

## SACU: COVID-19 COSTING MEMBERS STATES R7BN IN REVENUE EVERY MONTH

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SACU executive secretary Paulina Elago (left) at the 54th Meeting of the SACU Commission in Windhoek, Namibia on 3 December 2019. Picture: @SACUSEC/Twitter

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JOHANNESBURG - The Southern African Customs Union (SACU) said that its member states were bleeding at least R7 billion in customs revenue every month due to the COVID-19 pandemic.

Botswana, eSwatini, Lesotho, Namibia and South Africa have relied on the bloc, which brings in between R88 billion to South Africa down to R8 billion to eSwatini.

SACU executive secretary Paulina Elago said that closed borders had cut trade in some countries to only one percent of normal flows.

In 2018, the five SACU member states exported goods worth R1.39 trillion, equating to R115 billion per month.

Out of the R1.5 trillion in imports, they generated customs and excise revenues of R90 billion.

Last year, they shared R120 billion with South Africa receiving R87.7 billion, followed by Botswana with R23.7 billion, Namibia R22.3 billion and Lesotho and eSwatini R8.9 billion and R8.3 billion respectively.

For Lesotho that is 21% of GDP, for eSwatini and Namibia that is 12%, for Botswana it's 9% and for South Africa it's 1% of GDP.

But due to closed borders, the Botswana Unified Revenue Service is currently processing less than 1% of the usual cross-border trade volumes while the eSwatini Revenue Authority estimates a decline of 70%. At that rate, which means that of the estimated R10 billion that SACU would have generated in a month, anything between R7 billion and R9.9 billion is already lost.

SACU's Elago said that it was difficult to quantify the impact now but it would be unprecedented.

SOURCE: <https://ewn.co.za/2020/04/30/covid-19-costing-members-states-r7bn-in-revenue-every-month-sacu?fbclid=IwAR015iLrjycitZCA6gjsL-DdGwW0swc719KrvBcazBzf6o4gyZy-WiMUeo>