No. 48067

South Africa and Zambia

Memorandum of Understanding between the Government of the Republic of South Africa and the Government of the Republic of Zambia on trade and industrial development cooperation. Lusaka, 8 December 2009

Entry into force: 8 December 2009 by signature, in accordance with article 10

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Afrique du Sud et Zambie

Mémorandum d'accord entre le Gouvernement de la République sud-africaine et le Gouvernement de la République de Zambie relatif à la coopération pour le développement commercial et industriel. Lusaka, 8 décembre 2009

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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 ZAMBIA

ON

TRADE AND INDUSTRIAL DEVELOPMENT COOPERATION

PREAMBLE

The Government of the Republic of South Africa and the Government of the Republic of Zambia (hereinaster jointly referred to as the "Parties" and in the singular as a "Party");

BASED on regular meetings and high-level consultations between the Heads of State and bilateral meetings between the Ministers of Trade and Industry of both countries;

DESIRING to further strengthen and deepen the friendly relations, which prevail between the Republic of South Africa (hereinafter referred to as "the RSA") and the Republic of Zambia (hereinafter referred to as "Zambia");

COGNISANT of the significant economic challenges and opportunities arising and consequential to relations between the two countries within the broad framework of the New Partnership for Africa's Development (NEPAD) taking into account the 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 RSA and Zambia, with specific focus on economic empowerment which will be firmly guided by the principles of national sovereignty, opportunities to implement world class projects, and of win-win outcomes;

WISHING to vigorously promote investments, industry and trade co-operation between RSA and Zambia on equitable terms by setting tasks to be performed and obligations to be met by each Party in order to facilitate the realization of increased flow of investments and the enhancement of trade and industry co-operation including institutional co-operation as generally and specifically set hereinafter;

HEREBY AGREE to cooperate and collaborate as follows:

ARTICLE 1

COMPETENT AUTHORITIES

The Competent Authorities responsible for the implementation of this Memorandum of Understanding shall be –

- in case of the Government of the Republic of South Africa, the Department of Trade and Industry (hereinafter referred to as the "DTI");
 and
- (b) in case of the Government of the Republic of Zambia, the Ministry of Commerce, Trade and Industry (hereinafter referred to as "the MCTI").

ARTICLE 2

INDUSTRIAL CO-OPERATION

- (1) The DTI, using experiences gained in the implementation of Spatial Development Initiatives (SDIs) will cooperate with relevant public and private institutions within the RSA in assisting the MCTI with scoping and designing programmes for designated development projects in Zambia.
- (2) The scope of co-operation between the DTI and the MCTI with respect to defined projects within Zambia, shall include identifying technically competent organizations which are capable of drawing up development oriented industrial projects and sensitizing organizations in the RSA that have the financial and technical capacity to implement those projects in partnership with their Zambian counterparts.
- (3) With a view to generally promote industrial co-operation, it is agreed that the DTI shall sensitize potential investors who are residents of the RSA that are willing and capable of establishing, completing and rehabilitating inter alia the following projects:
 - (a) energy projects;
 - (b) mining projects;
 - (c) transport and communications infrastructure projects;
 - (d) agro-processing projects;
 - (e) tourism projects;
 - (f) commercial farming projects; and
 - (g) processing of natural resources.
- (4) In line with the high priority Zambia accords the revival and subsequent establishment of a world-class agricultural sector, and the mutual desire of the DTI and the MCTI to cooperate in the development of viable agro-processing industries in Zambia; it is agreed that the DTI and the MCTI shall jointly intensify efforts to search for potential investors in the agro-processing sector.
- (5) The MCTI shall continue to identify other emerging industrial enterprises, projects and project ideas that could be of interest to investors in the RSA and shall make available to the DTI all relevant general and detailed information for use in promoting those enterprises, projects and project ideas in the RSA.

ARTICLE 3

TRADE CO-OPERATION

- (1) The DTI and the MCTI shall intensify efforts to promote and enhance trade between the two countries.
- (2) In order to take advantage of the existing vast trade opportunities in both countries, the following specific actions shall be carried out:

- (a) The DTI and the MCTI shall sensitize, encourage and assist trade operators to undertake joint trade promotional activities including, but not confined to, participation in the national and international trade fairs organised in both countries, mounting of solo exhibitions; and closer cooperation between industry associations and chambers of commerce of the two countries.
- (b) The DTI and the MCTI shall, in line with the provisions of the SADC Protocol on Trade, endeavour to eliminate non-tariff and other technical barriers to trade between the two countries within the shortest possible time.

ARTICLE 4

CO-OPERATION IN THE DEVELOPMENT OF PHYSICAL AND ECONOMIC INFRASTRUCTURE

The DTI and the MCTI shall endeavour to identify strategic infrastructure development projects in order to enhance competitiveness of the Zambian economy.

ARTICLE 5

TECHNICAL CO-OPERATION

- (1) The DTI and the MCTI shall, in partnership, endeavour to develop industrial and technological cooperation between private sector enterprises and organisations of both countries, including but not limited to, the following fields:
 - (a) Standardization, quality assurance, accreditation and metrology;
 - (b) development of small, micro and medium enterprises;
 - (c) intellectual property rights;
 - (d) competition policy;
 - (e) consumer welfare:
 - (f) technology transfer;
 - (g) development of micro credit;
 - (h) citizens' economic development
 - (i) corporate governance; and
 - (j) skills development in inter alia the areas of-
 - (i) industrial inspections:
 - (ii) trade negotiations;
 - (iii) economic policy formulation and implementation;
 - (iv) trade and investment promotion;
 - (v) company registration and compliance;
 - (vi) trade remedies;
 - (vii) incentives design for business and investment purposes.