



## **COMMUNIQUÉ FOR THE SADC-EU DOUBLE TROIKA MINISTERIAL MEETING 17 NOVEMBER, 2006 MASERU, THE KINGDOM OF LESOTHO**

### **OFFICIAL OPENING**

1. The SADC-EU Ministerial Double Troika Meeting was held in Maseru in the Kingdom of Lesotho on 17 November 2006. The meeting marked twelve years of EU-SADC Dialogue under the Berlin Initiative, and was preceded by a meeting of Senior Officials that took place on 16 November 2006. The meeting was attended by Ministers and representatives of the SADC Troika, the Troika for the SADC Organ on Politics, Defence and Security Cooperation and the EU Troika. The SADC delegation consisted of Botswana, the Kingdom of Lesotho, Zambia, Namibia, the United Republic of Tanzania and Angola plus the SADC Secretariat. The European Union delegation consisted of Finland, the Federal Republic of Germany, the European Commission and the Council Secretariat.
2. The meeting was officially opened by Honourable Timothy T. Thahane, Minister for Finance and Development Planning of the Kingdom of Lesotho, the current Chairperson of SADC Council of Ministers and Honourable Paula Lehtomäki, Minister for Trade and Development of Finland, representing the Presidency of the European Union.

### **DEVELOPMENTS IN THE TWO REGIONS**

#### **SADC Region**

3. The meeting noted the outcome of the SADC Summit held in Maseru, Kingdom of Lesotho from 17 to 18 August 2006 where Summit reaffirmed the Regional Indicative Strategic Development Plan (RISDP) and the Strategic Indicative Plan for the Organ (SIPO) as the main instruments for scaling-up regional integration in SADC. Summit established a Ministerial Task Force to identify measures to fast track implementation of SADC integration agenda in order to accelerate economic growth and sustainable development with the aim of eradicating poverty. To this end, Summit reaffirmed the integration milestones as identified in the RISDP namely the establishment of a Free Trade Area (FTA) by 2008, Customs Union (CU) by 2010, Common Market (CM) by 2015, Monetary Union by 2016 and Single Currency by 2018.

4. The meeting also noted the outcome of the SADC Extraordinary Summit held on 23<sup>rd</sup> October 2006, at Midrand, South Africa in particular the commitment and determination of the SADC leaders to launch the FTA by 2008. The Extraordinary Summit also directed that a road map be developed to facilitate the preparations for the negotiations leading to the SADC Customs Union.
5. The meeting noted that SADC and International Cooperating Partners (ICPs) adopted the Windhoek Declaration to guide cooperation between SADC and ICPs for the achievement of SADC's socio-economic development agenda (as outlined in the RISDP and SIPO and the overarching objective of poverty eradication. The meeting agreed that cooperation between SADC and EU will be guided by the Windhoek Declaration. The meeting noted the need and importance for the Secretariat to have adequate capacity in order to effectively exercise its leading role in this cooperation.
6. The meeting noted with great concern that the SADC region continues to have high rates of mortality especially amongst women and children. This is severely worsened by the HIV epidemic. The meeting also noted that programming for preventing and fighting the spread of HIV and mitigating the impact of AIDS must remain very high on the regional agenda. The EU expressed its appreciation of the progress being made towards the implementation of the SADC HIV/AIDS business plan.
7. SADC informed the EU that in recognition of the importance of taking the lead in the fight against HIV and AIDS, SADC Member States have established a Regional Fund for combating HIV and AIDS and have started pledging their contributions towards this fund. Both parties agreed that in addition to the urgent implementation of the activities contained in the plan, political leadership and accountability in the battle against HIV/AIDS at national levels remains a crucial element for its success.
8. The meeting noted the brief by SADC that peaceful, credible and transparent multiparty elections are conducted in the region in accordance with the SADC Principles and Guidelines Governing Democratic Elections. The meeting further noted that elections were held in the United Republic of Tanzania in 2005, the Republic of Zambia and the Democratic Republic of Congo in 2006. Other elections will take place in Madagascar in December 2006, Angola and the Kingdom of Lesotho in 2007. The EU congratulated SADC on these successful elections and on the continuing entrenchment of democracy
9. The meeting noted that the orderly Presidential, Parliamentary and provincial Elections held after more than 40 years in the Democratic Republic of the Congo including the remarkable turnout on election days, represented a significant move towards the process of consolidating democracy and the beginning of national reconciliation and reconstruction in that country and marked a significant step in the transition process. They welcomed the joint communiqué by President Joseph Kabila and Vice-President Jean-Pierre Bemba of 7 November regarding their conduct following the elections, which is an important step in ensuring that the electoral process is successfully

concluded. It called on both candidates to take all possible steps to prevent any acts of violence. It also underlined the importance of a constructive relationship between the newly elected democratic institutions and in particular stressed the essential role of the National Assembly. The meeting welcomed the announcement of the preliminary results of the second round of the Presidential elections on 15 November 2006.

10. SADC and EU agreed to explore the possibilities for collaboration in, post-conflict reconstruction and development and in ensuring that democratic principles, good governance, peace and stability are consolidated throughout the Democratic Republic of the Congo. The EU proposed that possibilities for collaboration in security sector reforms should also be considered.
11. The EU and SADC discussed possibilities for strengthening democratic institutions within the region and in particular the capacity of the SADC Secretariat to observe and strengthen the electoral processes in Member States. The EU and SADC discussed the possibilities for collaboration between similar institutions within the EU and SADC, with a view to sharing information on best practices in the management of the electoral process.
12. SADC informed the EU that the region is focusing on further developing and entrenching good governance and democratic practices through the creation of supportive institutions such as the Human Rights Commission and the SADC Electoral Advisory Council (SEAC), scheduled to be established in 2007.
13. The meeting noted the adoption of the new Constitution in Swaziland and observed that its implementation is of paramount importance in the promotion of democracy in the country. SADC and EU regretted the premature death of DPM Hon. Albert Shabangu. They commended the Kingdom of Swaziland in appointing the first female Deputy Prime Minister.
14. The EU raised concerns on the deteriorating situation in Zimbabwe and its spill-over effects in the region. SADC indicated its continuing support to Zimbabwe in finding solutions to improve the situation and underlined the need for continuous constructive engagement with the Republic of Zimbabwe.
15. The meeting noted the results of the SADC Gender and Development Consultative Conference held in Gaborone, Botswana in December 2005 and welcomed the commitments undertaken to further advance the gender equality in the region. The meeting also noted that SADC is developing a Protocol on Gender which will be submitted to SADC Summit in 2007, for consideration.

## **The European Union**

16. The meeting noted the adoption in November 2005 of a new EU Development Policy Statement, the "European consensus on development". The "European Consensus" sets out a common vision for development, common core objectives, values, principles and resources for the Community and its Member States. The objective is to make the aid from the world's biggest donor more consistent, coordinated and effective. Taking into account the Millennium Development Goals, the primary focus of the Consensus is on poverty eradication by increased synergies between the policies and objectives of the EU external action.
17. On 12 December 2005, the EU Council adopted the EU Strategy for Africa. With this new strategy the EU reaffirms its commitment to peace, stability and development and defines a single comprehensive, integrated and long term framework for its relations with the whole of Africa. Building on the key principles of ownership, responsibility and mutual accountability, it is the first European political framework to address Africa as a single entity. The Strategy is a solid platform for improving the coordination, coherence and consistency of the EU's policies and instruments for supporting Africa with those of its Member States. The Meeting also welcomed that the EU strategy is being transformed into a joint EU-Africa strategy and both sides agreed to expedite work towards the holding of the second EU-Africa Summit to be held in Lisbon during 2007, where the joint strategy should be adopted.
18. The European Council, on 17 October 2006, adopted the EU-Africa Partnership on Infrastructure. The Partnership represents a concrete step in the implementation of the EU Africa Strategy by responding to the development goals of the African Union and its NEPAD Infrastructure Action Plan. The main focus of the Partnership is on the infrastructure that secures interconnectivity throughout the continent.
19. The meeting welcomed the organization of the first round of the European Development Days in Brussels on 14 -17<sup>th</sup> November 2006. This event will be repeated on an annual basis.
20. The meeting was informed of the foreseen accession on 1 January 2007 of two new Member States, Bulgaria and Romania, to the EU, bringing the total to 27, while negotiations on accession continue with Croatia and Turkey.
21. In 2007, the EU will also celebrate the 50<sup>th</sup> anniversary of the signature of the Treaty of Rome, the founding legal act of the European institutions.

## **Sustainable Peace and Security**

22. The meeting noted that SADC is part and parcel of the African Union peace and security architecture. As a basic building block for the Africa Union, SADC's prime responsibility is the Southern African region which covers the geographical space of SADC. The meeting also noted, with satisfaction, the African Union's recognition of the SADC region as one of the most peaceful

region in the continent. Both the EU and SADC acknowledged that this status confirmed the importance of SADC's role in peace and security on the African continent and reaffirmed their commitment to strengthen cooperation in this important area.

23. The meeting discussed the SADC Early Warning System and noted that the SADC region was in the process of establishing an Early Warning System (EWS) based on open sources and covering all areas of human security. In line with the overall AU Continental Early Warning implementation agenda, civil society in the region is expected to increasingly play a significant role in collaboration with Member States and SADC Secretariat.
24. SADC briefed the EU on the status of the SADC Standby Force, as a regional part of the African Standby Force. The meeting noted that the planning elements for the SADC Standby Force, which comprises of a Standby Brigade (SADCBRIG) and a Standby Police has been established at the SADC Secretariat.
25. The meeting emphasised the importance of developing SADC's capacity for the implementation of Strategic Indicative Plan for the Organ (SIPO). SADC informed the meeting that a presentation on areas for possible support had been submitted at the Windhoek conference on cooperation between SADC and its ICPs. Specific areas include support to peace and humanitarian operations, post-conflict reconstruction and re-integration programmes, disaster management, de-mining, combating mercenarism, organized crime and the illegal trafficking in drugs, arms and ammunition and in persons, particularly women and children and HIV and AIDS. SADC observed in particular the need to strengthen the peace-keeping training centre as a key element in ensuring the consolidation of peace in the region and in strengthening SADC's capacity for contributing to continental peace and security measures. The EU and SADC agreed to explore possible options for strengthening collaboration in the area of peace and security and in the implementation of SIPO.
26. The meeting noted that the challenges posed by cross border crime require SADC to strengthen its law enforcement agencies. The EU took note that requests for support might be submitted by SADC to build capacity to respond effectively to these challenges.
27. The EU informed SADC that peace and security is one of the five main elements of the EU Strategy for Africa, and will be a main element of the joint EU-Africa strategy which is under discussion.
28. The EU informed the meeting that "European Union concept for strengthening African capabilities for the prevention, management and resolution of conflicts" has been approved which describes the framework and objectives for EU support aiming at greater coordination, coherence, consistency and effectiveness of the support of the EU and the member states in support of the AU, the Sub Regional Organisations (SRO) and African countries in this field. In this framework the EU will continue to support the efforts to set up the

African Stand-by Force. The EU also has a policy framework for support to Security Sector Reform (SSR), and SSR reforms have been supported in 26 African countries. There is also an initiative to define the role of the EU in Disarmament, Demobilization and Reintegration (DDR).

29. The EU informed the meeting that it has supported the African Peace Facility with € 300 million and additional funding of € 300 million from the 10<sup>th</sup> European Development Fund (EDF) for an initial three-year period (2008-2010) has been agreed.

## **THEME – “Accelerating implementation of the SADC regional integration and development agenda”**

### **Trade and economic liberalization including EPA negotiations**

30. SADC and EU discussed regional integration in the area of trade, noting that in SADC this is premised on the SADC Protocol on Trade, which entered into force on 25 January 2000 and that the implementation of the Protocol is expected to usher in a Free Trade Area (FTA) for SADC by 1<sup>st</sup> January 2008, when at least 85% of intra-regional trade is expected to move freely in the region. The meeting underlined the importance of mainstreaming trade into development policies and of trade related assistance in furthering trade relations and strengthening SADC trade capacity, as well as the need to take practical steps in the implementation of aid for trade and improving aid effectiveness.
31. SADC informed the EU that a mid-term review on the implementation of the Protocol on Trade identified problem areas, one of which is inflexible and complex rules of origin. The SADC Extra-Ordinary Summit in 2006 agreed that recommendations adopted from the Mid-Term Review be expeditiously implemented.
32. The EU acknowledged the important role of rules of origin in the implementation of preferential trade agreements while serving their core objective of preventing trade deflections, they should not impose unnecessary burdens on operators and customs administrations. Accordingly, attention should be given to their possible harmonization. The EU informed SADC that they are considering the possible simplification of such rules.
33. The meeting noted that the Extra-Ordinary Summit in 2006 discussed preparations for the SADC Customs Union and noted that the Ministerial Task Force and the Secretariat will undertake and finalise, not later than March 2007, a study which will evaluate an appropriate model for the Customs Union. The recommendations following from the study will be submitted to Summit at its next meeting. Summit also directed the Ministerial Task Force to finalise a road map for the Customs Union and submit it to Summit for adoption.

34. The meeting noted that SADC approved the SADC Protocol on Finance and Investment (FIP) in August 2006 as an instrument that pursues harmonization of policies on taxation, investment, development finance, stock exchanges, insurance, exchange control payments and clearing systems and macroeconomic convergence.
35. The meeting also noted that the SADC Summit at its meeting held in Maseru, August 2006, re-affirmed the need for SADC to mobilise resources for development of its infrastructure and food security. In this case the region is looking into modalities for establishing the SADC Development Fund as envisaged in the SADC Treaty.
36. The meeting agreed that cooperation between SADC and EU will support SADC's efforts in deepening regional economic integration and to achieve poverty eradication and sustainable economic growth. The RISDP is the SADC framework for deeper integration. Therefore, SADC calls for consistency between the overall SADC integration agenda, the EDF Programming and the ongoing EPA negotiations.
37. The meeting discussed progress on the SADC-EC Economic Partnership Agreements (EPAs) negotiations, noting that during the first stage of the SADC-EC EPA negotiations, technical reports on Sanitary and Phytosanitary Measures (SPS) and Technical Barriers to Trade (TBT) were developed and jointly agreed to between the SADC and EC Senior Officials. However, SADC expressed concern at the recently introduced EU legislative framework on chemicals, the registration and authorisation of chemicals (REACH), noting that these may have profound economic implications for certain exports from the SADC region. The EU recalled that the implication of the REACH legislation had been the subject of consultations in the context of EDF 10 programming and that appropriate support measures would be included in the formulation of the EDF 10 integrated trade programme.
38. The meeting noted that in February 2006, SADC adopted a **Framework for EPA Negotiations between SADC and the EU** which proposes an approach to the EPA negotiations that takes into account the key issues such as achieving a WTO Compatible trade arrangement within the time frame envisaged for EPA negotiations; harmonizing trade relations between the Southern Africa region and the EU and specifically, the alignment of the TDCA review and EPA processes; as well as capacity of the region to enter negotiations areas where there are currently no regional policies.
39. SADC expressed concern that the EU side had not responded to the Framework proposed by SADC and urged the EU to give a response in order to facilitate progress on the negotiations. SADC also expressed concerns regarding the EU's approach on the EPA negotiations and emphasised that EPAs should be in line with the target and milestones of the RISDP i.e. establishment of a Free Trade Area in 2008 and Customs Union in 2010. The EU clarified that in order to complete the EPA negotiations it is necessary to have a clear definition of the process that will lead to the establishment of a customs union, including the time frame for implementation, the schedule for

liberalisation and the membership. However, this would in no way interfere with the actual entry into force of the SADC customs union.

40. The EU informed that a careful assessment had been carried out with a view to give a constructive reaction, taking into account the complex issues raised by the Framework and the Commission expected to submit a comprehensive proposal to the Council to this effect in the coming days. A reply to the SADC Framework is part of this proposal.
41. The meeting noted that the SADC EPA review had commenced at the beginning of September and is expected to be completed in time to meet the deadline of end of 2006. SADC informed the EU that the region will undertake a comprehensive review in line with the joint ACP-EU Council Declaration of 29<sup>th</sup> July 2006 on the review of the EPA negotiations.
42. SADC and the EU re-affirmed their commitment to complete the EPA negotiations by the close of 2007.

#### **Infrastructure support for regional integration**

43. The meeting discussed the importance of infrastructure to facilitate regional integration. In this regard, SADC is developing a Regional Infrastructure Development Master Plan, on the basis of which regionally inter-connected infrastructure shall be developed, following regionally agreed project prioritizations. Current implementation is based on Draft Infrastructure Sector Plans, which will form the backbone for the Master Plan.
44. The meeting agreed that cooperation between SADC and EU in the implementation of infrastructure to support regional integration for the medium to long term will be based on the SADC Infrastructure Development Master Plan and, with due regard to the principle of subsidiarity, and the implementation respectively at the continental, regional and national level. This cooperation will also take account of the principles and good practices of African and European initiatives, such as the AU-NEPAD Infrastructure Action Plan, Sub Saharan Africa Transport Policy Programme (SSATP), the African Ministerial Council on Water and, the European Union Water and Energy Initiatives.

#### **Programming for the 10<sup>TH</sup> EDF Regional Indicative Programme**

45. SADC and EU discussed progress on programming for the 10<sup>th</sup> EDF Regional Indicative Programme, noting that discussions on the programming process have been held from February 2006 and culminated in the submission of a draft Regional Strategy Paper and Regional Indicative Programme (RIP) to the European Commission in September 2006. The EU confirmed that the draft RSP/RIP proposal is presently being assessed and requires a continuing and active dialogue with SADC on the identification of support needed for EPA and the regional economic integration process.



46. SADC welcomed the European Community's allocation of an indicative 10<sup>th</sup> EDF programmable amount of € 135 million for EC-SADC development cooperation during the period 2008 – 2013 that will mainly focus on regional economic integration and provide EU financial support to the EPA process.
47. SADC explained that the region places priority on the implementation of infrastructure projects to support regional integration and expressed concern that the 10<sup>th</sup> EDF RIP would not be supporting hard projects. The EU however, confirmed that infrastructure is a key element of its support to development and regional integration policy, including in the perspective of the future EPA. It is for this reason that the EU has launched the EU–Africa Partnership for Infrastructure
48. SADC and EU agreed that enhancing capacity building support for the Secretariat would facilitate a Contribution Agreement with SADC to be put in place at the earliest possible stage. The meeting noted that an institutional assessment will be undertaken to assess the SADC Secretariat's capacity and requirements for implement this arrangement.
49. The EU confirmed the European Commission's policy in favour of moving away where feasible from the traditional project approach to development cooperation in favour of direct financing mechanisms within a clear performance framework.

### **Closing Remarks**

50. The meeting was closed by Honourable Timothy T. Thahane, Minister for Finance and Development Planning of the Kingdom of Lesotho, the current Chairperson of SADC Council of Ministers and Honourable Paula Lehtomäki, Minister for Trade and Development of Finland, representing the Presidency of the European Union. They reaffirmed the fundamental principles and the objectives of the Berlin Initiative and called for continuation of dialogue and partnership between SADC and the EU.

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**SADC Co-Chairperson**  
**Hon. Timothy T. Thahane**  
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