



Memorandum of Understanding

On Inter Regional Cooperation and Integration

Amongst

**Common Market for Eastern and Southern Africa
(COMESA), East African Community (EAC) and
Southern African Development Community
(SADC)**

PREAMBLE

The Heads of State and/or Government of THE COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (hereinafter referred to as "COMESA"), THE EAST AFRICAN COMMUNITY (hereinafter referred to as "EAC") and THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY (hereinafter referred to as "SADC"), and alternatively all referred to as "the parties");

CONSIDERING that COMESA established in 1994 and originally as the Preferential Trade Area of Eastern and Southern African States in 1982 has as its objectives to create a bigger market for better business, to attain sustainable growth and development in all fields of economic activity and to attain a fully integrated economy by adoption of deliberate macro-economic policies and programmes geared towards raising the standard of living of peoples of the Common Market;

RECALLING that EAC was re-established on 30 November 1999 has as its objective to develop policies and programmes aimed at widening and deepening co-operation among the Partner States in political, economic, social and cultural fields, research and technology, defence, security and legal and judicial affairs for their mutual benefit, with the ultimate aim of creating a political federation;

AWARE that SADC established on 17 August 1992 and originally as SADCC in 1980, which had its roots in the Frontline States that coordinated support for the liberation of Southern Africa against minority rule, has as its objective to achieve sustainable development and economic growth, alleviate poverty, enhance the quality of life of the people of Southern Africa and support the socially disadvantaged through regional integration;

AWARE that, in order to enhance economic development and integration of markets as a stimulus for profitable business in the region, the need to create an enabling environment for foreign, cross border and domestic investment including the promotion of research and development and the adoption of common positions in the international fora is paramount;

NOTING that the highest organs of the COMESA, EAC and SADC have endorsed the need to harmonise the policies of the three institutions in the context of the overall objective of all the states to attain continental integration as envisaged under the Constitutive Act of the African Union and the Treaty Establishing the African Economic Community;

NOW THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

**ARTICLE I
AREAS OF CO-OPERATION**

1. The parties agree to enhance integration among themselves for their mutual benefit and the benefit of their member states.
2. The parties will pursue the development of common programmes which will enable all parties to effectively and efficiently utilise the available resources for concrete actions to achieve the objectives of their respective mandates.
3. The cooperation between the parties shall relate, but not restricted to the following areas:
 - (a) Trade liberalisation and customs co-operation generally and the establishment of a Free Trade Area, and any other deeper form of integration as may be agreed by the parties;
 - (b) Development of programmes to enhance movement of business persons, labour and services across the region;
 - (c) Development of joint infrastructure programmes, financing and implementation;
 - (d) Development of joint programmes for agricultural development and food security;
 - (e) Maintenance of close collaboration in preparation of common regional positions and strategies in multilateral and international trade fora; and
 - (f) Other activities of mutual interest as may be agreed upon from time to time.

ARTICLE 2
HARMONISATION OF TRADE AND INVESTMENT REGIMES

The parties agree to:

- a) establish a Free Trade Area among COMESA, EAC and SADC;
- b) enhance inter-REC economic co-operation;
- c) enhance co-operation with multilateral/bilateral partners;
- d) coordinate negotiations of multilateral issues;
- e) promote industrialisation; and
- f) enable intra regional investment.

ARTICLE 3
HARMONISATION OF INFRASTRUCTURE
PROGRAMMES

The parties agree to:

- a) jointly develop inter-regional infrastructure; and
- b) harmonise programmes on transport and communications.

ARTICLE 4
COOPERATION IN THE PROGRAMME ON FACILITATION OF THE
MOVEMENT OF PERSONS

The parties agree to facilitate the movement of business persons across borders of their member states.

ARTICLE 5
COOPERATION IN OTHER POLICIES

The parties agree to develop joint programmes that enhance co-operation and strengthen co-ordination in industrial and competition policies, financial and payments systems, development of capital markets and commodity exchanges.

ARTICLE 6

ESTABLISHMENT OF TRIPARTITE COORDINATION MECHANISM AND MEETINGS

1. There is hereby established a Tripartite Coordination Mechanism consisting of the following organs:
 - a) Tripartite Summit consisting of the Heads of State and/or Government of COMESA, EAC and SADC who shall meet at least once every two years and which shall be the highest organ of the Tripartite arrangement;
 - b) Tripartite Council of Ministers which shall meet at least once every two years;
 - c) Tripartite Sectoral Ministerial Committee on Trade, Finance, Customs, Economic Matters and Home/Internal Affairs; a Tripartite Sectoral Ministerial Committee on Infrastructure; a Tripartite Sectoral Ministerial Committee on Legal Affairs which shall meet at least once a year; and
 - d) any other Ministerial Committees, that the Tripartite Council of Ministers may establish, which shall meet at least once a year;
 - e) Tripartite Committees of Senior Officials and of Experts which shall meet at least once every year;
 - f) Tripartite Task Force of the Secretariats of the three RECs to meet at least twice a year.
2. The Tripartite Summit may hold extra-ordinary meetings as and when necessary.
3. The Tripartite Council of Ministers may hold extra-ordinary meetings as and when necessary.
4. The Tripartite Sectoral Ministerial Committees shall take decisions in their respective sectors which shall be final except if reversed by the Tripartite Summit.
5. The Tripartite Senior Officials meeting shall report to the Tripartite Sectoral Ministerial Committees.

6. Each party shall within its Secretariat establish a permanent Unit for the Coordination of the Mechanism for the harmonization of the programmes agreed upon. The three Units together will constitute a Tripartite Coordination Secretariat.

7. The Units shall meet at least once every six months to review progress in the implementation of this Memorandum of Understanding. Each party shall chair the meetings of the Units on a rotational basis.

8. The Tripartite Secretariat shall prepare Terms of Reference and Rules of Procedure for the operations of the organs of the Tripartite Coordination Mechanism.

ARTICLE 7 CONSULTATIONS AND EXCHANGE OF INFORMATION AND EXPERTISE

1. The parties shall hold regular consultations, to discuss issues of common interest with the view of defining suitable means and ways for the implementation of planned activities.

2. The parties agree to exchange expertise in such matters of common interest and activities as shall from time to time be agreed upon.

ARTICLE 8 FINANCIAL RESPONSIBILITY

The parties shall individually and jointly mobilise financial resources for the implementation of activities of common interest envisaged under this Memorandum of Understanding. Such activities shall be determined by mutual agreement between the parties.

ARTICLE 9 PROGRAMMING

Work plans shall be developed on a short and long-term basis for planning and implementation of activities of common interest.

**ARTICLE 10
RECIPROCITY**

1. The parties shall endeavour to invite each other to conferences and meetings of each other's policy organs as well as seminars, workshops, symposia and training courses organised by each party and which are of mutual interest to the parties.

2. The parties agree to work towards the avoidance of duplication of efforts in areas of common interest where each one of them has attained progress; in this regard the parties shall harmonise programmes of their meetings.

**ARTICLE 11
SUPPLEMENTARY MEMORANDA OF UNDERSTANDING**

The Parties may enter into supplementary memoranda of understanding to provide for specific activities related to the arrangement established hereunder.

**ARTICLE 12
AMENDMENTS**

This Memorandum of Understanding may be amended at any time upon the parties' mutual agreement provided that the party proposing any amendment shall have given the other parties three months' prior notice in writing of the proposal to amend.

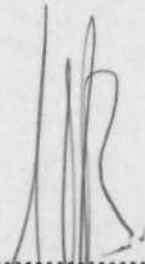
**ARTICLE 13
DISPUTE RESOLUTION**

Any dispute between the parties as a result of the operation of this Memorandum of Understanding shall be resolved amicably between the parties through a process of negotiation. In the event of failure to reach agreement the parties shall appoint an independent arbitrator.

**ARTICLE 14
ENTRY INTO FORCE**

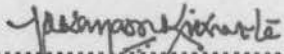
This Memorandum of Understanding shall enter into force upon signature by the duly authorised representatives of the parties.

IN WITNESS WHEREOF, the parties, each acting through its duly authorised representative, have signed this Memorandum of Understanding on this _____ day of _____ 20____.



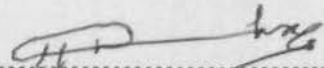
.....
His Majesty King Mswati III
The King and iNgwenyama of the Kingdom of eSwatini (Swaziland); and Chairperson of COMESA

FOR COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)



.....
H.E. Jakaya Mrisho Kikwete
President of the United Republic of Tanzania; and Chairperson of EAC

FOR EAST AFRICAN COMMUNITY (EAC)



.....
H.E. Hifikepunye Pohamba
President of the Republic of Namibia; and Chairperson of SADC

FOR SOUTHERN AFRICAN DEVELOPMENT COMMUNITY (SADC)