if it is registered in a Member State, and satisfies one of the following conditions:

- (a) at least 75 per cent of the officers of the vessel are nationals of the Member State;
- (b) at least 75 per cent of the crew of the vessel are nationals of the Member State; or
- (c) at least the majority control and equity holding in respect of the vessel are held by nationals of the Member States or institutions, agencies, enterprises or corporations of the Government or Governments of such Member State.

## RULE 2

### Rules of Origin of Preferential Trade Area goods

1. Goods shall be accepted as originating in a Member State if they are consigned directly from a Member State to a consignee in another Member State and :

- (a) they have been produced in the Member States by enterprises which are subject to majority indigenous management and to at least 51 per cent equity holding by nationals of the Member States and/or a Government or Governments of the Member States or institutions, agencies, enterprises or corporations of such Government or Governments; and
- (b) where the goods satisfy one of the criteria set out in (i) to (v) of this subparagraph:
  - (i) they have been wholly produced as defined in Rule 3 of this Protocol;
  - (ii) they have been produced in the Member States and the c.i.f. value of materials imported from outside the Member States or of undetermined origin which have been used at any stage in the production of the goods does not exceed 60 per cent of the total cost of materials used in the production of the goods;

- (iii) they have been produced in the Member States essentially from materials imported from outside the Member States or of undetermined origin and the value added, resulting from the process of production accounts for at least 45 per cent of the ex-factory cost:

Provided that the Council may, upon the recommendations of the Committee, raise the percentage of the value added required;

- (iv) notwithstanding the provisions of subparagraph (iii) of paragraph 1 (b) of this Rule :

(a) they have been produced in the Member States and designated in a list by the Council upon the recommendation of the Committee to be goods of particular importance to the economic development of the Member States, and containing not less than 25 per cent of value added; or

(b) they have been produced in the Member States and are consumed in large quantities throughout the Member States and have been designated in a list by the Council upon the recommendation of the Committee to be goods currently in short supply within the Member States and containing value added of not less than 30 per cent;

- (v) Subject to such exemptions as may be determined by the Council:

(a) they have been imported into the Member States and have undergone a process of substantial transformation, that is to say, a process of production as a result of which such goods are classified or become classifiable under a CCCN tariff heading other than the CCCN tariff heading under which they were imported, and are contained in a list to be known as "List A"; or

- (b) they have been imported into the Member States and have not undergone a process of substantial transformation as defined in item (a) of this sub-paragraph but which in the opinion of the Council shall nevertheless be deemed to have undergone a process of substantial transformation as prescribed in item (a) of this sub-paragraph, and are contained in a list to be known as "List B".

2. The Council may determine how long the goods contained in the lists referred to in sub-paragraphs (iv) and (v) of paragraph 1 (b) of this Rule shall remain on such lists and may from time to time amend them as may be necessary.

3. Raw materials or semi-finished goods originating in accordance with the provisions of this Protocol in any of the Member States and undergoing working or processing either in one or two or in more States, shall for the purpose of determining the origin of a finished product be deemed to have originated in the Member States where the final processing or manufacturing takes place.

### RULE 3

#### Goods wholly produced in the Member States

For the purposes of paragraph 1 (b) of Rule 2 of this Protocol, the following are among the products which shall be regarded as wholly produced in the Member States:

- (a) mineral products extracted from the ground or sea bed of the Member States;
- (b) vegetable products harvested within the Member States;
- (c) live animals born and/or raised within the Member States;
- (d) products and by-products from animals born and/or raised within the Member States;
- (e) products obtained by hunting or fishing conducted within the Member States;
- (f) products obtained from the sea and from rivers and lakes within the Member States by a vessel of a Member State;

- (g) products manufactured in a factory of a Member State exclusively from the products referred to in paragraph (f) of this Rule;
- (h) used articles fit only for the recovery of materials, provided that such articles have been collected from users within the Member States;
- (i) scrap and waste resulting from manufacturing operations within the Member States;
- (j) goods produced within the Member States exclusively or mainly from one or both of the following:
  - (i) products referred to in paragraph (a) to (i) of this Rule;
  - (ii) materials containing no element imported from outside the Member States or of undetermined origin.

#### RULE 4

##### Application of percentage of imported materials and value added criteria

For the purpose of paragraph 1 (a) and sub-paragraph (ii), (iii) and (iv) of paragraph 1 (b) of Rule 2 of this Protocol:

- (a) any material which meets the conditions specified in sub-paragraph 1 (b) (i) of Rule 2 of this Protocol shall be regarded as containing no elements imported from outside the Member States;
  - (b) the value of any materials which can be identified as having been imported from outside the Member States shall be their c.i.f. value accepted by the customs authorities on clearance for home consumption, or on temporary admission, at the time of last importation into the Member State where they were used in a process of production, less the amount of any transport costs incurred in transit through other Member States;
-

- (c) if the value of any materials imported from outside the Member States cannot be determined in accordance with paragraph (b) of this Rule, their value shall be the earliest ascertainable price for them in the Member State where they were used in a process of production;
- (d) if the origin of any materials cannot be determined, such materials shall be deemed to have been imported from outside the Member States and their value shall be the earliest ascertainable price paid for them in the Member State where they were used in a process of production.

#### RULE 5

##### Processes not conferring origin

Notwithstanding the provisions of sub-paragraphs (ii), (iii), (iv), and (v) of paragraph 1(b) of Rule 2 of this Protocol, the following operations and processes shall be considered as insufficient to support a claim that goods originate from a Member State:

- (a) packing, bottling, placing in flasks, bags, cases and boxes, fixing on cards or boards and all other simple packing operations;
  - (b)
    - (i) simple mixing of ingredients imported from outside the Member States;
    - (ii) simple assembly of components and parts imported from outside the Member States to constitute a complete product;
    - (iii) simple mixing and assembly where the costs of the ingredients, parts and components imported from outside the Member States and used in any of such processes exceed 60 per cent of the total costs of the ingredients, parts and components used;
  - (c) operations to ensure the preservation of merchandise in good condition during transportation and storage such as ventilation, spreading out, drying, freezing, placing in brine, sulphur dioxide or other aqueous solutions, removal of damaged parts and similar operations;
-



- (d) changes of packing and breaking up or assembly of consignments;
- (e) marking, labelling or affixing other like distinguishing signs on products or their packages;
- (f) simple operations consisting of removal of dust, sifting or screening, sorting, classifying and matching including the making up of sets of goods, washing, painting and cutting up;
- (g) a combination of two or more operations specified in paragraphs (a) to (f) of this Rule;
- (h) slaughter of animals.

RULE 6

Unit of qualification

1. Each item in a consignment shall be considered separately:

Provided that:

- (a) where the Customs Co-operation Council's Nomenclature specifies that a group, set or assembly of articles is to be classified within a single heading, such a group, set or assembly shall be treated as one article;
- (b) tools, parts and accessories which are imported with an article, and the price of which is included in that of the article or for which no separate charge is made, shall be considered as forming a whole with the article:

Provided that they constitute the standard equipment customarily included on the sale of articles of that kind;

- (c) in cases not within sub-paragraphs (a) and (b) of this paragraph, goods shall be treated as a single article if they are so treated for purposes of assessing customs duties on like articles by the importing Member State.

2. An unassembled or disassembled article which is imported in more than one consignment because it is not feasible for transport or production reasons to import it in a single consignment shall be treated as one article.

#### RULE 7

##### Separation of materials

1. For those products or industries where it would be impracticable for the producer to separate physically materials of similar character but different origin used in the production of goods, such separation may be replaced by an appropriate accounting system which ensures that no more goods are deemed to originate in the Member States than would have been the case if the producer had been able physically to separate the materials.
2. Any such accounting system shall conform to such conditions as may be agreed upon by the Council in order to ensure that adequate control measures shall be applied.

#### RULE 8

##### Treatment of mixtures

1. In the case of mixtures, not being groups, sets or assemblies of goods dealt with under Rule 6 of this Protocol, a Member State may refuse to accept as originating in the Member States any product resulting from the mixing together of goods which would qualify as originating in the Member States with goods which would not qualify, if the characteristics of the product as a whole are not different from the characteristics of the goods which have been mixed.
2. In the case of particular products where it is recognized by the Council to be desirable to permit mixing of the kind described in paragraph 1 of this Rule, such products shall be accepted as originating in the Member States in respect of such part thereof as may be shown to correspond to the quantity of goods originating in the Member States used in the mixing, subject to such conditions as may be agreed by the Council, upon the recommendation of the Committee.

#### RULE 9

##### Treatment of packing

1. Where for purposes of assessing customs duties a Member State treats goods separately from their packing, it may also, in respect of its imports consigned from another Member State, determine separately the origin of such packing.

2. Where paragraph 1 of this Rule is not applicable, packing shall be considered as forming a whole with the goods and no part of any packing required for their transport or storage shall be considered as having been imported from outside the Member States when determining the origin of the goods as a whole.
3. For the purpose of paragraph 2 of this Rule, packing with which goods are ordinarily sold at retail shall not be regarded as packing required for the transport or storage of goods.
4. Containers which are used purely for the transport and temporary storage of goods and are to be returned shall not be subject to customs duties and other charges of equivalent effect; where containers are not to be returned, they shall be treated separately from the goods contained in them and be subject to import duties and other charges of equivalent effect.

## RULE 10

### Documentary evidence

1. The claim that goods shall be accepted as originating from a Member State in accordance with the provisions of this Protocol, shall be supported by a certificate given by the exporter or his authorized representative in the form prescribed in Appendix I to this Protocol. The certificate shall be authenticated by an authority designated for that purpose by each Member State.
  2. Every producer, where he is not the exporter, shall, in respect of goods intended for export, furnish the exporter with a written declaration in conformity with Appendix II to this Protocol to the effect that the goods qualify as originating in the Member State under the provisions of Rule 2 of this Protocol.
  3. The competent authority designated by an importing Member State may, in exceptional circumstances and notwithstanding the presentation of a certificate issued in accordance with the provisions of this Rule, require in case of doubt further verification of the statement contained in the certificate. The form to be used for this purpose shall be that contained in Appendix III to this Protocol.
  4. The importing Member State shall not prevent the importer from taking delivery of goods solely on the grounds that it requires further evidence, but may require security for any duty or other charge which may be payable :  
  
    Provided that where goods are subject to any prohibitions, the stipulations for delivery under security shall not apply.
  5. Copies of certificates of origin and other relevant documentary evidence shall be preserved by the appropriate authorities of the Member States for at least five years.
-

6. All Member States shall deposit with the Secretariat the names of Departments and/or Agencies authorized to issue the certificates required under this Protocol and also the impression of the official stamps to be used for that purpose, and these shall be circulated confidentially to all Member States by the Secretariat.

#### RULE 11

##### Infringement and penalties

1. The Member States undertake to introduce legislation where such legislation does not already exist, making such provision as may be necessary for penalties against persons who, in their State, furnish or cause to be furnished a document which is untrue in a material particular in support of a claim in another Member State that goods should be accepted as originating from that Member State.

2. Any Member State to which an untrue claim is made in respect of the origin of goods shall immediately bring the issue to the attention of the exporting Member State from which the untrue claim is made so that appropriate action may be taken and a report made thereon within a reasonable time to the affected Member State.

3. A Member State which has in pursuance of the provisions of paragraph 2 of this Rule brought to the attention of an exporting Member State the making of an untrue claim may, if it is of the opinion that no satisfactory action has been taken thereon by the exporting Member State, refer the matter to the Council for appropriate action.

4. Continued infringement by a Member State of the provisions of this Protocol may be referred by another Member State to the Council which may take such action as it may deem necessary.

#### RULE 12

##### Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

1. Exporter (name and office address)	Ref. No.....			
2. Consignee (name and office address)	<p>PREFERENTIAL TRADE AREA FOR EASTERN AND SOUTHERN AFRICAN STATES</p> <p>CERTIFICATE OF ORIGIN</p>			
	3. Country, Group of countries in which the products are considered as originated from			
4. Particulars of transport	5. Changes in tariff classification if applicable			
	6. For official use			
7. Marks and numbers; number and kind of packages; description of goods	8. Customs tariff No.	9. Origin criterion (see over-leaf)	10. Gross weight of other quantity	11. Invoice No.
<p>12. DECLARATION BY EXPORTER/ PRODUCER/SUPPLIER*</p> <p>I, the undersigned, hereby declare that the above details and statements are correct, that all the goods are produced in.....</p> <p>.....</p> <p>.....</p> <p>Place, date signature of declarant</p>	<p>13. CERTIFICATE</p> <p>It is hereby certified that the above mentioned goods are of</p> <p>..... origin</p> <p>.....</p> <p>Certificate of Customs or other Designated Authority</p> <p>STAMP</p>			

\* Please delete the description not applicable.

INSTRUCTIONS FOR COMPLETING THE CERTIFICATE OF ORIGIN  
FORM

- (i) The forms may be completed by any process provided that the entries are indelible and legible;
- (ii) Neither erasures nor super-impositions should be allowed on the certificates. Any alternations should be made by striking out the erroneous entries and making any additions required. Such alternations should be approved by the person who made them and certified by the appropriate authority or body;
- (iii) Any unused spaces should be crossed out to prevent any subsequent addition.
- (iv) If warranted by export trade requirements, one or more copies may be drawn up in addition to the original.
- (v) The following letters should be used when completing a certificate in the appropriate place:
  - "P" for goods wholly produced  Rule 2.1 (b) (i)
  - "M" for goods to which the materials content criterion applies  Rule 2.1 (b) (ii)
  - "V" for goods to which the value added criterion applies  Rule 2.1 (b) (iii) and (b) (iv)
  - "T" for goods to which the substantial transformation criterion applies  Rule 2.1 (b) (v)

---

\* The relevant percentage applicable under the relevant Rule should also be quoted.

DECLARATION BY THE PRODUCER

To whom it may concern

For the purpose of claiming preferential treatment under the provisions of Rule 2 of the Protocol relating to the Rules of Origin for products to be traded between the Member States of Preferential Trade Area for Eastern and Southern African States;

I HEREBY DE'CLARE:

(a) that the goods listed here in quantities as specified below have been produced by this company/enterprise/workshop\*, whose management and ownership comply with the requirements of the Protocol relating to the Rules of Origin for the Preferential Trade Area for Eastern and Southern African States, and

(b) that evidence is available that the goods listed below comply with the origin criteria as specified by the Protocol relating to the Rules of Origin for the Preferential Trade Area for Eastern and Southern African States.

List of goods

Commercial description	Quantity	Criterion to be claimed
	(Stamp mark)	..... Signature of the PRODUCER

\* Please delete the description not applicable.

FORM FOR VERIFICATION OF ORIGIN

---

A. REQUEST FOR VERIFICATION, to

---

Verification of the authenticity and accuracy of this certificate  
is requested

.....  
(Place and date)

STAMP

.....  
(Signature)

---

B. RESULTS OF VERIFICATION

---

Verification carried out shows that this certificate\*

\_\_\_\_\_ was issued by the Customs Office indicated and that  
\_\_\_\_\_ the information contained therein is accurate.

\_\_\_\_\_ does not meet the requirements as to authenticity  
\_\_\_\_\_ and accuracy.

.....  
(Place and date)

STAMP

---

\* Insert X in the appropriate box.



ANNEX IV

PROTOCOL ON THE RE-EXPORT OF GOODS WITHIN THE PREFERENTIAL TRADE AREA

## PREAMBLE

## THE HIGH CONTRACTING PARTIES

RECALLING the provisions of item (vii) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty to the effect that the conditions for the re-export of goods within the Preferential Trade Area shall be set out in a Protocol annexed to the Treaty;

RECALLING FURTHER the provisions of paragraph 1 of Article 20 of the Treaty;

HEREBY AGREE as follows:

## ARTICLE 1

Interpretation

In this Protocol:

"export duties" means customs duties and other charges of equivalent effect levied on goods by reason of their exportation;

"import duties" means customs duties and other charges of equivalent effect levied on goods by reason of their importation;

"importing State" means a Member State from which goods imported into that State are subsequently re-exported to another Member State;

"receiving State" means a Member State into which re-exports consigned from another Member State are imported from domestic use in that State.

## ARTICLE 2

General provisions

1. The Member States agree that re-exports bound for any Member State shall be exempted from the payment of import or export duties in the importing State:

Provided that this paragraph shall not preclude the levying of normal administrative and service charges applicable to the import or export of similar goods in accordance with their customs laws and regulations.

2. The Member States agree that:

- (a) re-exports imported into any Member State shall be subjected to the same import duties as are applicable to similar goods imported direct into their territories from other Member States or third countries; and
- (b) there shall be no discrimination in the treatment of re-exports traded among the Member States.

3. Notwithstanding the provisions of paragraph 2 of this Article, the Member States agree that re-exported goods which qualify as originating in a Member State under the provisions of Annex III to the Treaty shall be treated as if they were directly imported by the receiving State from the Member State where they originate. Such goods shall be accorded appropriate preferential treatment:

Provided the re-exporter thereof produces documentary evidence certified by the authorities designated for that purpose, to the effect that the goods originated in the Member State from which they were originally imported.

4. The Member States undertake to facilitate the re-export of goods within the Preferential Trade Area in accordance with the provisions of Annex V to the Treaty.

### ARTICLE 3

#### Scope of application

The provisions of this Protocol shall not apply to the import and re-export of goods in relation to the Republic of South Africa as set out in paragraph 3 of Article 20 of the Treaty.

### ARTICLE 4

#### Refund and remission of duties and taxes

1. Where import duties on goods have been charged and collected by the importing State, that State shall refund all such duties less import subsidies, if any, to the re-exporter of those goods in its territory when the goods are re-exported to another Member State.

Provided that the re-export is made within twelve months from the date on which the goods were received in the importing State.

(Note: This paragraph was referred to the Second Extraordinary Conference of Ministers of Trade, Finance and Planning).

2. Where imported goods have been admitted for warehousing, transit or trans-shipment under customs bond without payment of customs duties, no import or export duties shall be charged in respect of such goods when they are subsequently re-exported by the importing State.

3. Notwithstanding the provisions of paragraph 1 and 2 of this Article, the importing States shall, in accordance with their customs laws and regulations, be free to withhold or charge part of the duties collected or collectable where the goods have been re-packed, assembled, preserved, blended or otherwise processed in the importing State

Provided that no duties shall be refunded where the processed goods qualify as originating in the importing State under the provisions of Annex III to the Treaty.

#### ARTICLE 5

##### Re-exports - verification of prices

For the purposes of this Protocol a receiving State may require confirmation from importing States that the prices quoted by exporters are reasonable and that such price do not include duties refundable to exporters in the importing State before the importation of the re-export concerned is approved by the receiving States.

#### ARTICLE 6

##### Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

(Note: It was decided to refer the whole Protocol to the Second Extraordinary Conference of Ministers of Trade, Finance and Planning to determine whether re-exports to third countries generally in respect of goods originating from the Preferential Trade Area, should be prohibited).

ANNEX V

PROTOCOL ON TRANSIT TRADE AND TRANSIT FACILITIES

PREAMBLE

THE HIGH CONTRACTING PARTIES,

RECOGNISING the International Air Services Transit Agreement done at Chicago on 7 December 1944; the Convention on the Territorial Sea and the Contiguous Zone done at Geneva on 29 April 1958; the Convention on Transit Trade of land-locked States done at New York on 8 July 1965; and the OAU Declaration on the issues on the Law of the Sea dates 24 May 1973;

RECALLING the provisions of item (viii) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty to the effect that the terms and conditions for facilitating transit trade among the Member States shall be set out in a Protocol annexed to the Treaty;

HEREBY AGREE as follows:

ARTICLE 1

Interpretation

In this Protocol:

"carrier" means the person actually transporting transit goods or in charge of or responsible for the operation of the respective means of transport;

"container" means an article of transport equipment:

- (a) fully or partially enclosed to constitute a compartment intended for containing goods and capable of being sealed;
- (b) of a durable nature intended for repeated use;
- (c) specifically designed for the carriage of goods by one or more modes of transport without intermediate unloading and reloading of its contents;
- (d) fitted with devices for easy handling, particularly for its transfer from one mode of transport to another;
- (e) so designed as to be easy to fill and empty; and
- (f) having an internal volume of at least one cubic metre.

"customs office of commencement" means any port, inland or frontier customs office of a Member State where the provisions of this Protocol begin to apply.

"customs office of destination" means any port, inland or frontier customs office of a Member State where the provisions of this Protocol cease to apply.

"customs office en-route" means any customs office of a Member State which an international means of transport merely passes through under the provisions of this Protocol.

"customs office of entry" means any customs office of a second or third Member State where, in relation to that State, the provisions of this Protocol begin to apply, and includes any customs office which, even when not situated on the frontier, is the first point of customs control after crossing the border.

"customs office of exit" means any customs office which, even when not situated on the frontier, is the last point of customs control before crossing the border.

"goods" means all chattels personal other than things in action, and includes wares, merchandise, mail, emblements, and industrial crops;

"import or export duties and taxes" means customs duties and other charges of equivalent effect levied by reason of importation or exportation of goods;

"means of transport" include:

- (a) any railway stock, containers, seagoing and river vessels, road vehicles and aircraft;
- (b) where the local situation so requires, pack animals;
- (c) pipelines and gas lines.

"surety" means any person who gives an undertaking to the customs authorities of a Member States to answer for or be collaterally responsible for the debt, obligation, default or miscarriage of the transitor and for the payment to transit States of import duties and any other sums of money due and payable to them in the event of non-compliance with the terms and conditions of transit relating to transit traffic introduced into the transit States by carriers of such goods.

"TIA (PTA) Carnet" means the intra-Preferential Trade Area transport document, the standard form of which is shown in Appendix II of this Protocol;

"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;

"transitor" means the person responsible for the conveyance of goods under the provisions of this Protocol or his authorized agent.

## ARTICLE 2

### General Provisions

1. The Member States undertake to grant all transitors and transit traffic freedom to traverse their respective territories by any means of transport suitable for that purpose when coming from:

- (a) or bound for other Member States; or
- (b) third countries and bound for other Member States; or
- (c) other Member States and bound for third countries.

2. Notwithstanding the provisions of paragraph 1 of this Article, any Member State may, if it deems it necessary, prohibit, restrict or otherwise control the entry of certain persons, mail, merchandise or means of transport from any country for the protection of public mortality, safety, health or hygiene, or animal or plant health, or in the public interest.

3. The Member States undertake not to levy any import or export duties on the transit traffic referred to in paragraph 1 of this Article.

4. For the purposes of this Protocol, the Member States undertake to ensure that there shall be no discrimination in the treatment of persons, mail, merchandise and means of transport coming from or bound to the Member States, and that rates and tariffs for the use of their facilities by other Member States shall not be less favourable than those accorded to their own traffic.

## ARTICLE 3

### Scope of application

1. The provisions of this Protocol shall apply to any transitor, mail, means of transport or any shipment of bonded goods in transit between two points either in two different Member States or between a Member State and a third country.

2. The provisions of this Protocol shall only apply to transit transport if it is:

- (a) operated by a carrier licensed under the provisions of Article 4 of this Protocol;



- (b) performed under the conditions set out in Article 5 of this Protocol by means of transport approved by the customs office of commencement and issued with certificates which shall be in the form set out in Appendix IV of this Protocol
- (c) guaranteed by a surety in accordance with the provisions of Article 6 of this Protocol; and
- (d) undertaken under cover of a TIA (PTA) Carnet, the standard form of which is set out in Appendix II of this Protocol.

3. The provisions of this Protocol shall apply to transit goods carried by whatever means of transport, except that in the case of air transport, the aircraft in transit shall be exempted from the operation of these rules but the goods, including baggage, shall be subject to the provisions of this Protocol.

4. The facilities and privileges provided for under this Protocol shall not apply to any transitor, mail, means of transport or any shipment of bonded goods in transit affected by the provisions of paragraph 3 of Article 20 of the Treaty.

#### ARTICLE 4

##### Licensing of carriers

1. Any person engaged in the operation of transit traffic under the provisions of this Protocol shall be licenced for that purpose by the competent authorities of the Member State in whose territory he is normally resident or established, and the competent authority shall inform all the other Member States of all the persons so licenced.

2. The conditions for the issuance of the licence referred to in paragraph 1 of this Article to a person resident or established in a Member State shall be that:

- (a) the requirements of Article 5 of this Protocol have been satisfied; and
- (b) the applicant has not during the previous three years been convicted of a serious offence, including accepting or receiving bribes, smuggling, theft, destroying documents or evidence, and failing or refusing to give information relating to inter-state transportation of goods.

3. The conditions for the issuance of the licences referred to in paragraph 1 of this Article to applicants who are not resident or established in a Member State shall be determined by each Member State in consultation with other Member States:

Provided that such conditions shall not be more favourable than conditions accorded to persons resident or established in that Member State.

4. Licensed carriers who are convicted of customs offences referred to in sub-paragraph (b) of paragraph 2 of this Article or who conceal their record of having been convicted of such offences in order to obtain a licence or who commit such offences after they have been licensed to operate transit traffic, shall have their licences suspended automatically or withdrawn by the issuing authorities who shall thereupon notify the customs authorities of the other Member States and the respective sureties of the action taken.

#### ARTICLE 5

##### Approval of means of transport

1. The means of transport used in transit trade shall be licensed by the appropriate licensing authorities of the Member States in accordance with their national laws and regulations.

2. For the purpose of sub-paragraph (b) of paragraph 2 of Article 3 of this Protocol, means of transport, together with their cargo, shall be presented to the customs offices of commencement for examination to ensure that they comply with the technical conditions stipulated in Appendix III of this Protocol before each transit traffic operation is undertaken.

#### ARTICLE 6

##### Bonds and sureties

1. All transit goods and means of transport under the cover of a TIA (PTA) Carnet shall be covered by guarantees or bonds issued by appropriate sureties as follows:

- (a) those consigned from and bound for other Member States may be covered by common agreements entered into by the Member States, which agreements shall not entail payment of bond premiums or deposits, to the effect that in the event of the carrier contravening the customs regulations of the transit States, the transitor's Member State shall, without derogating from the liability of the transitor to pay, be responsible for paying the relevant charges claimed by the Member States through whose territory transit occurs;

- (b) those consigned from the Member States and bound for third countries, or consigned from third countries and bound for the Member States shall be covered by bonds guaranteed by banks or other approved institutions upon payment of appropriate bonds.

2. The bonds and guarantees referred to in paragraph 1 of this Article may cover a number of transit operations over a period of time or a single transit operation, and may cover not only the full import and export duties chargeable if the goods and/or means of transport were not re-exported, but also the penalties arising from offences which may be committed by the carrier in the course of the transport operations.

#### ARTICLE 7

##### TIA (PTA) Carnets

1. Subject to such other conditions and regulations as it may deem necessary, each Member State undertakes to authorize a transitor or his authorized agent, to prepare in respect of each consignment of transit goods an intra-Preferential Trade Area transport document for Eastern and Southern Africa (hereinafter referred to as "TIA (PTA) Carnet") in accordance with the rules laid down in Appendix I of this Protocol.
2. A TIA (PTA) Carnet shall conform to the standard form set out in Appendix II of this Protocol. The Carnet shall be valid for only one transit operation even if different means of transport are used in the course of transportation and shall contain the numbers of detachable vouchers for customs control and discharge required for the transport operation concerned.
3. All means of transport covered by the provisions of this Protocol shall be accompanied by TIA (PTA) Carnets, and such carnets shall on demand, be presented by the carriers, together with the respective means of transport and certificates to the customs officers en-route and the customs offices of destination for their appropriate actions.
4. Transport operations under cover of TIA (PTA) Carnet may involve one customs office of commencement and not more than two customs offices of destination situated in two different Member States.

#### ARTICLE 8

##### Exemption from customs examinations and charges

1. Provided the provisions of Article 4 and 5 of this Protocol are satisfied, goods carried in approved sealed means of transport, sealed packages, or accepted by a customs office of commencement as goods

not susceptible to tampering, substitution or manipulation, and permitted to be carried unsealed, shall not:

- (a) be subject to the payment of import or export duties or deposits thereof at customs offices en-route; and
- (b) as a general rule, be subject to customs examination at such offices.

2. However, in order to prevent abuse, the customs authorities may where they suspect an irregularity, carry out at such offices a partial or full examination of the goods.

3. The provisions in paragraphs 1 and 2 of this Article shall not prevent Member States from levying reasonable service and administrative charges for services rendered. Such charges shall not discriminate between traffic coming from or bound for other Member States. Further, such charges shall not be less favourable than charges applicable to traffic from third countries.

## ARTICLE 9

### Transit procedures

1. All transit goods and means of transport shall be presented to the customs authorities at the customs office of commencement together with duly completed TIA (PTA) Carnets supported by appropriate bonds as necessary for examination and affixing of customs seals. The office of commencement shall decide whether the means of transport to be used provide enough safeguards to ensure customs security and whether the shipment may be made under cover of the TIA (PTA) Carnets.

2. Where it is not possible for goods to be transported in sealed means of transport or compartments, the customs authorities at the customs office of commencement may authorize their transportation in such unsealed means of transport or compartments and under such conditions as they may deem necessary, and endorse the TIA (PTA) Carnet accordingly.

3. A means of transport engaged in the transport of goods under the provisions of this Protocol shall not at the same time be used to transport passengers unless such passengers and their personal effects are carried in a part of the means of transport which is adequately sealed off to the satisfaction of the customs authorities of the customs office of commencement from that part of the means of transport used for the transport of goods under the provisions of this Protocol, and otherwise complies with the provisions of Appendix III of this Protocol, unless the goods are such that sealing is dispensed with under the provisions of this Protocol.

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4. Nothing may be added to, taken from or substituted for goods consigned under cover of a TIA (PTA) Carnet at times of off-loading, transshipment or collecting.

5. The means of transport, together with the respective TIA (PTA) Carnets, shall be presented to the customs authorities at customs offices en-route and at customs offices of destination for such administrative action as may be required under the provisions of this Protocol.

6. Save where irregularities are suspected, the customs offices-en-route within the Member States shall respect the seals affixed by the customs authorities of the other Member States. Such customs authorities may, however, affix additional seals of their own.

7. In order to prevent abuse, the customs authorities may, if they deem it necessary:

- (a) require the means of transport to be escorted through the territory of their country, at the transitor's expense, when goods are transported in unsealed means of transport; or
- (b) require that examination of the means of transport and their loads be carried out en-route in the territory of their country.

8. An unsealed shipment covered by a TIA (PTA) document may have only one customs office of destination.

9. If the goods in a means of transport are examined at a customs office en-route or anywhere in the course of transportation, the customs authorities concerned shall record on the TIA (PTA) Carnet Voucher relating to their country and in the appropriate section of the carnet cover, particulars of irregularities, if any, and of the new seals affixed by them.

10. In the event of an accident or imminent danger necessitating the immediate unloading in whole or in part of a means of transport, the carrier may on his own initiative take such steps as may be necessary to ensure the safety of the goods being transported or the means of transport in which they are being transported. The carrier shall, however, as soon as possible thereafter, inform the customs office of commencement and arrange, where appropriate, for the goods to be transferred to other means of transport in the presence of the customs authorities concerned or of accredited local authority.

11. On arrival at the customs office of destination, the TIA (PTA) Carnet shall be discharged without delay. If, however, the goods cannot be immediately entered under another customs regime, the customs authorities may reserve the right to discharge the carnet conditionally

upon a new liability being substituted for that of the surety guaranteeing the said Carnet.

12. If seals affixed by customs authorities are broken en-route otherwise than in the circumstances set out in paragraph 10 of this Article, or if goods are destroyed or damaged without breaking such seals, the procedure laid down in paragraph 11 of this Article shall, without prejudice to the application of the provisions of national laws, be followed and a certified report drawn up in the form set out in Appendix V of this Protocol.

13. When the customs authorities are satisfied that the goods covered by a TIA (PTA) Carnet have been destroyed by force majeure, an exemption from payment of the duties shall be granted.

14. No special document shall be issued in respect of the means of transport used in a shipment covered by a TIA (PTA) Carnet provided that their particulars and value are recorded on the cover of the Carnet.

15. The provisions of paragraph 13 of this Article shall not prevent a Member State from requiring the completion of the formalities provided for in its national regulations at the customs office of destination or from taking measures to prevent the use of such means of transport for a fresh consignment of goods intended for delivery within its territory.

#### ARTICLE 10

##### Obligations of the Member States and sureties

1. Each Member State undertakes to facilitate the transfer to the other Member States of the funds necessary for payment of premiums or other charges claimed from sureties under the provisions of this Protocol, or for payments of any penalties which the transitor may incur in the event of an offence being committed in the course of transit transport operations.

2. The Member States agree to ensure that the liabilities undertaken by sureties cover import or export duties due, any interest thereon and other charges and financial penalties incurred by the holder of a TIA (PTA) Carnet and other persons involved in the transit transport operation under the customs laws and regulations of the Member State in which an offence has been committed. The surety and the persons charged with the offence shall be jointly and severally liable for payment of such sums. The fact that customs authorities might have authorized the examination of goods elsewhere than at a place where the business of the customs office of commencement or destination is usually conducted shall not affect the liability of the surety.

3. For purposes of determining the duties referred to in paragraph 2 of this Article, the particulars of the goods as entered in the TIA (PTA)

Carnet shall, unless the contrary is proved, be regarded as correct.

4. The liability of the surety to the authorities of any Member State shall commence from the time when the TIA (PTA) Carnet is accepted by the customs authorities of that Member State, and shall cover only the goods enumerated in the Carnet.

5. When the Customs authorities of a Member State have unconditionally discharged a TIA (PTA) Carnet, they may not subsequently claim from the surety payment in respect of the duties referred to in paragraph 2 of this Article unless the certificate of discharge was issued erroneously or fraudulently.

6. The transit and surety shall be released from their undertaking to the Customs authorities of a Member State concerned when the goods carried have been duly exported or have otherwise been accounted for satisfactorily to the Customs authorities of the Member State concerned.

7. Where a TIA (PTA) Carnet has not been discharged or has been discharged conditionally, the competent authority of a Member State shall not claim from the surety the payments referred to in paragraph 2 of this Article unless such authority has, within a period of one year from the date on which the TIA (PTA) Carnet was taken on charge, notified the surety of the non-discharge or conditional discharge of the Carnet:

Provided that where the certificate of discharge was obtained erroneously or fraudulently, this paragraph shall not prevent the authorities of a Member State from taking the necessary action against the person or persons concerned at any time thereafter in accordance with their national laws.

8. The claim for payment referred to in paragraph 2 of this Article shall be made within three years from the date when the surety was notified that the Carnet had not been discharged or had been discharged conditionally, or that the certificate of discharge had been obtained erroneously or fraudulently. However, if the period of three years referred to in paragraph 7 of this Article includes a period of legal proceedings, any claim for payment under the provisions of this Article shall be made within one year from the date when the decision of the court becomes enforceable.

9. The Member States shall, in their territories, provide 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.

10. The Member States undertake to co-operate in the establishment of a Multinational Coastal Shipping Line, the Trans-African Highway, the

Joint Freight Booking Centre and any other intra-Preferential Trade Area transport projects which may be agreed upon, with a view to promoting transit trade among themselves.

#### ARTICLE 11

##### Miscellaneous Provisions

1. The Member States undertake to establish or facilitate the establishment of bonded areas and or bonded warehouses for the temporary storage of transit goods where the direct transshipment of goods from one means of transport to another is not possible. The management and operation of such bonded areas and warehouses shall be in accordance with the customs rules and regulations of the Member States concerned.
2. The Member States undertake to permit and facilitate the establishment of cargo, clearing and forwarding offices in their territories by persons, organizations or associations of other Member States or their authorized agents, for the purpose of facilitating transit traffic.
3. Each means of transport engaged in international transit traffic operations under cover of a TIA (PTA) Carnet shall have affixed to its front and rear, a plate bearing the letters "TIA", the specifications of which are laid down in Appendix IV of this Protocol. These plates shall be so placed as to be clearly visible, removable and capable of being sealed. The seals to such plates shall be affixed by the customs authorities of the customs offices of commencement and shall be removed by the authorities of the customs offices of destination.
4. The Member States shall communicate to each other facsimiles of the seals, stamps and date stamps they use.
5. Each Member State shall send to the other Member States a list of its customs offices of commencement, customs offices en-route and customs offices of destination approved by it for TIA (PTA) Carnet covered traffic and the normal working hours of such offices. Contiguous Member States shall consult each other in determining the frontier customs offices to be included in such lists and where possible such offices shall be juxtaposed.
6. In all customs operations referred to in this Protocol, no charges shall be levied for customs attendance, save where it is provided on days or at times or places other than those appointed for such operations. Wherever possible customs frontier offices shall remain open for business for twenty-four hours a day or shall allow execution of customs formalities relating to the transportation of goods under the provisions of this Protocol outside the normal working hours.
7. Any breach of the provisions of this Protocol shall render a carrier liable in the Member State where the offence is committed to the



penalties prescribed by law in that Member State.

8. Nothing contained in this Protocol shall prevent the Member States who may be members of a customs union or an economic community from enacting special legislation in respect of transport operations commencing or terminating in or passing through their territories:

Provided that the provisions of such legislation shall not conflict with the provisions of this Protocol, are not detrimental to the facilities provided by this Protocol or do not confer benefits on third countries that are more favourable than those enjoyed by the Member States.

#### ARTICLE 12

##### Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

NOTES FOR THE USE OF THE TIA (PTA) CARNET

1. The TIA (PTA) Carnet shall be prepared in the country of commencement where the goods are first declared to be in transit.
  2. The TIA (PTA) Carnet and voucher forms shall be printed in the English, French and Portuguese languages, but completed in the language of the country of commencement. The customs authorities of the other countries traversed reserve the right to require their translation into their own language. In order to avoid unnecessary delays which might arise from this requirement, carriers are advised to supply the operator of the means of transport with the requisite translations.
  3. A TIA (PTA) Carnet remains valid until completion of the TIA operation at a customs office of destination provided that it has been taken under customs control at the customs office of commencement within the time limit given by the issuing authorities.
  4. (a) The Carnet and vouchers must be typed or multigraphed or printed legibly.  
(b) When there is not enough space on the manifest section of vouchers to enter all the goods carried, separate sheets of the same model as the manifest may be attached to the latter, but all copies of the manifests must contain the following particulars:
    - (i) a reference to the sheets;
    - (ii) the number and type of packages and goods in bulk enumerated on the separate sheets;
    - (iii) the total value and the total gross weight of the goods appearing on the said sheets.
  5. Weights, volume and other measurements shall be expressed in units of the metric system, and values in the currency of the country of commencement.
  6. No erasures or over-writing shall be allowed on the TIA (PTA) Carnet. Any correction shall be made by deleting the incorrect particulars and adding, if necessary, the required particulars. Any correction, addition or other amendment shall be acknowledged by the person making it and countersigned by the customs authorities.
  7. The transitor or his agent shall sign page 2 of the Carnet, the declaration on the front of each voucher and the reverse of the vouchers with odd numbers.
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8. Only one TIA (PTA) Carnet shall be required for coupled means of transport or for several containers loaded either on a single means of transport or coupled means of transport.
9. When the TIA (PTA) Carnet covers coupled means of transport or several containers, the contents of each means of transport shall be indicated separately on the manifest. This information shall be preceded by the registration or identification number of the means of transport.
10. Transport under cover of a TIA (PTA) Carnet may involve one customs office of commencement and not more than two offices of destination.
11. If there are more than one customs office or destination, the entries concerning the goods taken under customs control at, or intended for, each office shall be clearly separated from each other on the manifest.
12. The operator of the means of transport must make sure that a voucher of the TIA (PTA) Carnet is detached by the customs at each customs office en route and at destination. Vouchers with odd numbers are to be used for taking the goods under customs control and those with even numbers for discharging them.
13. In the event of customs seals being broken or goods being destroyed or damaged accidentally en route the operator shall ensure that a certified report is drawn up as quickly as possible by the authorities of the country in which the vehicle is located. The operator shall approach the customs authorities, if there are any near at hand, or, if not, any other competent authorities. Operators shall accordingly provide themselves with copies of the certified report form laid down in Appendix 2 of the Protocol on Transit Trade and Transit Facilities within the Preferential Trade Area.
14. In the event of accident involving immediate unloading of the whole or part of the load en route, the operator may take action on his own initiative without requesting or awaiting intervention by the authorities mentioned in paragraph 13 of these notes. He must then furnish adequate proof that he was compelled to take such action in the interests of the means of transport or of the load. Having taken such preventive measures as the emergency may necessitate, he shall at the first opportunity notify the authorities mentioned in paragraph 13 of these notes in order that the facts may be verified, the load checked, the means of transport sealed and a report drawn up.

PREFERENTIAL TRADE AREA FOR EASTERN  
AND SOUTHERN AFRICAN STATES

TIA (PTA) CARNET

TIA NO.

Carnet issued to:

Name.....

Address.....

Port or place at which transit operation begins.....

.....Country.....

Approved route.....

Time allowed.....

Customs offices en route in the order visited

1. EXIT.....Country.....

2. ENTRY.....Country.....

3. EXIT.....Country.....

4. ENTRY.....Country.....

5. EXIT.....Country.....

6. ENTRY.....Country.....

Customs offices of destination

1. ....Country.....

2. ....Country.....

Means of transport\*

Registration No. .... Country in which registered.....

Means of transport\* .... Country in which registered.....

Registration No. ....Country in which registered.....

No. of guarantee card .... Date of expiry.....

---

\* Indicate the type of transport utilized.



For the use of the customs office of commencement only

1. It has been verified that Bond or Agreement No. ....  
is valid until.....
2. It has been ascertained that the goods named on the  
attached vouchers have been loaded on the means of transport  
mentioned on page 1 of this carnet.
3. Seals or labels affixed.....
4. First voucher detached and retained.

---

Place and date

Officers signature

Customs office at.....



FOR CUSTOMS USE ONLY

CERTIFICATES OF EXAMINATION AND SEALS AFFIXED EN ROUTE

Note: When an inspection is necessitated by an accident or by  
the discovery of a break-in, a certified report shall be  
drawn up in triplicate.

1. Customs office of EXIT en route

Seals intact

Contents produced and identified as corresponding to  
labels, numbers and descriptions

Resealed with Seal No.....  
Voucher No. ....detached

Remarks:

Place and date:.....

---

Place and date

Signed and sealed









Total number of packages (written out).....  
This manifest covers a total of .....packages. Those  
with Serial Nos. ....are to be delivered to the  
customs officer at .....and those with Serial  
Nos. .... are to be delivered to the  
customs office at .....

I, ....., the undersigned, acting for and on  
behalf of ..... certify that the  
descriptions given above are true and complete.

\_\_\_\_\_  
Place and date

\_\_\_\_\_  
Signature

For the official use of the customs office  
of commencement

1. It has been noted that Bond No. ....is valid until .....
2. It has been certified that the goods mentioned on the  
attached vouchers have been loaded on the means of transport  
referred to on page 1 of this Carnet.
3. Seals or marks affixed.....
4. Voucher No. 1 detached and filed.

\_\_\_\_\_  
Place and date

\_\_\_\_\_  
Signature of officer

TO BE DETACHED AND KEPT BY THE CUSTOMS OFFICE OF COMMENCEMENT

Vouchers with even numbers

Voucher No. ....(Exit)

Customs office of commencement .....

Date of declaration .....

Carnet valid until .....

MANIFEST

Serial No.	Marks and No.	Kind and number of packages	Description of goods	Gross weight (in kg)	Value	Country of origin	Remarks

Total number of packages (written out in full).....

This manifest covers a total of.....packages. Those with Serial Nos. .... are to be delivered to the customs office at ....., and those with Serial Nos. .... are to be delivered to the customs office at .....

I, ....., the undersigned, acting for and on behalf of ....., certify that the descriptions given above are true and complete.

Place and date

Signature

For the use of the customs office of exit

Seals intact

Packages produced and identified as corresponding to labels, numbers and descriptions

Resealed with Seal No. ....

\_\_\_\_\_  
Place and date

\_\_\_\_\_  
Signature

TO BE DETACHED AT THE CUSTOMS OFFICE OF EXIT AND RETURNED TO THE CUSTOMS OFFICE OF COMMENCEMENT OR SENT TO THE CUSTOMS OFFICE OF ENTRY THROUGH WHICH THE SHIPMENT LAST PASSED.

Check the boxes applicable

Vouchers with odd numbers

\_\_\_\_\_  
TIA Carnet No. ....  
Voucher No. ....(entry)  
Customs office of commencement .....  
Date of declaration .....  
Carnet valid until .....

MANIFEST

Serial No.	Marks Kind and number of packages	Description of goods	Gross weight (in kg)	Value	Country of origin	Remarks

Total number of packages (written out in full).....

This manifest covers a total of.....packages. Those with Serial Nos. ....are to be delivered to the customs office at.....

I, ....., the undersigned, acting for and on behalf of....., certify that the descriptions given above are true and complete

Place and date

Signature

For the use of the customs office of entry

Seals intact

Packages produced and identified as corresponding to labels, numbers and descriptions.

Resealed with Seal No. ....

Remarks:

Place and date

Signature

TO BE DETACHED AND RETAINED BY THE CUSTOMS OFFICE AT ENTRY.

Check the boxes applicable

Voucher No. ....(delivery)

Customs office of commencement.....TIA Carnet No.....

Date of declaration.....

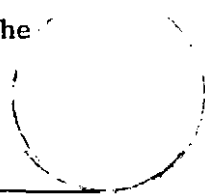
Carnet valid until.....

MANIFEST

Serial No.	Marks and Mo.	Kind and number of packages	Description of goods	Gross weight (in kg)	Value	Country of origin	Remarks

Total number of packages (written out in full).....  
 This manifest covers a total of .....packages. Those with serial Nos. .... are to be delivered to the customs office at..... and those with Serial Nos. .... are to be delivered to the customs office at.....

I, ....., the undersigned, acting for and on behalf of ....., certify that the description given above are true and complete



\_\_\_\_\_  
 Place and date

\_\_\_\_\_  
 Signature

For the use of the customs office of destination

Date of arrival:

Seals intact

Packages produced identified as corresponding with the marks, numbers and descriptions given in the manifest above.

Number of packages unloaded:  
 Resealed with Seal No. ....  
 Remarks:

\_\_\_\_\_  
 Place and date

\_\_\_\_\_  
 Signature

TO BE DETACHED AND SENT TO THE CUSTOMS POST THROUGH WHICH SHIPMENT  
PASSED ON ENTERING COUNTRY IN WHICH DELIVERY MADE.

Check boxes which apply to shipment concerned.

REGULATIONS RELATING TO TECHNICAL CONDITIONS  
APPLICABLE TO MEANS OF TRANSPORT  
OTHER THAN PACK ANIMALS WHICH MAY BE ACCEPTED  
FOR INTRA--AREA TRANSPORT OF GOODS WITHIN  
THE PREFERENTIAL TRADE AREA  
UNDER CUSTOMS SEAL

1. Approval for the intra-area transport of goods by means of transport under customs seal may be granted only for means of transport constructed and equipped in such a manner that:
  - (a) customs seal can be simply and effectively affixed thereto;
  - (b) no goods can be removed from or introduced into the sealed part of the means of transport without obvious damage to it or without breaking the seals;
  - (c) they contain no concealed spaces where goods may be hidden.
2. The means of transport shall be so constructed that all spaces in the form of compartments, receptacles or other recesses which are capable of holding goods are readily accessible for customs inspection.
3. Should any empty spaces be formed by the different layers of the sides, floor and roof of the means of transport the inside surface shall be firmly fixed, solid, unbroken and incapable of being dismantled without leaving obvious traces.
4. Openings made in the floor for technical purposes, such as lubrication, maintenance and filling of the sand-box shall be allowed only on condition that they are fitted with a cover capable of being fixed in such a way as to render the loading compartment inaccessible from the outside.
5. Doors and all other closing systems of means of transport shall be fitted with a device which shall permit simple and effective customs sealing. This device shall either be welded to the sides of doors where these are of metal, or secured by at least two bolts, riveted or welded to the nuts on the inside.
6. Hinges shall be so made and fitted that doors and other closing systems cannot be lifted off the hinge-pins, once shut; the screws, bolts, hinge-pins and other fasteners shall be welded to the outer parts of the hinges. These requirements shall be waived, however, where the doors and other closing systems have a locking device inaccessible from the outside which, once it is applied, prevents the doors from being lifted off the hinge-pins.



7. Doors shall be so constructed as to cover all interstices and ensure complete and effective closure.
8. The means of transport shall be provided with a satisfactory device for protecting the customs seal, or shall be so constructed that the customs seal is adequately protected.
9. The foregoing conditions shall also apply to insulated vehicles, refrigerator vehicles, tank vehicles and furniture vehicles in so far as they are not incompatible with the technical requirements which such vehicles must fulfil in accordance with their use.
10. The flanges (filler caps), drain cocks and manholes of tank wagons shall be so constructed as to allow simple and effective customs sealing.
11. Folding or collapsible containers are subject to the same conditions as non-folding or non-collapsible containers, provided that the locking devices enabling them to be folded or collapsed allow of customs sealing and that no part of such container can be moved without breaking the seals.

Certificate of Approval of Means of Transport

1. Certificate No. \_\_\_\_\_ Date of expiry \_\_\_\_\_
2. Attesting that the means of transport specified below fulfils the conditions required for admission to inter-area transport of goods under customs seal.
3. Name and address of holder (owner or carrier)  
\_\_\_\_\_  
\_\_\_\_\_
4. Make \_\_\_\_\_
5. Type \_\_\_\_\_
6. Engine No. \_\_\_\_\_ Chassis No. \_\_\_\_\_
7. Registration No. \_\_\_\_\_
8. Other particulars \_\_\_\_\_
9. Issued at \_\_\_\_\_ (place) on \_\_\_\_\_  
\_\_\_\_\_ (date) 19 \_\_\_\_\_ .
10. Signature and stamp of issuing office at \_\_\_\_\_



**NOTE:**

This licence must be framed and exhibited in the cab of the means of transport to which it relates and must be returned to the issuing office when the means of transport is not in use, or on a change of owner or carrier, or on expiry of the period of validity of the certificate, or if there is any material change in any essential particulars of the means of transport.

ANNEX V  
APPENDIX V

Front of report form

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CERTIFIED DECLARATION OF EXAMINATION OF CONTENTS OF MEANS OF TRANSPORT

---

1. TIA (PTA) Carnet No. .... Issued at.....

2. Information concerning the means of transport examined

Kind of means of transport .....

Registration No. ....Country in which registered.....

.....

3. Reasons for making the examination (check where appropriate)

Seals broken or missing

Evidence of break-in

Vehicle involved in an accident

Other

4. Results of examination (check where appropriate)

The contents of the means of transport were checked against the manifest, and it was found that: (check where appropriate)

All packages were intact and none of their contents was missing;

The following goods/packages were missing/damaged

Serial No.	Marks and No	Kind and number of packages	Description of goods	REMARKS

5. Explanation given by the shipper or driver regarding the irregularities noted (reply in space provided on back of this form)

6. Information concerning means of transport to which goods transferred

Type of means of transport.....

Registration No. .... Country in which registered

7. Seals affixed: Quantity.....Nos. ....

8. The goods were able to proceed towards their destination

9. I hereby certify that the information provided above is correct and complete.



---

Place and date

Signature of officer

Location of customs office

Check the boxes applicable

Back of report form

---

Explanation provided by shipper or driver

---

Place and date

Signature

NOTE: This form must be prepared in triplicate to be distributed as follows:

Original: To be attached to page 4 of the TIA (PTA) Carnet.

Duplicate: If the inspection takes place at an office of entry, the duplicate should be attached to the entry voucher.

If the inspection takes place at an office of exit, the duplicate should be attached to the corresponding voucher and returned to the office of entry.

Triplicate: To be returned at the office where the examination took place.

1. The plates shall measure 250 by 400 millimetres.
2. The letters and brackets "TIA (PTA)" shall be 50 millimetres high; the letters in the word "BONDED" shall be 90 millimetres high.  
Roman letters shall be used.  
The letters shall be white on a blue background.
3. The letters and brackets shall be arranged as follows:

---

T I A ( P T A )  
B O N D E D

---

ANNEX VI

PROTOCOL ON CLEARING AND PAYMENTS ARRANGEMENTS

## PREAMBLE

## THE HIGH CONTRACTING PARTIES

CONCERNED about the absence or inadequacy of machinery for the settlement of payments among the Member States and which has hampered the expansion of trade among the countries of Eastern and Southern Africa;

DETERMINED to facilitate the expansion of trade among their respective States by providing for a more convenient and economic machinery for the settlement of payments; and

RECALLING the provisions of item (iii) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty to the effect that clearing and payments arrangements for facilitating trade in goods and services among the Member States shall be set out in a Protocol annexed to the Treaty;

HEREBY AGREE as follows:-

## ARTICLE 1

Interpretation

In this Protocol:

"Committee" means the Clearing and Payments Committee established by Article 10 of the Treaty and shall consist of representatives of the monetary authorities of the Member States;

"convertible currency" means a currency which is widely used to make payments for international transactions, and is widely traded in the principal exchange markets;

"eligible transactions" means all monetary and financial transactions between the Member States relating to trade in all goods and services affected by the provisions of the Treaty;

"monetary authority" means a Central Bank or any other institution authorized by a Member State to issue currency within its territory;

"national currency" means any currency issued by a Member State and which is legal tender within its territory;

"payment period" means the period within each transaction period during which the Member States which exceed the agreed limits of their swing credits shall, on the advice of the Clearing House, be required to pay the amounts in excess of the agreed limits of credit lines to the respective monetary authorities to whom they are due;

"services" means all services directly related to the promotion of trade between the Member States conducted in pursuance of the provisions of this Treaty such as those relating to the transport, storage, handling and insurance of goods;



"settlement period" means the period immediately following the end of each transaction period as may be determined by the Clearing House, and during which settlement of outstanding debit balances arising from multilateral clearing shall be made by the debtor monetary authorities;

"transactions period" means the period between any two consecutive dates fixed by the Clearing House and at the end of which the debit and credit positions arising from multilateral clearing shall be established for settlements to be made by debtor monetary authorities;

"transitional period" means the period between the definitive entry into force of the Treaty and the time when the Member States are required under the provisions of this Protocol to undertake eligible transactions among themselves on a multilateral basis;

"UAPTA" means the Preferential Trade Area unit of account established under Article 5 of this Protocol.

## ARTICLE 2

### Objectives

1. The Member States undertake to promote trade in goods and services within the Preferential Trade Area in accordance with the provisions of this Protocol by:

- (a) promoting the use of national currencies expressed in UAPTA in the settlement of eligible transactions between the Member States;
- (b) providing machinery for the multilateral settlement of payments among the Member States;
- (c) undertaking regular consultations among themselves on monetary and financial matters.

2. For the purposes of this Protocol, the Member States agree to co-operate in specific fields of fiscal and monetary matters as may be agreed upon from time to time by the Council on the recommendation of the Committee.

3. The Member States agree to promote monetary and financial co-operation among themselves and other African countries and for this purpose, the Clearing House established by this Protocol shall as appropriate, co-operate with similar institutions in Africa.

### ARTICLE 3

#### Scope

1. The provisions of this Protocol shall apply to all eligible transactions among the Member States.
2. Notwithstanding the provision of paragraph 1 of this Article the Council on the recommendation of the Committee may at any time for the purpose of promoting the objectives of this Protocol, extend the application of this Protocol to include other transactions.

### ARTICLE 4

#### Establishment of the Clearing House

1. There is hereby established a Clearing House for the multilateral clearing and settlement of payments in respect of eligible transactions among the Member States.
2. The functions of the Clearing House shall be:
  - (a) to undertake clearing operations in respect of eligible transactions among the Member States;
  - (b) to regulate and oversee transfers of payments expressed in UAPTA and made in pursuance of eligible transactions;
  - (c) to facilitate the efficient and speedy transfers of payments between Member States, the efficient use of swing credits established between the Member States and the use of national currencies expressed in UAPTA for transactions made within the framework of the Preferential Trade Area;
  - (d) to undertake such other activities as the Council may on the recommendation of the Committee, determine.
3. The Clearing House shall have such officers and staff as the Council may on the recommendation of the Committee, deem necessary.
4. The Head Office of the Clearing House shall be established at a place to be determined by the Council on the advice of the Committee.

ARTICLE 5

Unit of account and exchange rate guarantee

1. The Council, on the advice of the Committee, shall take the necessary steps to establish a unit of account for the Preferential Trade Area (hereinafter referred to as "UAPTA") and determine its par value.
2. Each monetary authority shall communicate to the Clearing House the official par value of its national monetary unit.
3. Any change in the declared par value of the currency of a Member State shall be notified immediately by its monetary authority to the Clearing House which shall determine its par value in terms of UAPTA and advise the monetary authorities of the other Member States accordingly.
4. The Member States shall guarantee the free convertibility of the amounts due from their monetary authorities in respect of eligible transactions into any agreed currency of UAPTA at the par value prevailing on the date of settlement as notified by the Clearing House.

ARTICLE 6

Clearing and settlement of transactions

1. The Member States agree that the clearing of payments with respect to eligible transactions among themselves shall be undertaken on a multilateral basis after a transitional period to be determined by the Council on the recommendation of the Committee. Such a transitional period shall not exceed a period of two years from the definitive entry into force of the Treaty.
  2. During the transitional period referred to in paragraph 1 of this Article:
    - (a) the Member States between which bilateral clearing and payments arrangements exist, or
    - (b) the Member States between which no bilateral clearing and payments arrangements existshall subject to the provisions of this Protocol, be at liberty to maintain or establish and maintain as the case may be, bilateral clearing and payments arrangements in respect of eligible transactions.
  3. For the purposes of paragraph 1 of this Article, the Member States agree that their monetary authorities shall extend to each other swing credits in their national currencies expressed in UAPTA, the maximum limits of which shall be determined by the Committee on the basis of the volume of trade of each Member State within the Preferential Trade Area.
  4. Notwithstanding the provisions of paragraph 3 of this Article, a monetary authority may on its own initiative, increase the amount of swing credits referred to in paragraph 3 of this Article.
-

5. The net debit balance outstanding against a debtor monetary authority shall not at any one time be in excess of the credit limit that may be determined by the Committee in respect of that monetary authority.
6. The net debit balance outstanding against a debtor monetary authority at the end of the transactions period shall be settled by the debtor monetary authority within a settlement period to be determined by the Committee in convertible currency.
7. Any net debit balance at any one time in excess of the credit limit determined in accordance with the provisions of paragraphs 3 and 4 of this Article may be paid by the debtor monetary authority to the creditor monetary authority in any currency that may be agreed upon by them within a payment period that may be determined by the Committee.
8. The Member States agree that interest at a progressive rate that may be determined by the Committee, shall be charged daily on debit balances outstanding after the date notified for settlement, against a debtor monetary authority.
9. A monetary authority which at the end of a payment or settlement period fails to make payment in accordance with the provisions of paragraphs 6 and 7 of this Article shall be deemed to be in default and shall be subject to such sanctions as the Council may on the recommendation of the Committee, determine.

#### ARTICLE 7

##### Exchange controls

1. The Member States undertake to reduce and progressively eliminate restrictions on the making of bona fide payments and transfers relating to eligible transactions:  

Provided that nothing in this Protocol shall prevent a Member State from maintaining or introducing temporary exchange control regulations for alleviating acute balance of payments difficulties arising from the implementation of the provisions of the Treaty.
2. The Member States agree to communicate to each other through the Clearing House the exchange control regulations applied by them, and to include in such regulations provisions to facilitate the smooth functioning of the Clearing House.
3. The Member States agree to co-operate in measures designed to make the exchange control regulations of each other effective:  

Provided that such measures and regulations are consistent with the provisions of the Treaty.

4. Notwithstanding the provisions of paragraph 3 of this Article exchange control regulations which impose restrictions on bona fide payments and transfers relating to eligible transactions and which are inconsistent with the provisions of the Treaty shall not be enforceable in the Member States.

#### ARTICLE 8

##### Co-operation with other clearing and payments institutions or arrangement

1. The Clearing House may subject to the approval of the Council, negotiate and conclude agreements on special clearing arrangements or monetary co-operation with monetary authorities or payments unions of third world countries:

Provided that such agreements do not frustrate the attainment of the objectives of this Protocol or affect the character of the relationship established between the Member States by the Treaty.

2. Nothing contained in this Protocol shall prevent any Member State from entering into or maintaining bilateral payments or clearing arrangements with any third country:

Provided that such arrangements do not conflict with or frustrate the attainment of the objectives of this Protocol.

#### ARTICLE 9

##### Relations with Member States

1. The Member States undertake to authorize their monetary authorities to act as agents for the Clearing House in their respective territories and for this purpose the monetary authorities shall deal with the Clearing House and with each other in accordance with the procedures provided for in the rules and regulations of the Clearing House that may be made by the Council.

2. The regulations of each Member State which govern the method of operation between a monetary authority and the commercial banks designated by it for the purposes of the Clearing House, shall be communicated to each monetary authority by the Member States through the Clearing House.

3. The Member States agree for the purposes of this Protocol, that they or their monetary authorities shall furnish the Clearing House with such information as may be required by the Clearing House.

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ARTICLE 10

Monetary and financial co-operation

The Committee shall keep the provisions of this Protocol under constant review with a view to recommending to the Council the progressive establishment of a payments union among the Member States which would also provide machinery for the provision of assistance to Member States in difficulties as regards their balance of payments as a result of the implementation of the Treaty.

ARTICLE 11

Institutional arrangements

Subject to the provisions of this Protocol and to such directives as the Council may give from time to time, the Committee shall, in particular perform functions relating to the achievement of the objectives of this Protocol, prepare the rules and regulations governing the operations of the Clearing House, determine the procedures for clearing and payments operations and supervise and keep under constant review the activities and operations of the Clearing House with a view to the progressive establishment of a payments union among the Member States.

ARTICLE 12

Cost of operating the Clearing House

The Member States agree that the cost of operating the Clearing House shall be borne by them in accordance with a formula to be determined by the Council.

ARTICLE 13

Transitional arrangements

1. Upon the expiry of the transitional period referred to in paragraph 1 of Article 6 of this Protocol, all the bilateral clearing or payments arrangements that may be existing between the Member States, shall not be renewed in respect of eligible transactions upon their expiry and where such arrangements are of indefinite duration shall cease to have effect upon a date to be determined by the Council on the recommendation of the Committee.

2. During the transitional period referred to in paragraph 1 of Article 6 of this Protocol, the Committee shall undertake a study for the approval of the Council on the modalities to be adopted at the expiry of the said transitional period by the Member States for the undertaking on a multilateral basis of the clearing of payments with respect to eligible transactions among themselves.

ARTICLE 14

Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

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ANNEX VII

PROTOCOL ON  
TRANSPORT AND COMMUNICATIONS

---

## PREAMBLE

## THE HIGH CONTRACTING PARTIES

RECALLING the provisions of item (iv) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty to the effect that co-operation among the Member States in the fields of transport and communications shall be set out in a Protocol to be annexed to the Treaty,

BEING AWARE of Resolution 298 (XIII) of the Conference of Ministers concerning the Trans-African Highways; General Assembly Resolution 32/160 concerning the Transport and Communications Decade for Africa, 1978-1988; and Resolution 273 (XII) of the Conference of Ministers of the United Nations Economic Commission for Africa, concerning the Pan-African Telecommunications Network;

HEREBY AGREE as follows:

## ARTICLE 1

Interpretation

In this Protocol:

"Committee" means the Transport and Communications Committee established by Article 10 of the Treaty;

"multimodal transport" means the transport of goods from one point to another by two or more modes of transport on the basis of a single contract issued by the person or enterprise organising such services and while such person or enterprise assumes responsibility for the execution of the whole operation;

"multimodal transport facilities" include items such as heavy lift swinging devices, twin deck cranes, gantry crane, elevators, (large carriers) mechanized storage, low loaders, access facilities, low-profile straddle carriers, mobile cranes, container gantry cranes, side loaders, heavy duty forklifts, heavy duty tractors, heavy duty trailers, portable ramps, flat wagons (flats) for containers, low tare special user wagons and trucks for containers, pallets and web-slings for pre-slung cargoes for different commodities.

"telecommunications" means the process of transmitting information or data from one point to another point or to several points by means of telephones, telegraphs, telexes, data facsimiles, and radio and television broadcasting, by means of telephone lines, coaxial cables, submarine cables, radio links and artificial satellite.

## ARTICLE 2

Objectives

The Member States undertake to evolve a complementary transport and communications systems and policies to improve and expand their existing



transport and communications links and to establish new ones as a means of furthering the physical cohesion of the Member States and the promotion of greater movement of persons, goods and services within the Preferential Trade Area, and to this end the Member States shall take all necessary steps to give effect to this Protocol.

ARTICLE 3

Road transport

The Member States shall:

- (a) ratify or accede to the United Nations Conventions on Road Traffic and on Road Signs and Signals, 1968, and take such steps as may be necessary to implement their provisions;
- (b) harmonize the provisions of their laws concerning the equipment for and markings of vehicles used for inter-State transport within the Preferential Trade Area;
- (c) adopt common standards and regulations for the issuance of driving licences;
- (d) harmonize and simplify formalities and documents required for the vehicles and cargo used in inter-State transport within the Preferential Trade Area;
- (e) adopt minimum requirements for the insurance of goods and vehicles;
- (f) adopt common regulations governing speed limits on the urban roads and highways of the Member States;
- (g) adopt common regulations prescribing minimum safety requirements for the transport of dangerous substances;
- (h) harmonize rules and regulations concerning special transport requiring escort;
- (i) adopt common rules and regulations governing the dimensions, technical requirements, gross weight and load per axle of vehicles used in inter-State trunk roads within the Preferential Trade Area;
- (j) construct inter-State trunk roads linking the Member States to common standards of design and maintain existing road networks to such standards as will enable the carriers of other Member States to operate to and from their territories in a reasonably efficient manner;

- (k) agree to maintain those segments of the Trans-African Highway that traverse their territories as well as the feeder roads that are linked with it in order to facilitate trade within the Preferential Trade Area;
- (l) consult each other on the levying of frontier tolls on a non-discriminatory basis and on the eventual waiver of such tolls in respect of vehicles registered in the Member States;
- (m) ensure that inter-State transport operations within the Preferential Trade Area to and from their territories are shared between carriers from their territories and the carriers from other Member States;
- (n) ensure that transport rates of common carriers applicable within their territories for the conveyance of passengers and goods to and from other Member States shall not be less favourable than similar transport rates within their territories;
- (o) ensure that the treatment of operators of motor transport engaged in inter-State transport within the Preferential Trade Area from other Member States is not less favourable than that accorded to the operators of similar transport from their own territories;

## ARTICLE 4

Railway transport

The Member States in whose territories railways are operated shall:

- (a) adopt common safety rules and regulations governing railway signs, signals and rolling stock;
- (b) adopt common minimum safety requirements for the transport of dangerous substances;
- (c) harmonize their legal and administrative requirements for inter-State railway transport within the Preferential Trade Area with a view to eliminating related barriers and inconsistencies that exist among themselves;
- (d) harmonize and simplify documents required for inter-State railway transport among themselves;

- (e) harmonize procedures with respect to the packaging, marking and loading of goods and wagons for inter-State railway transport among themselves;
- (f) agree to charge the same rates and apply the same rules and regulations to railway transport among themselves;

(Note: It was decided to refer this paragraph to the Second Extraordinary Conference of the Ministers of Trade, Finance and Planning for its determination as to whether the provisions of the paragraph are feasible.)

- (g) consult each other on proposed measures that might affect the railway transport of other member States;
- (h) agree to allocate separate and adequate space for the storage of goods from each other within their goods sheds;
- (i) take measures to facilitate the transfer of railway wagons used for inter-State railway transport within the Preferential Trade Area from one railway network to another;
- (j) agree to allocate railway rolling stock for the conveyance of goods to and from the territories of each other without discrimination;

(Note: It was decided to refer this paragraph to the Second Extraordinary Conference of the Ministers of Trade, Finance and Planning for its determination as to whether the provisions of the paragraph are feasible.)

- (k) endeavour to maintain the existing physical facilities of their railways to such standards as will enable other Member States to operate their own systems within the Preferential Trade Area in a reasonably efficient manner.

ARTICLE 5

Air Transport

The Member States shall:

- (a) standardize their airport facilities and civil aviation rules and regulations by implementing the provisions of the Chicago Convention on International Civil Aviation, with particular reference to Annex 9 thereof;
- (b) co-ordinate the flight schedules of their designated airlines;
- (c) develop, maintain and co-ordinate their navigational, communication and meteorological facilities for the provision of safe air navigation;
- (d) agree to grant preferential treatment to each other in the granting of air traffic rights and other facilities with a view to increasing the efficiency and profitability of their designated airlines;
- (e) grant each other preferential treatment in the use of maintenance and overhaul facilities and other services for aircraft, ground equipment and other facilities;
- (f) agree to charge the same rates and apply the same rules and regulations relating to air transport services among themselves;
- (g) agree to allocate space on board the aircraft of their designated airlines for goods consigned to or from the territories of other Member States;
- (h) adopt a common or uniform policy for the collective purchasing of aircraft;

(Note: It was decided to refer this paragraph to the Second Extraordinary Conference of Ministers of Trade, Finance and Planning for its determination as to whether the provisions of this paragraph are feasible.)

- (i) take measures directed towards aircraft standardization including co-operation in the preparation of technical specifications for the type of aircraft to be operated.

ARTICLE 6

Maritime transport and ports

The Member States shall:

- (a) standardize port services and harmonize and simplify documents relating to port operations within the Preferential Trade Area;
- (b) endeavour to make the maximum use of the opportunities offered by the Code of Conduct for Liner Conferences as adopted by the United Nations Conference on Trade and Development where they find it advantageous to do so;
- (c) promote co-operation among their port authorities in the management and operations of their ports and maritime transport to facilitate the efficient movement of traffic between their territories;
- (d) 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;
- (e) agree to charge the same rates and apply the same rules and regulations in respect of maritime transport among themselves;
- (f) agree to allocate space on board their ships for goods consigned to or from the territories of other Member States;
- (g) agree to allocate separate and adequate space for the storage of goods traded among themselves within their goods sheds.

ARTICLE 7

Inland waterway transport

The Member States which have common navigable inland waterways shall:

- (a) adopt, harmonize and simplify rules, regulations and administrative procedures governing their inter-State inland waterway transport;
- (b) use, where feasible, joint maintenance facilities;

- (c) harmonize tariffs for their inter-State inland waterway transport;
- (d) adopt common rules to govern the packing, marking, loading and other procedures concerning their inter-State inland waterway transport;
- (e) agree to charge the same rates and apply the same rules and regulations on inland water transport among themselves;
- (f) agree to allocate space on board vessels registered in their territories for goods consigned to and from the territories of other Member States;
- (g) wherever possible promote co-operation among themselves by undertaking joint ventures in inland waterway transport including the establishment of joint shipping services.

#### ARTICLE 8

##### Pipeline transport

The Member States shall, where common pipeline projects are feasible, co-operate in all aspects of the planning, financing and execution of such projects.

#### ARTICLE 9

##### Freight booking centres

Each Member State shall:

- (a) endeavour to establish national freight booking centres;
- (b) recommend to all their respective national enterprises or agencies the contracting of exports or imports handled by them on c.i.f. and f.o.b. basis respectively;
- (c) undertake to reduce their dependence on liner conferences by means such as the establishment of a multinational coastal shipping line and the use of the shipping lines of other Member States.

ARTICLE 10

Multimodal transport

The Member States shall:

- (a) harmonize and simplify regulations, procedures and documents required for their multimodal inter-State transport;
- (b) apply uniform rules and regulations with respect to the packaging, marking and loading of goods;
- (c) provide, where feasible, technical and other facilities for direct trans-shipment of goods at main trans-shipment points;
- (d) agree to allocate multimodal transport facilities for goods consigned to or from the territories of other Member States.

ARTICLE 11

Meteorological services

1. Each Member State shall collect and disseminate to the other Member States meteorological information in order to facilitate the efficient operation of air navigation, coastal shipping, inland water transport and the issuing of cyclone warnings.
2. The Member States shall co-operate and support each other in all activities of the World Meteorological Organization effecting the interests of the Preferential Trade Area.
3. The Member States shall exchange information concerning new developments in meteorological science and technology.

ARTICLE 12

Postal services

The Member States shall promote close co-operation between their postal administrations and devise ways and means to achieve speedier, cheaper and more frequent postal services among themselves.

## ARTICLE 13

Telecommunications

The Member States shall:

- (a) Re-organize and improve their inter-State telecommunications networks to meet standards required for efficient inter-State traffic within the Preferential Trade Area;
- (b) harmonize, where possible, their telecommunications tariffs among themselves;
- (c) establish a direct system of telecommunications among themselves so that messages may be transmitted speedily and at reduced rates.

## ARTICLE 14

Radio and television

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

## ARTICLE 15

General provisions

1. The Member States shall take measures directed towards the harmonization and maximum use of programmes within their existing institutions for the training of personnel in the field of transport and communications.
  2. The Member States shall exchange information on new technical developments in all modes of transport and communications.
  3. Each Member State shall take all necessary measures to prohibit the transportation of those products, mail and merchandise that are considered illegal in another Member State and are gazetted as illegal in accordance with the rules and regulations of that Member State.
-



ARTICLE 16

The Committee

Subject to such directions as the Transport Commission for Eastern and Southern African States may give, the Committee shall:

- (a) foster co-operation between itself and the national institutions for the development of transport and communications of the Member States;
- (b) undertake activities, including studies, designed to promote the attainment of the objectives of this Protocol;
- (c) have such other functions as the Council may assign to it.

ARTICLE 17

Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

ANNEX VIII

PROTOCOL ON CO-OPERATION IN  
THE FIELD OF INDUSTRIAL DEVELOPMENT

## PREAMBLE

## THE HIGH CONTRACTING PARTIES

CONVINCED that co-operation in industrial development offers favourable and good prospects not only for a more rapid and self-sustained industrialisation but also for the expansion of trade between the Member States;

MINDFUL that such co-operation in industrial development can only be achieved on the basis of full recognition and understanding of the prevailing situation of industrial and overall economic development in each Member State;

CONSCIOUS of the fact that meaningful Preferential Trade Area arrangements between countries at different levels of economic development and pursuing different economic and political policies cannot be realised without the restructuring of their economies through co-operation in industrial development;

RECALLING the provisions of item (v) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty requiring that a Protocol on co-operation in the field of industrial development within the Preferential Trade Area shall be annexed to the Treaty;

HEREBY AGREE as follows:

## ARTICLE 1

Interpretation

In this Protocol:

"Committee" means the Committee on Industrial Co-operation established by Article 10 of the Treaty;

"multinational industrial enterprises" include industrial corporations, enterprises and joint ventures in industrial projects or other industrial production units wholly owned either by two or more Member States or by nationals of two or more Member States;

"national" means a natural or legal person regarded as a national of a Member State in accordance with the nationality, citizenship or other laws of that Member State.

## ARTICLE 2

Objectives

1. It shall be the aim of this Protocol to promote self-sustained industrialization within the Preferential Trade Area designed to expand trade in industrial products, effect structural transformation of industry for the purpose of fostering the overall social and economic development of the Member States.

2. For the purposes set out in paragraph 1 of this Article the objectives of this Protocol shall more particularly include co-operation in the promotion of measures directed towards:

- (a) facilitation of the development of:
    - (i) large scale capital and intermediate goods industries;
    - (ii) food and agricultural industries; and
    - (iii) consumer goods industries for the purpose of obtaining the economies of scale, reducing external dependence for the supply of industrial products and achieving greater complementarity of the economies of the Member States;
  - (b) the progressive creation of methods of co-operation such as:
    - (i) the establishment of multinational enterprises; and
    - (ii) the establishment of joint industrial supporting institutions and other infrastructural facilities;
  - (c) the encouragement of the rational and efficient use of existing and new industrial productive capacities, raw materials and other local resources through rationalization and specialization of production and mutual sharing of resources wherever feasible;
  - (d) the promotion of the joint development of industrial research, skills and modern technology and the dissemination and exchange of related information;
  - (e) ensuring that all the Member States gradually derive the greatest benefit and economic advantages from co-operation in industrial development;
-

ARTICLE 3

Priority areas for co-operation in industrial development

The Member States agree that the fields of industrial development in respect of which they shall co-operate as a matter of priority shall include the following:

- (a) the adoption of common industrial co-operation programmes directed towards rapid, self-sustained, multisectoral industrialization;
- (b) the rational and full use of established industries so as to promote efficiency in production;
- (c) the promotion of co-operation in specific industrial projects including their financing, with particular reference to the establishment of:
  - (i) basic and heavy industries such as metallurgical, chemical and petro-chemical industries and intermediate or secondary industries such as mechanical, engineering, electrical and electronics industries;
  - (ii) the manufacturing and processing industries for the production of durable and non-durable consumer goods;
  - (iii) facilities in relation to raw materials and related infrastructure such as programmes for the development of power and energy;
- (d) the establishment and promotion of multinational enterprises;
- (e) the promotion of industrial research and development; the transfer, adaptation and development of technology; training management and consultancy services;
- (f) common industrial investment and incentives;

(Note: It was decided to refer this paragraph to the Second Extraordinary Conference of Ministers of Trade, Finance and Planning for its determination as to whether the provisions of this paragraph constituted a suitable subject matter for co-operation among the Member States)

- (g) dissemination and exchange of industrial and technological information;
- (h) any other fields of industrial development that the Council on the recommendation of the Committee, may specify.

#### ARTICLE 4

##### Multinational industrial enterprises

1. The Member States agree to promote and encourage the establishment of multinational industrial enterprises in accordance with the laws in force in the Member States in which such enterprises shall be established, and having due regard to the economic conditions and priorities of the particular Member States concerned.

2. The Council shall, on the recommendation of the Committee, determine:

- (a) the conditions and priorities that shall govern multinational industrial enterprises that would:
  - (i) require the combined markets of more than one Member State to be profitable and which require for their consumption large quantities of the natural resources or raw materials of the Member States which are either exported to third countries or are unused;
  - (ii) require for their establishment and operation large sums of money;
  - (iii) lead to the earning or saving of substantial amounts of foreign exchange;
  - (iv) through their activities enhance the development and/or acquisition of modern technology, managerial and marketing experience;

- (v) through their activities provide substantial employment or reduce unemployment within the territories of the Member States;
- (b) the guidelines relating to the establishment and operation of multinational industrial enterprises which shall include:
  - (i) the location of multinational industrial enterprises and the criteria to be applied in that respect;
  - (ii) the minimum capacity or size of the multinational industrial enterprises and the conditions under which such industrial enterprises may be established;
  - (iii) the quality and standard of the products of multinational industrial enterprises and any other requirements that may be deemed necessary for the protection of the consumer;
  - (iv) regulations regarding ownership and management by the Member States in a multinational industrial enterprise;
  - (v) any other matter designed to ensure the attainment of the objectives of this Protocol.

3. Notwithstanding the provisions of this Protocol, the Member States agree that products of multinational industrial enterprises shall enjoy preferential tariff and non-tariff treatment in accordance with the provisions of the Treaty.

4. The Member States agree that in order to provide a comprehensive inventory of raw materials required by multinational industrial enterprises, they shall give consideration to the desirability of making an inventory of their potential natural resources.

(Note: It was decided to refer to this Article to the Second Extraordinary Conference of Ministers of Trade, Finance and Planning for its determination as to whether the conditions governing the establishment and operation of multinational industrial enterprises should be the prerogative of the Council of the Preferential Trade Area or whether this should be left to the Member States concerned and if so to what extent).

ARTICLE 5

Mechanism for the promotion of industrial development

1. The Member States agree to establish a Centre for the Promotion of Industrial Development (hereinafter referred to as "the Centre"), as an institution of the Preferential Trade Area whose constitution shall be determined by the Council, on the recommendation of the Committee.

2. The objectives of the Centre shall be to :

- (a) promote co-operation in industrial development among the Member States;
- (b) assist the Member States to establish or strengthen national industrial development institutions;
- (c) assist in the further training and development of various categories of industrial skills including management and marketing;
- (d) organize and maintain a data bank for industrial information;
- (e) assist in the development of common standards and quality control in accordance with the provisions of Annex XI to the Treaty;
- (f) co-operate with the national industrial development institutions of the Member States and with African regional institutions for industrial development.

3. The functions of the Centre shall include:

- (a) the undertaking of industrial surveys, project identification, prefeasibility and feasibility studies;
- (b) the formulation of guidelines for industrial development with particular reference to multinational enterprises and investment codes and incentives;



(Note: It was decided to refer this sub-paragraph to the Second Extraordinary Conference of Ministers of Trade, Finance and Planning for its determination as to whether the formulation of guidelines for industrial development within the Preferential Trade Area, was a suitable function to be given to the Centre).

- (c) any other function that the Council, on the recommendation of the Committee, may assign to it.

#### ARTICLE 6

##### Industrial manpower development, training, management and consultancy services

1. The Member States agree to take appropriate measures to establish where necessary joint training institutions and programmes, to share available national institutions and use African training institutions to meet the requirements for the training of skilled manpower for their industrial and technological development.
2. The Member States shall use their best endeavours to develop and make the greatest use of their local or indigenous entrepreneurs and technical, managerial and marketing skilled manpower and other human resources to promote and accelerate the process of their industrialization.
3. The Member States undertake to encourage the development, and the use as much as possible, of indigenous industrial management and consultancy services in their industrial development and shall also use as much as practicable the services of any appropriate African institution for industrial management and consultancy services.

#### ARTICLE 7

##### Industrial research and development, acquisition and development of modern technology

1. The Member States shall share and make the best use of existing and future industrial and scientific research institutions, facilities and technical know-how.
2. The Member States shall endeavour to adopt a common approach to and determine the terms and conditions governing the transfer or adaptation and development of technology.
3. The Member States agree to co-ordinate their efforts in the adoption of common regulations with respect to industrial property.

ARTICLE 8

Investment laws and incentives

1. The Member States shall encourage, in accordance with their investment laws, investments by other Member States in industries within the Preferential Trade Area.
2. The Committee shall promote and make recommendations to the Member States concerning investments from third countries in industries within the Preferential Trade Area.

(Note: It was decided to refer this paragraph to The Second Extraordinary Conference of Ministers of Trade, Finance and Planning for its ruling thereon since the paragraph could enable the Committee to promote investments by Transnationals within the Preferential Trade Area).

ARTICLE 9

Exchange of industrial information

1. The Member States agree to exchange information on:
  - (a) the production of and requirements for capital, intermediate and consumer goods;
  - (b) the availability of facilities for industrial manpower development and training;
  - (c) legislation and regulations concerning investment from third countries and related incentives;
  - (d) legislation on patents, trade marks and designs.
2. The Member States undertake to communicate to each other and exchange any information acquired as a result of industrial research, engineering and technological adaptation or innovation, and managerial and marketing experience.
3. The Member States shall disseminate and exchange any other information or documents deemed necessary by the Committee.
4. Notwithstanding the provisions of paragraph 1, 2 and 3 of this Article, a Member State may withhold classified documents.
5. The Member States undertake to strengthen their capability to compile, disseminate and absorb industrial information.

6. The Member States agree that the provisions of this Article shall not apply where the communication of the information is prohibited under an agreement concluded before the entry into force of the Treaty, between a Member State and another party.

#### ARTICLE 10

##### The Committee

Subject to such directions as the Council may give, the Committee shall:

- (a) promote the creation or strengthening as the case may be, of national industrial development institutions of the Member States;
- (b) foster co-operation between itself and national industrial development institutions of the Member States;
- (c) undertake such activities including studies designed to assist in the attainment of the objectives of this Protocol;
- (d) supervise the operations and activities of the Centre;
- (e) have such other functions as the Council may assign to it.

#### ARTICLE 11

##### Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

PROTOCOL ON CO-OPERATION IN THE FIELD  
OF AGRICULTURAL DEVELOPMENT

PREAMBLE

THE HIGH CONTRACTING PARTIES

CONVINCED that co-operation in the field of agricultural development is important in the promotion of inter-State trade and general industrial development;

MINDFUL of the need for the Member States to co-operate in agricultural development especially in those sectors relating to food production, export crop production, agro-industries, research and training;

RECALLING the provisions of item (vi) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty which provides that a Protocol on Co-operation in the field of Agricultural Development shall be annexed to the Treaty.

HEREBY AGREE as follows:

ARTICLE 1

Interpretation

In this Protocol:

"Committee" means the Committee on Agricultural Co-operation established by Article 10 of the Treaty;

"intergovernmental institutions" means existing or future institutions established for two or more Member States and which are fully or partly engaged in the development of agriculture and foster co-operation in specialized fields of agriculture;

ARTICLE 2

Co-operation in agricultural development

The Member States undertake to co-operate in specific fields of agriculture, such as:

- (a) development research, extension and the exchange of technical information and experience;
- (b) the production and supply of food-stuffs
- (c) the co-ordination of the export of agricultural commodities.
- (d) the harmonisation of programmes in agricultural and livestock production;

- (e) the development of land and water resources;
- (f) the sharing of agricultural services and technology;
- (g) the marketing and stabilization of prices of agricultural commodities.

#### ARTICLE 3

##### Co-operation in the supply of staple food-stuffs

The Member States undertake:

- (a) to ensure within the Preferential Trade Area, adequate supply of food by the promotion of the type of agricultural development that would lead to the production of surpluses of food especially grains, and the establishment of adequate storage facilities and strategic grain reserves; and
- (b) to promote co-operation in the production of food-stuffs which are rich in protein such as meat, fish, dairy products and soya beans.

#### ARTICLE 4

##### Co-operation in the export of agricultural commodities

The Member States:

- (a) agree to co-ordinate their activities relating to the export of crops, livestock, livestock products, fisheries and forest products;
- (b) shall endeavour to harmonize their policies in relation to international commodity agreements for the export of crops, livestock, livestock products, fisheries and forest products; and
- (c) undertake to find ways of solving specific problems relating to the export of crops, livestock, livestock products, fisheries and forest products, and more particularly to the development of the export of horticultural products having regard to available air freight capacity.

ARTICLE 5

Co-operation in agro-industries

The Member States shall:

- (a) bearing in mind the complementarity and interdependence that exist between agricultural and industrial development, endeavour to co-operate in the promotion of agro-industries in specific fields within the Preferential Trade Area; and
- (b) endeavour to consult one another concerning the establishment of agro-industries so as to avoid duplication and the under utilization of existing and planned undertakings.

ARTICLE 6

Agricultural insitutional arrangements

The Member States agree:

- (a) that the Committee shall be responsible for the promotion of co-operation in agricultural development as set out in Article 2 of this Protocol; and
- (b) to establish an export research centre which shall undertake studies on the development of existing markets, the exploration and establishment of new markets and the securing of stable prices for specific agricultural commodities.

ARTICLE 7

Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

PROTOCOL ON SIMPLIFICATION AND HARMONIZATION  
OF TRADE DOCUMENTS AND PROCEDURES



PREAMBLE

## THE HIGH CONTRACTING PARTIES

RECALLING the provisions of item (ix) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty which requires that the simplification and harmonization of trade documents and procedures shall be set out in a Protocol to be annexed to the Treaty;

HEREBY AGREE as follows:

## ARTICLE 1

Interpretation

In this Protocol:

"Committee" means the Customs and Trade Committee established by Article 10 of the Treaty;

"trade facilitation" means the co-ordination and rationalization of trade procedures and documents relating to the movement of goods from their place of origin to their destination;

"trade procedures" means activities related to the collection, presentation, processing and dissemination of data and information concerning all activities constituting international trade.

## ARTICLE 2

Scope and application

1. The provisions of this Protocol shall apply to all documents and procedures employed at all stages of transactions relating to trade within the Preferential Trade Area from the placing of orders to the delivery of goods.

2. For the purpose of this Protocol the Member States undertake to simplify procedures and reduce to the minimum formalities, administrative processes and expenses related to trade among the Member States by:

- (a) reducing to a minimum the number of trade documents and copies thereof;
- (b) reducing to a minimum the number of institutions required to handle documents referred to in sub-paragraph (a) of this paragraph;
- (c) harmonizing the nature of the information to be contained in documents referred to in sub-paragraph (a) of this paragraph;
- (d) designing standard trade documents.

ARTICLE 3

Trade facilitation

The Member States undertake to initiate trade facilitation programmes aimed at:

- (a) reducing the cost of documents and the volume of paper work required in respect of trade between the Member States;
- (b) ensuring that the nature and volume of information required in respect of trade within the Preferential Trade Area does not adversely affect the economic development of, or trade among, the Member States;
- (c) adopting common standards of trade procedures within the Preferential Trade Area where international requirements do not suit the conditions prevailing among the Member States;
- (d) ensuring adequate co-ordination between trade and transport facilitation within the Preferential Trade Area;
- (e) keeping under review the procedures adopted in international trade and transport with a view to simplifying and adopting them for use by the Member States;
- (f) collecting and disseminating information on trade facilitation and documents;
- (g) promoting the development and adoption of common solutions to problems in trade facilitation among the Member States; and
- (h) initiating or promoting the establishment of joint programmes for the training of personnel engaged in trade facilitation among the Member States.

ARTICLE 4

Standardization of trade documents and information

The Member States undertake where this is appropriate, to design and standardize their trade documents and the information required to be contained in such documents in accordance with internationally accepted standards, practices and guidelines, and taking into account their possible use in computer and other automatic data programming systems.

## ARTICLE 5

### The Committee

1. The functions of the Committee shall include the undertaking of all activities relating to trade documents and procedures necessary to carry out trade transactions efficiently within the Preferential Trade Area. It shall more particularly deal with those documents and procedures relating to:

- (a) customs operations relating to the exportation, re-exportation and importation of goods;
- (b) the collection and remission of customs duties;
- (c) export and import licensing;
- (d) foreign exchange control;
- (e) clearing and forwarding of goods by agents;
- (f) insurance of goods and transit traffic bonds;
- (g) operations relating to transit trade;
- (h) transport operations and licencing of carriers; and
- (i) statistical control and dissemination of information on trade documents.

2. Each Member State shall establish or designate appropriate national institution to serve as a focal point for the facilitation of trade.

3. The Member States undertake to promote co-operation between their national institutions, the Committee and other institutions engaged in the facilitation of trade.

## ARTICLE 6

### Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.

PROTOCOL ON STANDARDIZATION AND QUALITY CONTROL

P. HANDLE

## THE HIGH CONTRACTING PARTIES

MINDFUL of the need to co-ordinate and harmonize their policies of standardization and quality control in such sectors as food products, building materials, pharmaceuticals, transport facilities, agricultural machinery and electrical equipment and accessories;

RECALLING the provisions of item (ix) of sub-paragraph (a) of paragraph 4 of Article 3 of the Treaty requiring that a Protocol on standardization and quality control of goods produced within the Preferential Trade Area be annexed to the Treaty;

RECALLING further the provisions of Article 28 of the Treaty;

HAVE AGREED as follows:

## ARTICLE 1

Interpretation

In this Protocol:

"Committee" means the Committee on Industrial Co-operation established by Article 10 of the Treaty;

"international standards" means the standards recognized by the International Organization for Standardization;

"national institutions for standardization" means all national institutions whether already in existence or to be established, whose main concern is with standardization or quality control in the Member States.

## ARTICLE 2

General provisions

The Member States undertake to evolve a common policy with regard to standardization, quality control and quality labels in respect of goods produced within the Preferential Trade Area, and to carry out such activities in standardization as would promote trade within the Preferential Trade Area.

## ARTICLE 3

Co-operation in standardization  
and quality control

For the purposes of Article 2 of this Protocol, the Member States shall:

- (a) facilitate the exchange of information and experience concerning standardization and quality control techniques;
- (b) develop their potential for research, testing, sizing, calibration and quality control of goods with a view to making and applying common standards and specifications;
- (c) co-ordinate their views with regard to the selection, recognition, adaptation and application of regional and international standards in so far as the needs of the Preferential Trade Area are concerned and constantly endeavour to improve standardization and the quality control of goods within the Preferential Trade Area;
- (d) formulate and publish subregional standards in conjunction with the African Regional Standardization Organization;
- (e) ensure the protection of the consumer within the Preferential Trade Area by promoting and undertaking activities related to standardization and quality control.

#### ARTICLE 4

##### Co-operation in training in standardization and quality control

The Member States:

- (a) agree to consult one another concerning their common training needs in the field of standardization and quality control;
- (b) undertake to co-ordinate existing training facilities and to use them in common;
- (c) shall establish, in co-operation with the African Regional Standardization Organization and the International Organization for Standardization, a training programme designed to meet the specific needs of the Preferential Trade Area.

ARTICLE 5

Standardization and quality control

The Member States:

- (a) shall publish within their territories, uniform procedures for controlling standardization and quality and apply them to goods traded within the Preferential Trade Area;
- (b) shall apply a uniform system of certification to goods to be traded within the Preferential Trade Area;
- (c) agree to accelerate the inspection of products, especially perishable products at their border posts;
- (d) shall endeavour to use similar materials and methods in the quality control and evaluation of goods so that the results may be interpreted and co-ordinated in a uniform manner throughout the Preferential Trade Area.

ARTICLE 6

Labelling goods

The Member States shall:

- (a) adopt and systematically apply a uniform system of labelling goods to be traded within the Preferential Trade Area;
- (b) adopt and apply similar labelling systems and apply safety codes for the handling and shipment of goods traded within the Preferential Trade Area;
- (c) agree to standardize all aids to the recognition and movement of goods and their containers such as labels, transit documents etc. in terms of Annex X of the Treaty.

ARTICLE 7

Administrative procedures

The Member States shall:

- (a) simplify the administrative procedures employed in controlling the standardization and quality of the goods traded within the Preferential Trade Area;
- (b) use uniform evaluation documents and documents for noting the qualitative results of controls.

ARTICLE 8

Institutional arrangement

1. The Committee shall study all questions relating to the standardization and quality control of goods in the Preferential Trade Area.
2. The Committee shall work in close co-operation with national institutions responsible for standardization and quality control in the Member States.
3. The Committee shall make recommendations to the Council with respect to the implementation of the provisions of Articles 3, 4, 5 and 6 of this Protocol and for ensuring that decisions of the Council in respect of standardization and quality control of goods in the Preferential Trade Area are implemented.

ARTICLE 9

Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol.



ANNEX XII

PROTOCOL RELATING TO THE UNIQUE SITUATION  
OF BOTSWANA, LESOTHO AND SWAZILAND



ARTICLE 2

Objectives

It shall be the aim of this Protocol to further the broad objectives of the Preferential Trade Area, as provided for in Article 3 of the Treaty, and to ensure full and effective participation of BLS States in the Preferential Trade Area. It shall more particularly aim at:

- (a) ensuring economic re-structuring of the BLS States and reduction of their dependence on South Africa without dislocation or fundamental disturbances to the economies of these countries;
- (b) contributing to the harmonious and co-ordinated socio-economic development of the BLS States and rapid expansion of trade with other Member States of the Preferential Trade Area and to progressive removal of barriers to such trade.

ARTICLE 3

Scope of exceptions

1. Without derogating from the generality of the provisions of the Treaty the provisions of this Protocol shall apply for purposes of establishing within the framework of the Preferential Trade Area special arrangements in regard to the participation of BLS States in the Preferential Trade Area.

2. Pursuant to the provisions of paragraph 1 of this Article the Member States agree to grant the BLS States tariff and non-tariff concessions with regard to the provisions of the Treaty establishing the Preferential Trade Area for a period of time to be determined by the Council while the BLS States remain parties to the Southern African Customs Union Agreement; provided that:

[Botswana proposed that this heading should be re-drafted so that the Member States agree to exempt BLS States from the necessity to grant the Member States reciprocal tariff and non-tariff concessions envisaged in the Treaty as long as BLS States remained parties to the Southern African Customs Union Agreement].  
Since no consensus could be reached on this proposal, it was agreed to refer it to the Conference of Ministers for its decision.]

- (a) the goods imported into the BLS States from South Africa shall not be re-exported to the other Member States, and goods imported from the other Member States into the BLS States shall not be re-exported to South Africa;
- (b) during the period referred to in this paragraph the BLS States undertake to work progressively towards the full application of the Treaty and in so doing increase their trade with the other Member States, beginning preferably with the goods included in the Common List of commodities to be traded within the framework of the Preferential Trade Area;
- (c) at the end of the period referred to under this paragraph the Council, on the recommendation of the Committee, shall determine the extent to which the derogations accorded the BLS States shall be maintained, altered or terminated;
- (d) in implementing the provisions of sub-paragraphs (b) and (c) of this paragraph, full account shall be taken of the special position as well as existing obligations of BLS States.

3. Nothing contained in the Treaty shall affect any decisions taken or acts done under the Southern African Customs Union Agreement immediately before the coming into force of this Protocol. The BLS States shall use their best endeavours to ensure that the obligations assumed under the said Southern African Customs Union Agreement and the Treaty do not conflict.

[Botswana proposed that this paragraph should be re-drafted to provide more explicitly that even after the definitive entry into force of the Treaty the BLS States shall remain parties to the Southern African Customs Union Agreement and that during the period when the BLS States subscribed to the Treaty and to the SACUA simultaneously the BLS States would ensure that their obligations under both Agreements would not conflict. Since there was no consensus on this proposal, it was agreed to refer it to the Conference of Ministers for its decision.]

ARTICLE 4

Arrangements for economic re-structuring and assistance

1. The Member States shall use their best endeavours to help the BLS States to take all measures, including those of a structural, economic and technical nature by supporting and/or supplementing the efforts made by the BLS States in such fields as agriculture, industry, mining, training of personnel, transport and communications.
2. The Member States agree that the financial institutions, more particularly the investments institutions, established under Chapter 9 of the Treaty shall give preferential treatment to programmes and projects involving BLS States.
3. The Council may on the recommendation of the Committee make proposals to the BLS States and other Member States concerning the measures and projects to be undertaken in furtherance of the provisions of this Protocol.

ARTICLE 5

Obligations of BLS States

The BLS States undertake to:

- (a) take such measures, including those of a structural, economic and technical nature, as will make possible the progressive increase in trade and economic co-operation with the other Member States and simultaneously the reduction of their socio-economic dependence on South Africa;
- (b) pursue socio-economic policies that will be conducive to the fulfilment of the objectives of this Protocol and facilitate the implementation of the relevant provisions of the Treaty;
- (c) establish major or basic instruments necessary for the control and guidance of the economy.

## ARTICLE 6

Institutional arrangements

1. For the effective implementation of the provisions of this Protocol, Member States agree to establish a Technical Committee of Experts on which each Member State shall be represented by as many representatives as the Council shall determine.

2. The functions of the Committee on the BLS States shall include the following:

- (a) all activities directed towards the realization of the objectives of this Protocol;
- (b) undertaking studies and making appropriate recommendations to the Council on the practical aspects of and any other matter relating to the implementation of this Protocol.

## ARTICLE 7

Regulations

The Council may make regulations for the better carrying out of the provisions of this Protocol and for matters incidental to or connected therewith.