

Agreement on
Trade and Trade Related Issues
Between
The Republic of the Sudan
and
The Republic of South Sudan

Addis Ababa, 27 September 2012

Preamble

Recognising the need for the Republic of the Sudan and the Republic of South Sudan (the two States) to have a clear trade policy with respect to the other;

Aware of the range of issues that need to be clarified before special bilateral trade arrangements can be concluded between the Parties; and

Recognising the need for the two States to consider the various alternatives for trade arrangements before settling upon a long-term policy;

The Parties agree as follows:

1. Independent National Trade Policy

- (1) Each State shall pursue an independent national trade policy with respect to the other State.
- (2) Each State shall review the policy referred to in Article 1.1 periodically to evaluate its success in facilitating trade, and the two States may agree to change or amend this policy as they may deem appropriate.

2. Relevance of Other Obligations to the Policy

- (1) Notwithstanding its pursuit of an independent trade policy, each State shall abide by its obligations arising from its membership in any of the following organisations: The World Trade Organisation; COMESA; SADC-EAC-COMESA Tripartite Agreement; the IMF; and other similar institutions.
- (2) Accordingly, the questions of anti-dumping; Most Favoured Nation (MFN) treatment; and other relevant trade principles, will be applied consistently with the rules of the applicable organisation to which each State is a member.

3. Establishment of a Joint Ministerial Committee on Trade Relations

- (1) Within thirty (30) days of the ratification of this Agreement, the Parties shall establish a Joint Ministerial Committee on Trade Relations (JMCTR). The JMCTR shall be composed of twelve (12) members, six



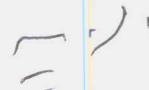
- (6) from each State, and shall be co-chaired by the respective Ministers responsible for trade in each State.
- (2) The first meeting of the JMCTR shall take place within forty-five (45) days of the ratification of this Agreement and, thereafter, the JMCTR shall meet periodically at times and locations to be determined by it.
- The JMCTR shall adopt rules of procedure for regulating its business.
 - The costs of meetings of the JMCTR shall be shared equally between the two States.

4. Mandate of the JMCTR

- The JMCTR shall have primary responsibility for all policy on trade and trade-related matters between the two States and shall oversee and approve the programme of the work of the Joint Technical Committee on Trade Relations referred to in Article 5 of this Agreement.
- The JMCTR shall consider the substantive aspects of trade agreements that are intended to enhance trade relations between the two States, including the desirability of a preferential trade regime, and shall develop a suitable dispute settlement mechanism to deal with trade-related disputes.
- In pursuance of the jointly articulated desire to promote trade between the two States at the earliest possible opportunity following the conclusion of this Agreement , the Parties agree that the JMCTR shall give due priority to the preparation of a draft agreement on customs within 90 days of its establishment. It shall consider adopting terms no less favourable than those among the member states of the Common Market for Eastern and Southern Africa.
- The JMCTR may carry out such other functions as are necessary for the fulfilment of the objectives of this Agreement.

5. Joint Technical Committee on Trade Relations

- Within 30 days of the establishment of the JMCTR, in accordance with Article 3.1 of this agreement, the Parties shall establish a Joint Technical Committee on Trade Relations (JTCTR). The JTCTR shall coordinate and promote technical cooperation and the implementation of trade and trade-related issues.



(2) The JTCTR shall be composed of representatives from the following institutions from each of the Parties:

- a) The Ministry of Trade/ Ministry of Commerce, Industry and Investment;
- b) The Ministry of Foreign Affairs and International Co-operation/Ministry of Foreign Affairs;
- c) The Ministry of Interior;
- d) The Ministry of Finance;
- e) The Ministry of Petroleum;
- f) The Ministry of Agriculture;
- g) The Ministry of Justice;
- h) The Ministry of Transport/ Ministry of Roads and Bridges;
- i) The Central Bank;
- j) The Chamber of Commerce/ Business Association; and
- k) Other relevant institutions or departments, which may be co-opted from time to time in light of the subject matter under discussion at the JTCTR.

(3) The JTCTR shall adopt its rules of procedure for regulating its business, including its reporting procedures to the JMCTR for the effective and efficient carrying out of its business. The JMCTR shall approve the work plans and budgets for the JTCTR.

(4) The costs of operation of the JTCTR shall be shared equally between the two States.

6. Terms of Reference of the JTCTR

(1) The JTCTR shall constitute the technical sub-committee of the JMCTR, and prepare the documentation on substantive issues on matters that are to be considered by the JMCTR.

(2) The JTCTR shall in particular deal with the following issues, which the Parties have determined to require agreement at the earliest possible time, to facilitate and enhance trade between the two States. These include:

- a) Customs cooperation, including: administrative aspects, information exchange and capacity building;
- b) Banking relations and trade-related payments arrangements (in coordination with the Joint Central Banks Committee);

- c) Combating cross-border smuggling;
- d) Combating illicit financial transactions: money laundering, financing of terrorism, drug trafficking and trans-boundary crimes;
- e) Trade-related dispute resolution mechanisms;
- f) Usage of ports and facilitation of transit of non-oil goods; and
- g) Facilitation of import and export between the two countries.

(3) The JTCTR shall, as part of its subsequent work programmes, discuss other matters, including the following:

- a) Trade facilitation and promotion;
- b) Free Trade Zones;
- c) Trade-related infrastructure development;
- d) Transhipment and transit goods;
- e) Usage of other countries' ports;
- f) Non-tariff barriers;
- g) Environmental and health safeguards; and
- h) Standards and codes.

7. Data and Information Sharing

The Parties shall cooperate fully to assure that the purposes and objectives of this Agreement will be achieved. To that end, the Parties shall establish mechanisms for the sharing of relevant data and information related to trade and trade-related issues, and shall furnish to each other all such information related thereto as the other Party shall reasonably request.



Done in Addis Ababa, this 27th Day of September, 2012:

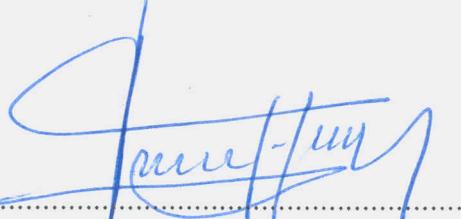


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H.E. Idriss Abdel Gadir
On behalf of:
The Republic of the Sudan



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H.E. Pagan Amum Okiech
On behalf of:
The Republic of South Sudan

Witnessed by:



.....
H.E. Pierre Buyoya
On behalf of the African Union High Level Implementation Panel