



# **India and the Southern African Customs Union (SACU) sign Terms of Reference (ToR) for negotiations towards a Preferential Trade Agreement**

## **Union Minister Shri Piyush Goyal Calls for Balanced and Equitable India–SACU Trade Agreement**

## **India Can Support Affordable Medicines, IT Talent and Global Supply Chain Integration in SACU Region: Shri Goyal**

## **Negotiations to cover eight important chapters, including trade in goods, market access for goods and rules of origin: Commerce Secretary Rajesh Agrawal**

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India and the Southern African Customs Union (SACU) today signed the Terms of Reference (ToR) for negotiations towards a Preferential Trade Agreement (PTA) between India and SACU at Vanijya Bhawan, New Delhi. The signing marks an important step towards strengthening trade and economic engagement between India and the SACU Member States.

Speaking on the occasion, Union Minister of Commerce and Industry Shri Piyush Goyal called for a balanced, fair and equitable trade agreement between India and the Southern African Customs Union (SACU), emphasising that the partnership can help diversify markets and create opportunities for both sides to prosper. Shri Goyal said India can play an important role in supplying affordable medicines and supporting the development of new talent in the IT sector in the SACU region. Shri Goyal added that India can also help integrate SACU countries into global supply chains in areas where their businesses are competitive and where skills and talent can be developed or are already available.

The Minister stated that India's engagement with Southern Africa is rooted in a longstanding partnership of equals and extends well beyond trade. He recalled that Southern Africa occupies a special place in India's national memory, noting that "India's relationship with Southern Africa did not begin with commerce. It began with conscience." Recalling Mahatma Gandhi, he also highlighted India's support for the peoples of Southern Africa in their struggle against apartheid.

Shri Goyal underscored that the negotiations seek to provide preferential market access to an already established commercial relationship, with significant complementarities in engineering goods and machinery, automobiles, pharmaceuticals, textiles, agriculture and agri-processing. He called upon the negotiating teams to proceed with urgency and stressed the importance of translating the agreed Terms of

Reference into a concrete process towards early finalisation of the India–SACU PTA. He further noted, “What we sign today does not by itself lower a single tariff or clear a single container. Only a final agreement will do that,” and called for an early conclusion of the PTA.

The signing ceremony was attended by Minister of State for Commerce and Industry Shri Jitin Prasada, senior officials from the Government of India and the SACU delegation.

Executive Director, Ministry of International Relations and Trade, Government of the Republic of Namibia, Ms. Ndiitah Nghipondoka-Robiati welcomed the signing of the ToR as an important milestone in formalising SACU–India engagement and providing structure, transparency and predictability to the forthcoming negotiations. Highlighting India’s importance as a strategic partner and a pillar of South–South cooperation, she noted the longstanding relationship between India and Africa through trade, investment, capacity building and development cooperation. She emphasised that SACU attaches real importance to an outcome that is balanced and takes into account the different levels of development among the Parties, particularly the interests and development needs of SACU Member States, including its Least Developed Countries and Small and Vulnerable Economies.

Secretary, Department of Commerce, Ministry of Commerce and Industry, Shri Rajesh Agrawal, addressing the gathering, said that this is India’s first ToR signing with the African region and noted SACU’s significance as the oldest customs union in the world. He stated that the PTA is envisaged to cover eight important chapters, including trade in goods and market access for goods; rules of origin and origin procedures; customs procedures and trade facilitation; trade remedies, including a bilateral safeguard mechanism; sanitary and phytosanitary measures; technical barriers to trade; dispute settlement; and legal and horizontal provisions.

The signing of the ToR reflects the shared commitment of India and SACU to advance mutually beneficial trade relations and lays the foundation for negotiations towards a balanced, mutually beneficial and development-oriented PTA.

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**Abhishek Dayal/Shabbir Azad/Anushka Pandey**

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