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Ref: 15/2/2

11 February 2010

Mr. Karel De Gucht
Trade Commissioner
Member of the European Commission
200 Rue de la Loi
B-1049 Brussels
Belgium

Dear Commissioner De Gucht,

**RE: NOTIFICATION AND PROVISIONAL APPLICATION OF THE INTERIM
EPA**

At the outset, please accept our congratulations on your appointment as Commissioner of Trade. We look forward to having a fruitful working relationship with you, as well as working towards finalising these negotiations.

Following the exchange of letters between the EC and the SADC EPA Chief Negotiators on the above in July 2009, we, the SACU Trade Ministers, SACU being an integral part of the SADC EPA Group, met recently to exchange views on the best way forward in the EPA negotiations. These views are mandated by the SACU Council of Ministers.

We recall that at a meeting on 20 May 2009 in Gaborone, Botswana, we as Ministers, being cognizant of the sovereign rights of the States that are members of SACU and the SADC EPA negotiating group, agreed that those countries that were prepared could proceed to sign the Interim EPA, while those with outstanding issues to be resolved could continue, with the full support of the whole negotiating group, with negotiations with the European Commission. Therefore, with reference to the exchange of letters mentioned above, it would not be

fair to Namibia, who initialled the Interim EPA and signalled her intent to sign the agreement if her concerns could be addressed, to be penalized while this process of negotiation continues. We therefore call for an alternative approach that would accommodate this ongoing process without resulting in any country being worse off, or being forced to sign an agreement that does not serve their best interests.

We are comforted by the relatively small amount of work still remaining under consideration, which, when resolved, has great potential to bring the SADC EPA Group and the EC closer to convergence. Our priorities at this stage are to focus on finalizing market access negotiations, the alignment of some IEPA tariff lines and Rules of Origin with those of the Trade, Development and Cooperation Agreement (TDCA) between South Africa and the European Union, safeguarding the Swakopmund negotiated positions, addressing the remaining unresolved negotiating issues and concluding the negotiations on services and investment in line with Article 67 of the Interim EPA. This would also require firm commitments from the EC to include solutions to all these issues in the Final EPA.

Furthermore, it is our considered view that in the best interest of maintaining the necessary unity and cohesiveness of the SADC EPA Group particularly with the aim towards a collective conclusion of the EPAs, more time should be allowed to resolve all the above mentioned outstanding issues. It is indisputable that the SADC EPA Group States have displayed a great amount of commitment and determination to harmonise key positions of what was otherwise a complex configuration in their shared goal towards accomplishing the agreed objectives of establishing a single trade regime between the SADC EPA States and the European Union and foster deeper regional integration in Southern Africa.

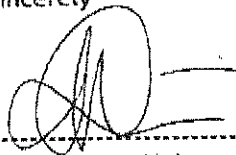
We are convinced that the damage that may be caused by an inclination to move towards notification, ratification and implementation of the Agreement will close interested SADC EPA States out, even for a temporary period. This, in our considered view, will constitute a great risk and may manifest itself in an undesirable impairment to the noble effort towards lasting regional integration. In the case of SACU, such an outcome may additionally cause unnecessary complications on the administration and integrity of SACU's Common External Tariff.

We trust that the European Commission will concur that the main objective should now be re-focused on the collective completion of the EPA as it is one of the approaches that might greatly enhance the SADC-EC EPA negotiations, restore a sense of belonging, ownership and enhanced prospects for effective implementation.

We wish to indicate that our signatures appear on separate pages attached to this letter for practical reasons.

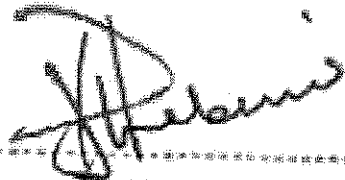
Finally we trust that there will shortly be an opportunity to meet and jointly guide the successful finalization of the EPA negotiations.

Yours sincerely



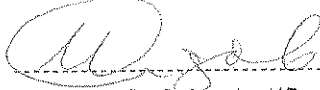
1.

Dorcas Makgato-Malesu
Minister of Trade and Industry
For and on behalf of the Republic of Botswana



2.

Popane Lebesa, MP
Minister of Trade and Industry, Cooperatives and Marketing
For and on behalf of the Kingdom of Lesotho

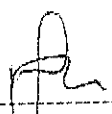
3. 
Dr. Hage G. Geingob, MP
Minister of Trade and Industry
For and on behalf of the Republic of Namibia



4. _____
Dr. Robert Davies
Minister of Trade and Industry
For and on behalf of the Republic of South Africa

All correspondence should be addressed to the Executive Secretary
Member States: Botswana, Lesotho, Namibia, South Africa and Swaziland

5.



Senator Jabulile Ncwane
Minister of Commerce, Industry and Trade
For and on behalf of the Kingdom of Swaziland

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