

No. 53391*

**South Africa
and
Botswana**

**Memorandum of Understanding between the Government of the Republic of South Africa
and the Government of the Republic of Botswana on trade and industrial co-operation.
Gaborone, 20 November 2014**

Entry into force: *20 November 2014 by signature, in accordance with article 12*

Authentic text: *English*

Registration with the Secretariat of the United Nations: *South Africa, 14 January 2016*

**No UNTS volume number has yet been determined for this record. The Text(s) reproduced below, if attached, are the authentic texts of the agreement /action attachment as submitted for registration and publication to the Secretariat. For ease of reference they were sequentially paginated. Translations, if attached, are not final and are provided for information only.*

**Afrique du Sud
et
Botswana**

**Mémorandum d'accord entre le Gouvernement de la République sud-africaine et le
Gouvernement de la République du Botswana sur le commerce et la coopération
industrielle. Gaborone, 20 novembre 2014**

Entrée en vigueur : *20 novembre 2014 par signature, conformément à l'article 12*

Texte authentique : *anglais*

Enregistrement auprès du Secrétariat des Nations Unies : *Afrique du Sud, 14 janvier 2016*

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[ENGLISH TEXT – TEXTE ANGLAIS]

**MEMORANDUM OF UNDERSTANDING
BETWEEN**

**THE GOVERNMENT OF THE REPUBLIC OF
SOUTH AFRICA**

AND

**THE GOVERNMENT OF THE REPUBLIC OF
BOTSWANA**

ON

TRADE AND INDUSTRIAL CO-OPERATION

PREAMBLE

The Government of the Republic of South Africa (hereinafter referred to as "South Africa"), and the Government of the Republic of Botswana (hereafter referred to as "Botswana"), (hereinafter jointly referred to as the "Signatories" and separately as a "Signatory");

DESIRING to further strengthen and deepen the friendly and historical relations which prevail between South Africa and Botswana;

RECOGNISING the significant economic challenges and opportunities arising and consequential to the evolving regional economic integration and emerging new global order;

DETERMINED to find new approaches and strategies of consolidating, expanding and deepening areas of economic development, industrial and trade co-operation between South Africa and Botswana, with specific focus on economic development which will be firmly guided by the principles of national sovereignty, opportunities to implement world class projects and of win-win outcomes;

WISHING to promote investments, industry and trade co-operation between South Africa and Botswana on equitable terms;

DESIROUS to facilitate the realization of increased flow of investments and the enhancement of trade and industry co-operation including institutional co-operation;

HEREBY AGREE as follows:

ARTICLE 1
PURPOSE

1. This Memorandum of Understanding (MoU) provides a broad basis for cooperation between the Signatories with the intention of stimulating interest and involvement of private sector in both countries.

ARTICLE 2
COMPETENT AUTHORITIES

The Competent Authorities responsible for the implementation of this MOU will be as follows:

- (a) in the case of the Republic of South Africa, the Department of Trade and Industry (hereinafter referred to as the "DTI"); and
- (b) in the case of the Republic of Botswana, the Ministry of Trade and Industry (hereinafter referred to as the "MTI").

ARTICLE 3
INDUSTRIAL CO-OPERATION

1. The scope of co-operation between the MTI and the DTI with respect to the defined projects, will include identifying technically competent organisations which are capable of drawing up development oriented industrial projects and sensitising organisations in both South Africa and Botswana which have the financial and technical capacity to implement those projects in partnership with their counterparts in their respective countries.

2. With a view to generally promoting industrial co-operation, the Signatories undertake to identify potential projects with opportunities for the development of complementary regional value-chains and sensitize potential investors who are residents of their respective countries that are willing and capable of establishing, completing and rehabilitating mutual beneficial projects in, *inter-alia* the following areas:

- (a) Transport and communications infrastructure projects;
- (b) Mining;
- (c) Energy;
- (d) Agro-business;
- (e) Tourism;
- (f) Financial and business-retail services;
- (g) Processing of natural resources.
- (h) Agriculture;
- (i) Manufacturing;
- (j) Leather industry;
- (k) Information and Communication Technology; and
- (l) Pharmaceuticals.

3. The Signatories undertake to jointly continue to identify other emerging industrial enterprises, projects, and project ideas that could be of interest to investors in their countries and will make available to each other all relevant general and detailed information for use in promoting these enterprises, projects and project ideas in their countries.

ARTICLE 4
TRADE CO-OPERATION

1. The Signatories undertake to intensify efforts to promote fair and mutually beneficial trade between the two countries including information exchange, with a view to expanding the volume of trade.
2. In order to take advantage of the existing vast opportunities in both countries, the Signatories undertake to encourage and assist trade operators to undertake joint trade promotional activities including, but not confined to, participating in the national and international trade fairs organised in both countries, the promotion of solo exhibitions, and closer cooperation between the chambers of commerce of the two countries.
3. The Signatories undertake to cooperate and share information to curb under-invoicing and false declarations.

ARTICLE 5
CO-OPERATION IN THE DEVELOPMENT OF PHYSICAL
AND ECONOMIC INFRASTRUCTURE

1. The DTI and the MTI endeavour to identify strategic infrastructure development projects in order to enhance the competitiveness of both economies.

2. The Signatories undertake to promote local and regional sourcing of inputs in the development of agreed infrastructure projects so as to catalyse industrial development.

ARTICLE 6
TECHNICAL COOPERATION

1. The DTI, using experiences gained in the implementation of Spatial Development Initiatives (SDIs) undertake to cooperate with the relevant public and private institutions within South Africa in assisting the MTI with the scoping and designing of programmes for designated investment projects in Botswana
2. The MTI and the DTI, in partnership, endeavour to develop industrial and technical co-operation between private sector enterprises and organisations of both countries in, *inter alia*, the following fields:
 - (a) Standardisation and quality control;
 - (b) Development of small, medium and micro enterprises;
 - (c) Intellectual property rights;
 - (d) Competition policy;
 - (e) Technology transfer;
 - (f) Skills development in, *inter alia*, the following areas:
 - (i) Trade negotiations;
 - (ii) Economic policy formulation and implementation;
 - (iii) Trade and investment promotion; and
 - (iv) Business registration.

- (g) Investment and finance; and
- (h) Research and development.

3. Implementation in respect of technical co-operation will be based on an action plan which shall be mutually determined on an annual basis, by the Signatories.

ARTICLE 7 **GENERAL PROVISIONS**

1. The Signatories undertake to carry-out appropriate measures to facilitate and strengthen expertise and co-operation amongst themselves, within the framework of this MoU, subject to the domestic laws in force in the territories of the Signatories.
2. This MoU will not be construed to confer any benefits or impose any commitment which may be inconsistent with, or in contravention of, any international agreement to which either Signatory is or will become a party to.
3. This MoU shall not distract from any rights obtained or obligations assumed from the provisions of any agreement to which the Signatories are a party to.
4. This MoU provides a broad basis for cooperation between the Signatories with the intention of stimulating interest and involvement of private sector in both countries.
5. The Signatories undertake to negotiate and conclude detailed operational agreements before implementation of the projects, referred to in Article 3.
6. Neither Signatory will have any obligation in respect of any project other than those explicitly stated in the operational agreements contemplated in Sub-Article (4) or any exclusive rights in terms of this MoU.
7. Each Signatory will cover its own expenses for the implementation of activities under this MoU.

ARTICLE 8
THE JOINT COMMITTEE

1. In order to facilitate the effective implementation of this MoU, and review its operationalization, the Signatories hereby establish a Joint Committee (hereinafter referred to as 'the Committee').
2. The Committee will comprise of representatives of the DTI and representatives of the MTI.
3. Each Signatory undertakes to inform the other about the composition of the members of the Committee from its side.
4. The Joint Committee will formulate its own procedure.
5. The Joint Committee shall meet twice a year and as agreed by the Signatories, at such venues as alternately designated by the Signatories.

ARTICLE 9
UNDERTAKINGS

1. The Signatories undertake to develop the following:
 - (a) a framework detailing the levels of co-operation between the Signatories;
 - (b) a framework that includes key activities that will be embarked on in furtherance of this MoU; and
 - (c) targets to be achieved in furtherance of this MoU within a specified period.
2. The Signatories undertake to establish a forum to discuss and resolve *inter alia*, issues related to non-tariff barriers that may hinder trade between them.

ARTICLE 10
AMENDMENT

This MoU may be amended by mutual consent of the Signatories through an Exchange of Notes between the Signatories through diplomatic channels.

ARTICLE 11
SETTLEMENT OF DISPUTES

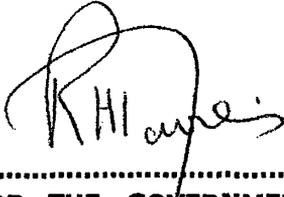
Any dispute between the Signatories arising out of the interpretation, application, or implementation of this MoU shall be settled amicably through negotiations or consultations through the established diplomatic channels.

ARTICLE 12
ENTRY INTO FORCE, DURATION AND TERMINATION

1. This MoU shall enter into force on the date of signature thereof.
2. This MoU will remain in force for a period of five (5) years whereafter it shall be automatically renewed for a further period of five (5) years, unless terminated in accordance with sub-Article 3.
3. This MOU may be terminated by either Signatory giving twelve (12) months written notice in advance, through diplomatic channels, to the other Signatory of its intention to terminate.
4. The termination of this MoU shall not affect the completion of any project undertaken by the Signatories prior to the termination thereof, or the full execution of any co-operative activity that has not been fully executed at the time of termination, unless otherwise agreed upon in writing by the Signatories.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed and sealed this MOU in duplicate in the English language, both texts being equally authentic.

DONE at Gaborone, Botswana on this the 20th day of November 2014



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**FOR THE GOVERNMENT
OF THE
REPUBLIC OF SOUTH AFRICA**



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**FOR THE GOVERNMENT
OF THE
REPUBLIC OF BOTSWANA**