

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 873 [NW952E]
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873. Mr C D Matsepe (DA) to ask the Minister of Finance:

What (a) progress has the National Treasury made with reviewing the Southern African Customs Union revenue sharing model and (b) are the details of the design for a reviewed revenue model?

NW952E

REPLY:

- (a) The SACU Heads of State and Government agreed to a comprehensive review of the 2002 SACU Agreement during the 5th SACU Summit that took place on 23rd of June 2017 in Lozitha, Swaziland. The Summit established two Ministerial Task Teams on Trade and Industry, and on Finance to oversee and manage the review of the 2002 SACU Agreement. The review of the Revenue Sharing Formula was identified and agreed upon as one of the key areas that should form part of the review process. The review of the revenue sharing formula was to be conducted in such a way that it not only supports the institution and member states in the attaining their respective developmental objectives but also does not negatively impact the socio-economic stability of SACU member states.
- (b) The negotiations on the review of the 2002 SACU Agreement will commence in April 2018 with the first meetings of the Ministerial Technical Task Teams. The review of the Agreement is expected to take place over an indicative period of two years during which various options that can achieve the developmental objectives of SACU will be considered.