



REPORT OF THE EXECUTIVE SECRETARY 2022/23

Overview of the SADC Region's Performance on Regional Integration



SADC Secretariat
Gaborone
July 2023



Table of Contents

ABBREVIATIONS	1
PREFACE	2
EXECUTIVE SUMMARY	3
1. INTRODUCTION	6
2. SITUATIONAL ANALYSIS	7
2.1. GLOBAL CONTEXT	7
2.2. CONTINENTAL ECONOMIC PERFORMANCE	8
2.3. SADC REGION'S ECONOMIC PERFORMANCE	9
2.4. PROSPECTS FOR 2023 AND THE MEDIUM-TERM	10
2.5. POTENTIAL RISKS AND IMPLICATIONS TO THE SADC REGION	10
3. OVERALL SADC REGION'S PERFORMANCE ON THE RISDP 2020-2030	11
4. IMPLEMENTATION STATUS OF THE RISDP 2020/2030 BY PILLAR	12
4.1. FOUNDATION: PEACE, SECURITY AND GOOD GOVERNANCE	12
4.2. PILLAR I: INDUSTRIAL DEVELOPMENT AND MARKET INTEGRATION	15
4.3. PILLAR 2: INFRASTRUCTURE DEVELOPMENT IN SUPPORT OF REGIONAL INTEGRATION	19
4.4. PILLAR III: SOCIAL AND HUMAN CAPITAL DEVELOPMENT	25
4.5. CROSS-CUTTING ISSUES	29
4.6. STRATEGIC MANAGEMENT OF THE RISDP	32
5. PERFORMANCE OF SADC ON CONTINENTAL OBLIGATIONS	35
PERFORMANCE OF SADC MEMBER STATES PER REGIONAL INTEGRATION INDICES	36
6. STATUS OF PROTOCOLS, AGREEMENTS AND OTHER LEGAL INSTRUMENTS.....	38
7. SADC INSTITUTIONS.....	39
8. CURRENT AND EMERGING ISSUES IN THE REGION	40
9. CONCLUSIONS AND RECOMMENDATIONS.....	41
10. REFERENCES	42



List of Figures and Tables

- Figure 1: SADC Progress in Implementing Regional Integration Priorities
Figure 2: Commodity Prices and Financial Investment Flows
Figure 3: Continental Economic Growth
Figure 4: Continental GDP Growth by Region
Figure 5: Fiscal Deficit, GDP Growth and Foreign Direct Investment to Sub-Saharan Africa
Figure 6: Macroeconomic Convergence Primary Indicators and GDP Growth Performance in 2022
Figure 7: Public Debt and Foreign Direct Investment in the SADC Region
Figure 8: Region's Overall Performance Score
Figure 9: SAMIM Budget and Expenditure from FY 2021/22 to 2022/23
Figure 10: Corruption Cases in the Region on Money Laundering
Figure 11: Manufacturing for Industrial Growth and Development
Figure 12: Overall Agriculture and Food Situation in SADC Region
Figure 13: Intra-regional Trade and SADC extra-regional trade in the Region
Figure 14: Transactions Settled through SADC Real-Time Gross Settlement System
Figure 15: Foreign Direct Investment in the SADC Region
Figure 16: Interconnection to the SAPP Power Grid as of March 2021
Figure 17: Installed Electricity Generation Capacity
Figure 18: Installed Generation Capacity Mix
Figure 19: Proportion of Renewable Energy to Total Energy Generated in the Region
Figure 20: Share of SADC Internet Exchange Points in Africa
Figure 21: Percentage of Tuberculosis (TB) Incidence in the Region (2016 vs 2021)
Figure 22: Annual TB Deaths by Country 2016-2021
Figure 23: Incidence of Malaria Per 1000 Population in SADC
Figure 24: Incidence of Malaria by SADC Country (Per 1000 Population)
Figure 25: 2021 Malaria Mortality Per 100,000 by Country
Figure 26: Prevalence of Stunting in the Region
Figure 27: Prevalence of Overweight in Children, (%) under 5 Years
Figure 28: Share of GBV Cases by Sex in 2022
Figure 29: Contribution from ICPs in SADC Regional Programmes
Figure 30: Comparison of SADC and Continental performance
Figure 31: Comparison of SADC Performance with other RECs
Figure 32: Performance of SADC Member States per regional integration indices
Figure 33: Performance of SADC Member States per regional integration indices
- Table 1: Major Macroeconomic Indicators of Selected Economies
Table 2: Number and Value of Money Laundering Cases vis-à-vis Illicit Assets Recovered in US\$
Table 3: Number of Food Insecure People in SADC Region for the Period 2022/2023 by Country
Table 4: Gender Parity Per Member State
Table 5: Number of Reported GBV Cases in SADC in 2022, by Total and Sex
Table 6: Proportion of Reported GBV Cases Prosecuted per Member State
Table 7: Status of Development Cooperation with SADC

Abbreviations

AfCFTA	African Continental Free-Trade Area	OSBP	One-Stop Border Posts
AIDS	Acquired Immuno-Deficiency Syndrome	PLHIV	People Living with HIV
ARV	Anti-Retroviral	RAIP	Regional Agricultural Investment Plan
AU	African Union	RDF	Regional Development Fund
AUC	African Union Commission	RECs	Regional Economic Communities
COMESA	Common Market for Eastern & Southern Africa	RISDP	Regional Indicative Strategic Development Plan
COVID-19	Corona Virus Disease (2019)	RMF	Resource Mobilisation Framework
DRC	Democratic Republic of the Congo	RPTC	Regional Peacekeeping Training Centre
EAC	East African Community	RTGS	Real-Time Gross Settlement System
FDI	Foreign Direct Investment	SADC	Southern African Development Community
GBV	Gender-Based Violence	SADCAT	SADC Administrative Tribunal
GDP	Gross Domestic Product	SAMIM	SADC Mission in Mozambique
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit	SAPP	Southern African Power Pool
HIV	Human Immunodeficiency Virus	SEOM	SADC Electoral Observer Mission
ICPs	International Cooperating Partners	SHOC	SADC Humanitarian Operations Centre
ICT	Information and Communication Technologies	SME	Small and Medium Enterprises
IMF	International Monetary Fund	SSA	Sub-Saharan Africa
IXP	Internet Exchange Point	TB	Tuberculosis
KfW	Kreditanstalt für Wiederaufbau	TFTA	Tripartite Free-Trade Area
MEC	Macro-Economic Convergence	UN	United Nations
MONUSCO	United Nations Organization Stabilization Mission in the DR Congo	UNAIDS	(Joint) United Nations Programme on HIV/AIDS
MVA	Manufacturing Value-Added	UNECA	United Nations Economic Commission for Africa

Preface



I am pleased to present the Annual Report of the Executive Secretary – 2022/23, which offers an opportunity to highlight key high-level achievements that the SADC Region is making towards Regional Integration and Cooperation.

I have paid courtesy calls on the Heads of State and Government, during which I shared my vision on ways in which we can address the current persistent challenges of our time emanating from climate change-related shocks, the impact of COVID-19 and the effects of the ongoing Russia-Ukraine conflict on the Region's economies.

I have proposed to the Heads of State and Government the need to radically change the *modus operandi* for implementing the SADC Regional Integration Agenda, focusing only on actions that are most impactful and demonstrate results in the lives of the citizens of the Region.

This year's Report responds to the invaluable guidance from the Heads of State and Government on how to expedite the Regional Integration agenda, in particular, on how to unblock the bottlenecks which slowed down industrialisation, infrastructure development and easy access to markets in the Region and beyond, to mention a few.

The Report highlights the commendable **high-level results** we have achieved as a Community towards attaining the outcomes articulated in the RISDP 2020-2030 to date. It seeks the views and direction of the Council on the key Regional Integration issues highlighted and the recommendations proposed.

We are guided by the 2022/23 Summit theme: "*Promoting industrialisation through agro-processing, mineral beneficiation and regional value-chains for inclusive and resilient economic growth*" implemented under the leadership of the chairperson of SADC for 2022/23 – His Excellency Felix Tshisekedi, President of the Democratic Republic of the Congo.

For the first time, the Report presents **scores and infographics** derived from a **Regional Balanced Scorecard** management tool to track the implementation of the RISDP using outcome Key Performance Indicators (KPIs) and impactful projects that drive Regional Integration.

This approach was taken to highlight progress more clearly and spur high-level discussion while appreciating the challenges the Region faces on key metrics of Regional Integration. Therefore, I found the need to prepare the ground for the leadership to talk to real numbers or data showing progress, identify real priorities that move the Region forward, and allocate resources to priority areas.

We have limited time to the expiry of the RISDP 2020-2030, yet the challenges of the Region remain substantial. Going forward, we will focus our attention on expediting the RISDP implementation through the prioritised projects approved by Council in March 2023.

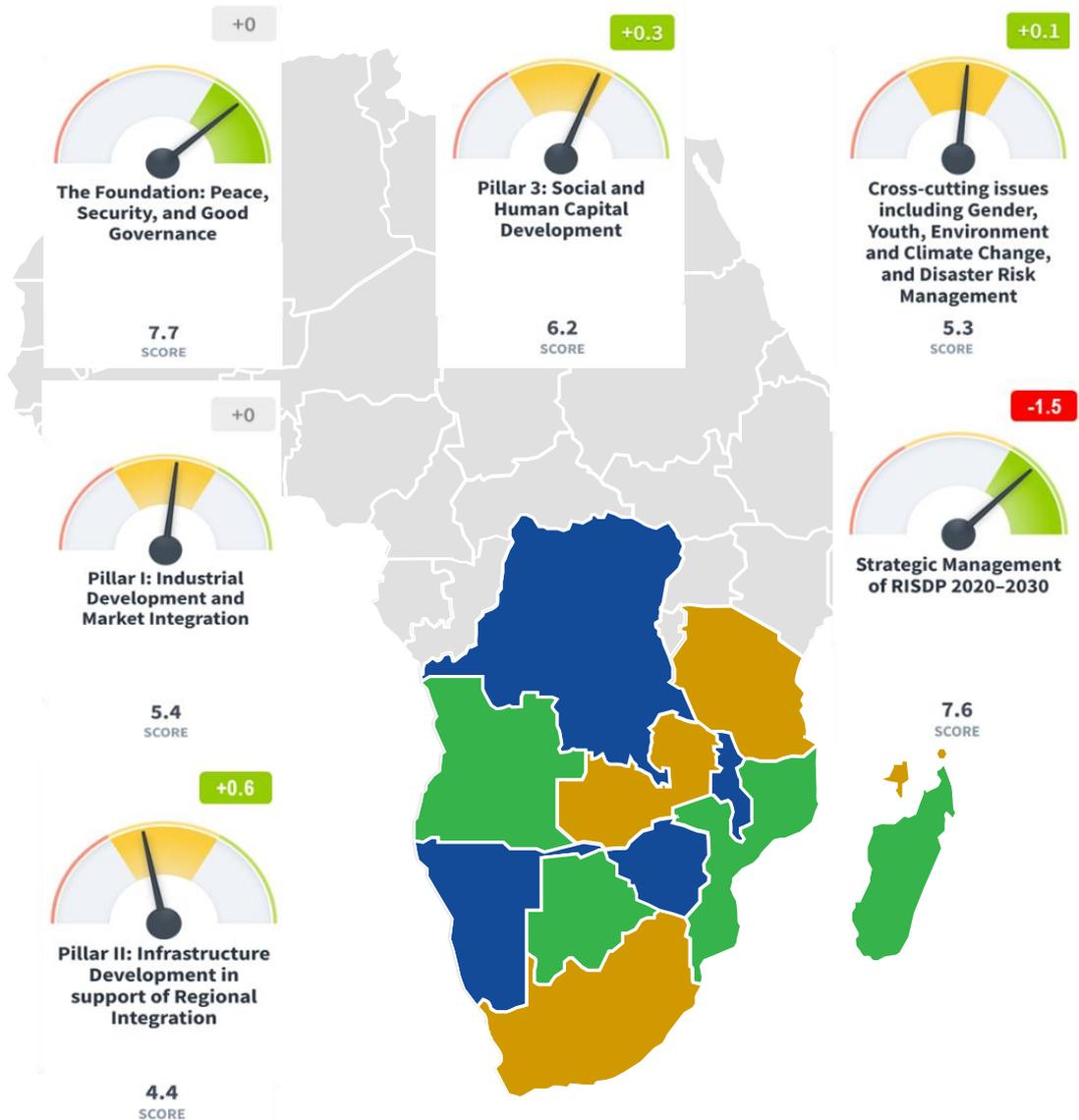
I intend to intensify engagement with Member States to ensure that national development plans truly catalyse the implementation of Regional Integration working with all stakeholders including National Planning Entities, SADC National Committees (SNCs), funding agencies, the Private Sector, and citizens of the Region.

We will further intensify the Secretariat's collaboration with the Region's think-tank organisations, academic and research institutions, and Statistics Agencies in the Member States to ensure that they contribute to the ultimate true metrics that the Region should pursue, which, in turn, will enable reporting on high-level and evidence-based results.

Executive Summary

Global economic growth slowed from 3.4% in 2022 to 2.9% in 2023 but is projected to rise to 4.2% in 2024. The decline was due to the Russia-Ukraine war and the associated cost-of-living crises in many countries. However, the SADC Region made progress in implementing the Regional Integration priorities outlined in the SADC Vision 2050 and the Regional Indicative Strategic Development Plan (RISDP) 2020-2030 as shown in Figure 1.

Figure 1: SADC Progress in Implementing Regional Integration Priorities



The Foundation: Peace and Security in the Region

The political and security situation in the Region remains stable and peaceful except for the prolonged instability in the Democratic Republic of the Congo (DRC) and Mozambique. The Region made significant progress towards restoring stability in Mozambique, thanks to the relentless commitment of Member States through the SADC Mission in Mozambique (SAMIM) coupled with significant funding to diffuse the conflict in Cabo Delgado.

It is also worth noting that several Member States have made commendable progress towards combatting corruption and money laundering through investigations, convictions, and recovery of illicit assets.

De-bushing, fencing and architectural designs have been completed at the land allocated for the SADC Regional Logistics Depot at Rasesa village in Botswana. Resource mobilisation and construction of the Depot should be accelerated as crucial steps towards ensuring rapid response to emergency, humanitarian, and peacekeeping situations.

Pillar I: Industrial Development and Market Integration

Performance under the Industrial Development and Market Integration this Pillar is mixed. On the positive side, agricultural growth is on an upward trajectory, with an increase in cereal production and livestock. Further progress is required for the Region on a favourable path towards attaining food security and reducing poverty.

Intra-SADC and SADC extra-regional trade, which had been just below 20% in the last five years leading to 2019, showed signs of improvement at an estimated 23% in 2022. This improvement resulted from the ongoing efforts to roll out various provisions of the SADC Protocol on Trade, including the implementation of simplified trading arrangements, which enabled an increase in informal cross-border trade.

On the negative side, the Region experienced a decline in the share of manufacturing to GDP and missed all Macroeconomic Economic Convergence primary indicators in 2022.

Food insecurity remains a grave concern in the Region. Food insecure people increased from 50.8 million in 2021/22 to 55.7 million in 2022/23, mostly from Angola, DRC, Madagascar, Malawi, South Africa and Zimbabwe. This challenge is attributable to the impact of flooding, recurrent drought, the Russia-Ukraine war, and animal and crop pest and disease outbreaks on agricultural production.

Pillar II: Infrastructure Development in Support of Regional Integration

The Region achieved a 4.1% growth in the Energy Sector. While installed electricity generation capacity reduced significantly in 2021/22, it is projected to increase in 2022/23. An additional electricity generation capacity of 23000MW has been commissioned, which puts the Region on track towards achieving its target by 2030. The weighted average access to electricity increased, with urban areas having significantly higher access than rural areas.

All mainland Member States, except Angola, Malawi, and the United Republic of Tanzania, are interconnected through the Southern Africa Power Pool (SAPP) Grid. This presents a significant challenge as the new generation capacity installed in these non-participating countries **is not accessible** to the other SAPP members.

The Region is in the initial stages of implementing the Smart Corridor programme. Some progress has been noted to date on road transport and transit time. Loading a container at the Port of Durban through arrival in Lubumbashi via Beitbridge, Chirundu and Kasumbalesa has reduced to nine days. However, a concerted effort is required to address other factors affecting the efficient movement and quantity of goods and services through the corridors.

The Region has accelerated momentum in the development of ICT-related regional infrastructure. Connectivity coverage has improved significantly. Some Member States have exceeded 100% Internet access, while mobile penetration is at 85% per 100 inhabitants. However, more progress is required in migration from Analogue to Digital Terrestrial Television.

The regional road network increased, although the roads are mostly unpaved, causing significant delays for motorists and cross-border operators. The paved ones require rehabilitation due to overloading and infrequent maintenance. The network also requires expansion and regulation of cargo loads to preserve them and improve safety.

The population's access to safely managed drinking water and basic sanitation increased, albeit higher for urban populations. Storage of water remains gravely limited in the Region.

Pillar III: Human and Social Capital Development

There is a return to the pre-pandemic rates in routine immunisation in 10 Member States. Tuberculosis (TB) notifications in eight Member States has increased two-fold since the end of 2021.

Prevention and curative activities for Malaria and other Communicable Diseases have fully resumed. All Member States, including high-burden countries have mainstreamed the elimination Malaria in their programmes. Botswana, Eswatini, Namibia and South Africa attained the targeted 2022 proportional reduction in the incidence

and mortality due to Malaria. This impressive progress will pave the way towards the eminent elimination of Malaria in the four countries earlier than the estimated target of 2030.

The Region faces a high burden of stunting, wasting and overweight in children under five. However, the percentage reduction in stunting is steadily approaching the target of 40% by 2030. Member States are to prioritise allocating resources to procure therapeutic feed to manage this trend sustainably.

Cross-Cutting Issues

The Region's performance under Cross-cutting Issues is mixed as shown below.

HIV and AIDS

Member States achieved commendable milestones in the past 12 years. New HIV infections and AIDS-related deaths have been halved compared to the Year 2010. However, HIV and AIDS remain a significant challenge in the Region. Seventeen million (44%) people living with HIV are SADC citizens, six million of whom are yet to be put on life-saving treatment.

Disaster Risk Reduction

SADC faces multiple disasters such as droughts, tropical cyclones, floods, wildfires, and sea level rise. Malawi was supported with a contribution of US\$300,000 towards humanitarian assistance to those affected by tropical Cyclone Freddy.

Women in Politics, Decision-Making and Economic Empowerment

In 2021, no country had more than 40% of women in Cabinet except South Africa, which for the past four years has consistently recorded 50%. In 2022, Malawi, Mozambique and Seychelles moved up from a 30% to a 40% range, while Mozambique almost attained a 50% footprint. The Secretariat launched a SADC Challenge Fund to support the capacity building of women entrepreneurs. Fourteen grants of about Euro 20,000 each were issued to projects in 14 Member States.

Gender-Based Violence

Gender-Based Violence (GBV) remains a matter of great concern in the Region, affecting women and girls more than men and boys. Women continue to experience GBV and cyber bullying, especially when they stand for political positions. Member States are to address this challenge.

Strategic Management of the RISDP

Increased Potential Innovative Funding Avenues

Apart from International Cooperating Partners' funding, the Region has mobilised no notable amount of resources through the options identified in the Resource Mobilisation Framework (RMF) (2019). This low performance is arguably attributable to the ongoing use of the "*a la carte*" approach, where Member States are free to choose their way of mobilising resources for the regional programme.

The SADC Regional Development Fund (RDF)

The RDF is currently being operationalised. While nine Member States signed the agreement establishing the RDF in 2019, none have yet deposited instruments of ratification with the SADC Secretariat. The initial authorised capital for the Fund is US\$13 billion, and each Member State is expected to pay an initial subscription fee of US\$120 million.

Enhanced Visibility and Awareness of SADC, its Activities and Impact

SADC citizens are unaware of the opportunities for socioeconomic development through regional integration. This lack of information about some of the most basic SADC initiatives diminishes their sense of belonging to the regional community.

1. Introduction

Every year, the Executive Secretary presents a report on the implementation of the activities of SADC to the SADC Council of Ministers (Council). This is outlined in Article 15 (h) of the SADC Treaty, which states that “*the Executive Secretary shall be responsible to the Council for the preparation of ... Annual Reports on the activities of SADC and its institutions*”.

This year’s Report of the Executive Secretary (2022/23) summarises the Region’s progress towards the **attainment of the outcomes** articulated in the RISDP 2020-2030 to assist Council in deeply reflecting on the **core changes, improvements, and impact of Regional Integration** on the lives of the citizens. It is intended to trigger appreciation of the challenges of the Region and prompt conversations leading to strategic decisions and lasting solutions.

During the 2022/23 financial year, the implementation of the RISDP 2020-2030 was guided by the theme: “**Promoting industrialisation through agro-processing, mineral beneficiation, and regional value chains for inclusive and resilient economic growth**”, which was conceptualised and implemented under the leadership of the 2022/23 Chairperson of SADC – H.E. Felix Tshisekedi, President of the Democratic Republic of the Congo.

The Report highlights global and continental developments with the potential to affect the SADC Region’s progress towards Regional Integration. This includes, *inter alia*, the impact of climate change-related events and the implications of the Russia-Ukraine war on the Region’s economies. It discusses the prospects for the Financial Year 2023/24 and the medium-term, and risks and implications for the Region.

For the first time, key messages, infographics, and short summaries are used to clearly illustrate the progress the Region is making towards achieving specific Key Performance Indicators (KPIs) under each of the components of the RISDP 2020-2030, namely:

- 1) **Foundation:** Peace, Security and Good Governance;
- 2) **Pillar I:** Industrial Development and Market Integration;
- 3) **Pillar II:** Infrastructure in Support of Regional Integration;
- 4) **Pillar III:** Social and Human Capital Development;
- 5) **Cross-cutting Issues** (Gender, Youth, Environment and Climate Change, and Disaster Risk Management); and
- 6) **Strategic Management** of RISDP 2020-30.

Furthermore, the Report outlines the performance of the Region on the African continental obligations under the African Union. It reviews SADC’s performance as a Regional Economic Community (REC) in comparison to other RECs in common areas that are core to the RISDP, the Tripartite Free-Trade Area (TFTA) and the African Continental Free-Trade Area (AfCFTA) in particular.

The Report presents the status of SADC Member States’ compliance with the SADC Protocols, Agreements and Other Legal Instruments.

2. Situational Analysis

2.1. Global Context

Global economic growth slowed from 3.4% in 2022 to 2.8% in 2023 but is projected to rise to 3.0% in 2024. The decline in 2023 is due to subdued economic activity, rising central bank interest rate hikes and the impact of the Russia-Ukraine war. The latter has resulted in disruptions in the production and trading of commodities in which Russia, Ukraine and Belarus are key exporters, namely, energy, grains, oil seeds and fertiliser. It has triggered high inflation, high cost-of-living and capital outflows from emerging markets, and tighter monetary and financial conditions.

Notwithstanding the above slump in growth, the prospects for emerging markets and developing economies are stronger than those for advanced economies. China's economy is expected to increase from 3% in 2022 to 5.2% in 2023, driven by a rebound in private consumption as shown in Table 1.

Table 1: Economic Growth of Selected Economies

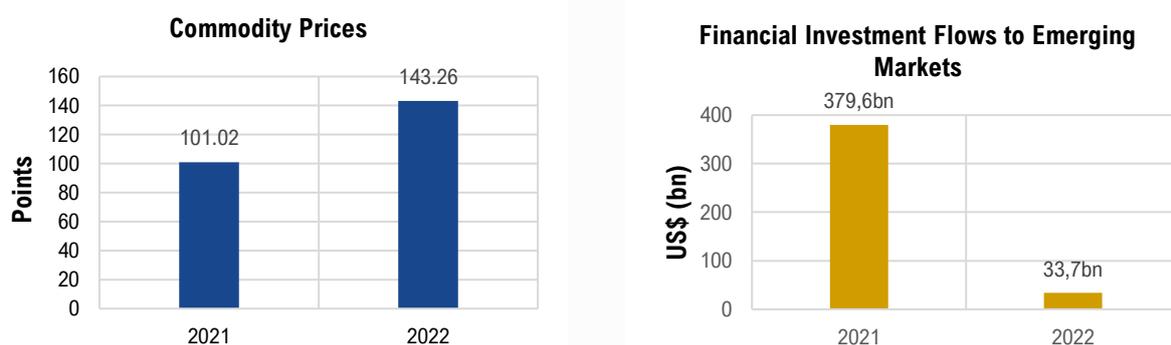
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022*	2023*	2024*
World	3.5	3.5	3.6	3.4	3.4	3.8	3.6	2.9	-3.3	6.1	3.4	2.8	3.0
AEs	1.2	1.4	2.1	2.3	1.7	2.4	2.2	1.7	-4.7	5.2	2.7	1.3	1.4
USA	2.2	1.8	2.5	2.9	1.6	2.2	2.9	2.3	-3.5	5.7	2.1	1.6	1.1
Euro Area	-0.9	-0.2	1.4	2.1	2.0	2.4	1.9	1.3	-6.6	5.3	3.5	0.8	1.4
Ems & Des	5.4	5.1	4.7	4.3	4.6	4.8	4.5	3.7	-2.2	6.8	4.0	3.9	4.2
China	7.9	7.8	7.3	6.9	6.7	6.8	6.6	6.1	2.3	8.1	3.0	5.2	4.5
India	5.5	6.4	7.4	8.0	8.2	7.2	6.8	4.2	-8.0	8.9	6.8	5.9	6.3
Brazil	1.9	3.0	0.5	-3.5	-3.3	1.1	1.3	1.1	-4.1	4.6	2.9	0.9	1.5

Source: IMF World Economic Outlook, April 2023. AEs = Advanced Economies, EMs = Emerging Markets, DEs = Developing Economies

* Denotes projections

As shown in Figure 2, commodity prices increased while financial investment flows declined globally. Commodity prices increased by 41.81% from 101.02 points in 2021 to 143.26 points in 2022 due to the supply shock on oil, gas, grains, and fertilisers in the first half of 2022. Likewise, the energy price index increased by 59.96% to 152.57 points in 2022, while the non-energy price index grew 10.59% to 124.36 points.

Figure 2: Commodity Prices and Financial Investment Flows



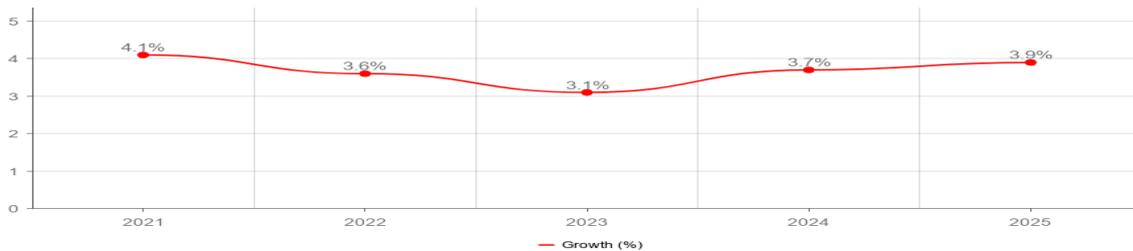
Persistent inflation, higher borrowing costs and sluggish global growth weighed down on global equity markets for much of 2022, with most global equity markets broadly trending upwards in the fourth quarter. Portfolio flows into emerging markets slowed down to US\$33.7 billion in 2022, a more than 90% decline compared to the US\$379.6 billion developing markets attracted in 2021.

Global Foreign Direct Investment (FDI) flows in 2021 were US\$2.10 trillion, up 64% from a low level of US\$1.28 trillion in 2020. However, the global environment for international business and cross-border investment changed dramatically in 2022. Investor uncertainty may put downward pressure on global FDI in 2022 and the flows will likely move downward, at best, remaining flat.

2.2. Continental Economic Performance

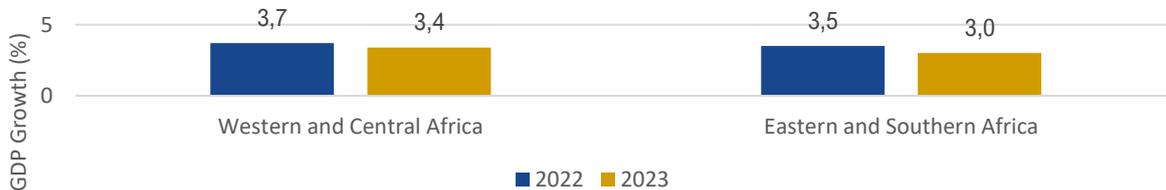
The pattern of growth on the African continent is similar to global growth. In Sub-Saharan Africa (SSA), economic growth slowed down from 4.1% in 2021 to 3.6% in 2022. Economic activity is projected to decline to 3.1% in 2023 (see Figure 3). This is due to the persistent sluggishness of the global economy, high inflation rates and high debt levels. However, growth is estimated at 3.7% and 3.9% in 2024 and 2025, respectively. The slow per capita income growth recovery at 1.2% in 2024 and 1.4% in 2025 falls short of accelerating poverty reduction back to the pre-pandemic path.

Figure 3: Continental Economic Growth



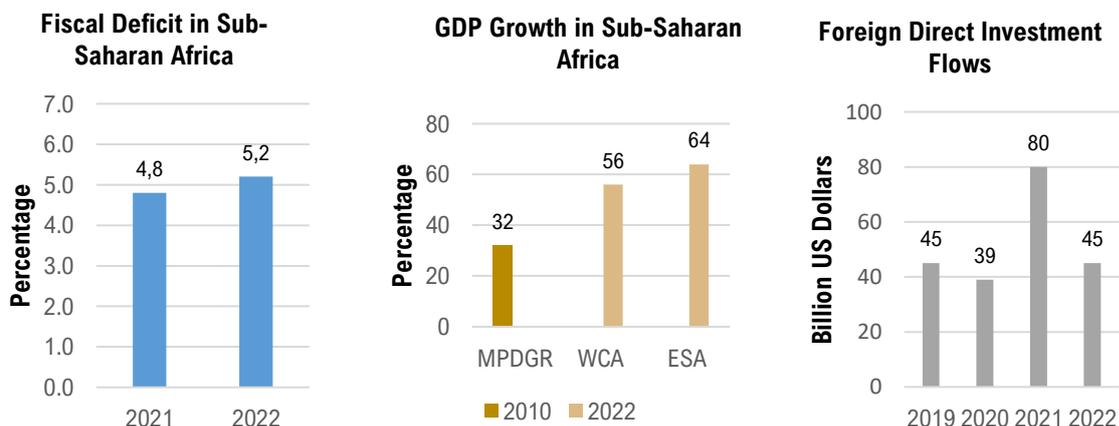
GDP growth in Western and Central Africa declined from 3.7% in 2022 to 3.4% in 2023, while that of Eastern and Southern Africa declined from 3.5% in 2022 to 3.0% in 2023, as shown in Figure 4. The continental performance is dragged down by lower long-term growth in the largest countries. Economic activity in South Africa is set to weaken further in 2023 (0.5%) as the energy crisis deepens, while the growth recovery in Nigeria in 2023 (2.8%) is still fragile as oil production remains subdued. Among the 10 largest economies in SSA, eight are growing at rates below their long-term average growth, including Sudan, Nigeria, Angola, and Ethiopia.

Figure 4: Continental GDP Growth by Region



High inflation, fuelled by rising food and energy prices, weaker currencies, and low investment growth, continues to constrain African economies, creating uncertainty for consumers and investors. The number of countries with two-digit average annual inflation rates increased from nine in 2021 to 21 in 2022 but is expected to drop to 12 in 2023. Inflation is set to remain high at 7.5% for 2023 and above central bank target bands for most countries. Meanwhile, Investment growth fell from 6.8% in 2010-2013 to 1.6% in 2021, with a sharper slowdown in Eastern and Southern Africa than in Western and Central Africa.

Figure 5: Fiscal Deficit, GDP Growth and Foreign Direct Investment to Sub-Saharan Africa



MPDGR = Median Public Debt-to-GDP Ratio; WCA = Western & Central Africa; ESA = Eastern & Southern Africa

Fiscal deficit widened from 4.8% of GDP in 2021 to 5.2% in 2022. Weak growth combined with fast accumulation of public debt pushed the median public debt-to-GDP ratio from 32% in 2010 to 57% in 2022 (56% in Western and Central Africa; 64% in Eastern and Southern Africa as shown in Figure 5). The number of SSA countries at high risk of external debt distress or already in debt distress stands at 22, an increase from 20 in 2020.

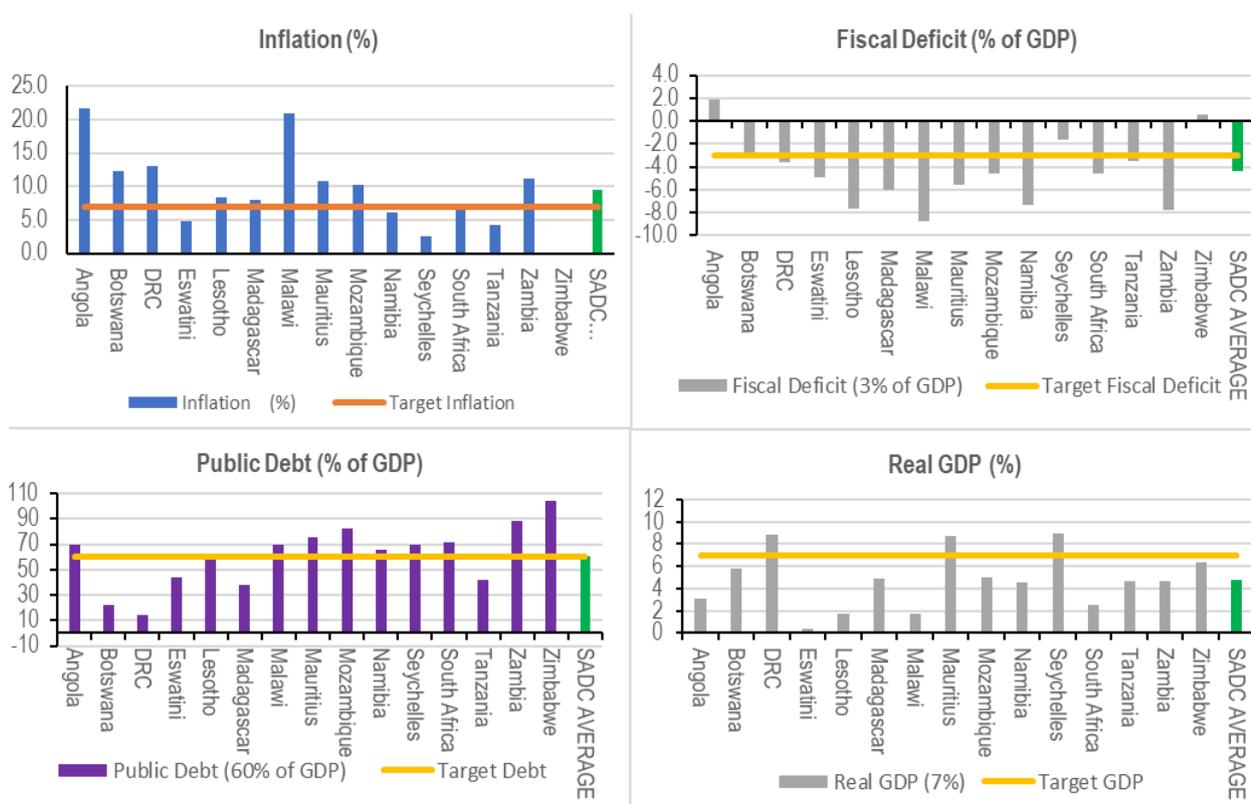
FDI flows to Africa reached US\$80 billion in 2021, a record level from US\$39 billion in 2020, accounting for 5.2% of global FDI. Most recipients saw a moderate rise in FDI after the fall in 2020 caused by the COVID-19 pandemic. However, the total for the continent was inflated by a single intrafirm financial transaction in South Africa in 2021. Excluding that transaction, the increase in Africa is moderate and more in line with other developing regions. Southern Africa, East Africa and West Africa saw their flows rise while Central Africa remained flat and North Africa declined.

2.3. SADC Region’s Economic Performance

In the past five years, SADC performance was affected by Climate Change-related shocks resulting in droughts, cyclones and floods, and damage to infrastructure, crops, and livestock. These were exacerbated by the adverse effects of COVID-19 Pandemic and the Russia-Ukraine war, which triggered high global commodity prices, especially for energy, fertilizer and food, and increased grains imports. These events affected budget financing, food security and overall economic growth.

In 2022, most Member States underperformed on the agreed macroeconomic convergence indicators. None met the set targets of the primary Macroeconomic Economic Convergence indicators (Inflation, Fiscal Deficit and Public Debt) in 2021, as shown in Figure 6.

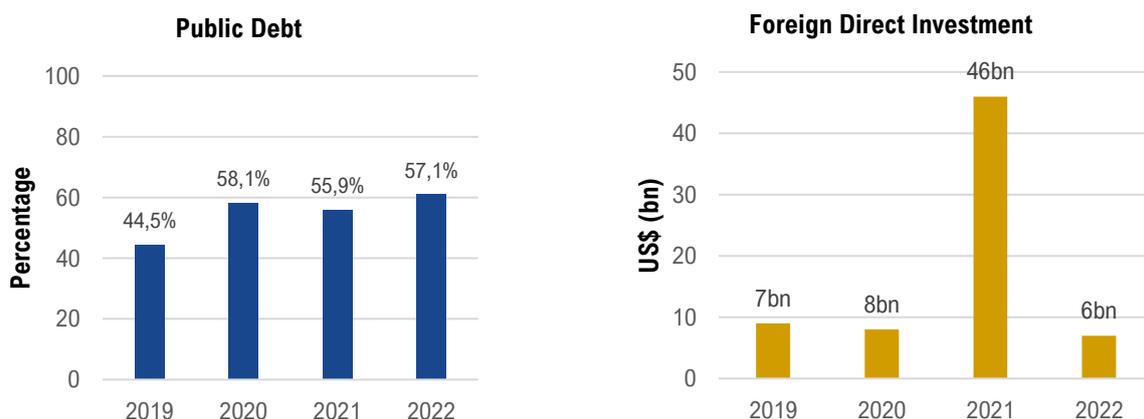
Figure 6: Macroeconomic Convergence Primary Indicators and GDP Growth Performance in 2022



Source: SADC Macroeconomics Statistical Yearbook 2022; Member States; WEO Database April 2023; and African Economic Outlook 2023. **Note:** Date series are Preliminary for 2022. Zimbabwe’s inflation is 194.5% and is put at zero in the graph as an outlier.

Two Member States met the regional target of 7% in 2022, a decline from three Member States in 2021. Individual Member State performance in the Region varied, with five Member States achieving the inflation target, four achieving the fiscal target, six achieving the public debt target and three growing above the set target.

Figure 7: Public Debt and Foreign Direct Investment in the SADC Region



Public debt increased from 55.9% in 2021 to 57.1% in 2022. Six Member States (Botswana, DRC, Eswatini, Lesotho, Madagascar, and Tanzania) met the target of 60% of public debt in 2022, a decline from eight Member States (Botswana, DRC, Eswatini, Lesotho, Madagascar, Malawi, Tanzania, and Zimbabwe) in 2021. Foreign Direct Investment (FDI) to the Region jumped to US\$46 billion in 2021 due to a large corporate reconfiguration in South Africa. Excluding the above, FDI has remained moderate.

2.4. Prospects for 2023 and the Medium-Term

SADC Member States are projected to progress towards achieving the agreed macroeconomic convergence indicators in 2022 and 2023. However, **none is likely to meet all MEC primary targets** (Inflation, Fiscal Deficit and Public Debt) in 2022 and 2023. Low performance on the MEC programme poses a significant risk to the regional integration agenda and its outcomes.

2.5. Potential Risks and Implications to the SADC Region

The outlook for commodity markets depends on the duration of the Russia-Ukraine war and the extent of the sanctions on Russia. If the war prolongs, changes in commodity trade patterns are likely to continue. Growth will be more depressed and higher inflation will be prolonged, with the potential to erode consumers' purchasing power, widening income inequality and poverty. Upside price risks include possible disruptions in the supply of energy and metals (partly due to trade restrictions), intensifying geopolitical tensions, a stronger-than-anticipated recovery in China's industrial sector, and adverse weather events.

Food and energy prices may remain elevated for a long time. The Region may continue to experience elevated prices of petroleum products and fertilisers, with a significant impact on inflation and high agricultural input costs, and a high risk of availability, access, and affordability of food in the Region.

The Region remains susceptible to floods, drought, frost, and strong winds. The effects of Climate Change could manifest in the near-term, adversely affecting infrastructure, agricultural production, and, thus, economic, food and power security. National budgets could be pressured as governments intervene to relocate displaced people and distribute relief food. Furthermore, although COVID-19 restrictions have been lifted, there is a possibility of more virus mutations as was seen recently in China and some parts of Asia-Pacific region. All these risks could worsen fiscal situation, undermining the Governments' ability to respond to crises.

3. Overall SADC Region's Performance on the RISDP 2020-2030

The SADC Region envisions a *peaceful, inclusive, competitive, middle to high-income industrialised Region where all citizens enjoy sustainable economic well-being, justice, and freedom* by the Year 2050. These ideals are expressed in three pillars: I. Industrial Development and Market Integration, II. Infrastructure Development in Support of Regional Integration, and III. Social and Human Capital Development, built on a firm Peace, Security and Good Governance foundation. Cross-cutting issues have been identified to complement the achievement of these priorities.

The Region's performance score on all Pillars in 2022/23 is **6.1 out of a scale of 10**. Peace, Security and Good Governance (the Foundation) scored 7.7 followed by Strategic Management at 7.6. Social and Human Capital Development follows with a 6.2 score. Industrial Development and Market Integration (Pillar 1) scored 5.4, Cross-cutting Issues 5.3 and Infrastructure Development in Support of Regional Integration (Pillar 2) 4.4. The scorecard is shown in Figure 8.

Figure 8: Region's Overall Performance Score



Note: The overall score per Pillar is based on the consolidation of all selected Key Performance Indicators of the Pillar. All the scores are out of 10. The figure on the top-right corner represents the change from the previous period.

4. Implementation Status of the RISDP 2020/2030 by Pillar

4.1. Foundation: Peace, Security and Good Governance



Key Messages

1. The Region is stable, peaceful, and secure as depicted by the following:
 - (i) no new intra-state conflicts;
 - (ii) absence of major armed conflicts; and
 - (iii) no notable acts of terror/terrorist activity except in Mozambique and the DRC.

2. The Region has made progress towards combatting transnational organised crime as shown in the following reported cases:
 - (i) 569 total arrests on Joint Operations for various crimes ranging from firearms, illicit drugs, and illegal immigration etc;
 - (ii) 15 victims were rescued from incidents of Trafficking in Human Beings; and
 - (iii) 11 stolen vehicles were seized.

3. The Region continues to make strides towards strengthening and consolidating democracy as follows:
 - (i) there is a notable reduction in election-related conflicts;
 - (ii) a notable increase in citizen participation in elections; and

However, there is a limited representation of Youth and Women's participation in leadership and decision-making positions.

4. Some progress has been made towards combatting corruption in the Region, as shown below:
 - (i) **US\$ 2.8 billion** – the amount of illicit assets recovered from 8 Member States: Angola, Botswana, Madagascar, Namibia, Seychelles, South Africa, United Republic of Tanzania, and Zambia.
 - (ii) **US\$ 126.2 million** - value of money laundering cases investigated from 2021 to 2022 from 7 Member States: Angola, Botswana, Mauritius, Namibia, Seychelles, United Republic of Tanzania, and Zambia.
 - (iii) **674** cases across the Region of money laundering were investigated.
 - (iv) **356** cases resulting in actual convictions across the Region.
 - (v) **955** cases concluded but did not result in an actual conviction.

5. The Region recorded significant achievements in the fight against terrorism through SAMIM in the Cabo Delgado Province in Mozambique. However, the participation of women in peacekeeping missions remains limited.

6. Women continue to experience gender-based violence (GBV) and cyberbullying, especially when they stand for political positions.

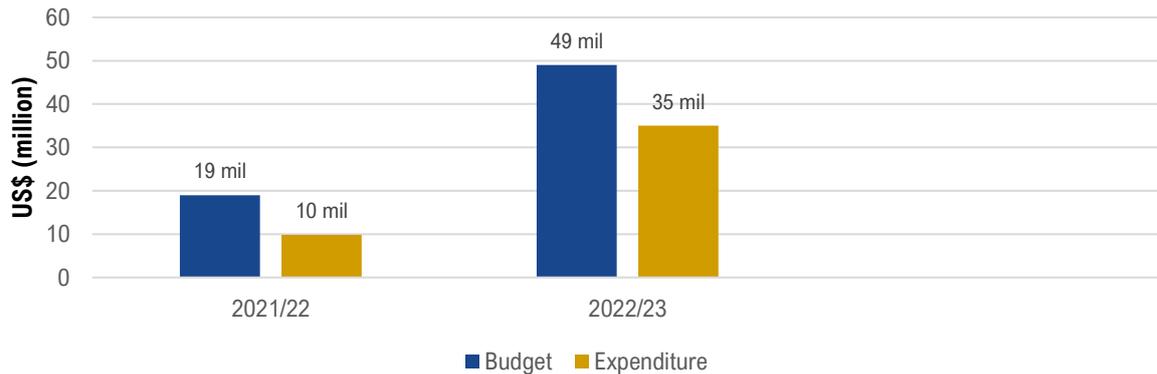
7. Resource mobilisation and construction of the Depot should be accelerated as crucial steps towards ensuring rapid response to emergency, humanitarian, and peacekeeping situations.

A Stable, Peaceful and Secure Region

Support to the Republic of Mozambique in the Fight Against Terrorism

SAMIM recorded achievements by neutralising and dislodging the terrorists from their bases, recapturing villages and seizing weapons and warfare material. This has resulted in a relatively secure environment enabling the safer return of the Internally Displaced Persons to their homes, and the passage of humanitarian support. As shown in Figure 9, funding for the Mission increased considerably from approximately US\$19 million to US\$49 million, demonstrating Member States and partners' commitment to the restoration of peace and stability in Mozambique.

Figure 9: SAMIM Budget and Expenditure from FY 2021/22 to 2022/23



Collaboration with other Stakeholders

SAMIM has collaborated with stakeholders such as the UN Agencies to mitigate the humanitarian challenges in the Cabo Delgado Province in Mozambique. The Mission is engaging in dialogue with civic leaders to address the grievances of community members. Furthermore, there has been an increase in the empowerment and skills of women under SAMIM.

Support to the Democratic Republic of the Congo under the MONUSCO

The Region continues to support the DRC through the Force Intervention Brigade under the MONUSCO mandate to fight the insurgency that poses a security challenge and has caused the displacement of thousands of the population in the Eastern part of the country. The resurgence of the M23, following its defeat in 2013, remains a great global concern and calls for a coordinated approach by all stakeholders involved in supporting the Government of the DRC in the fight against the insurgency.

Enhanced Regional Frameworks to Address Transnational Organized Crime

The Region has made progress towards combatting transnational organised crime which resulted in 569 total arrests on Joint Operations for various crimes ranging from firearms, illicit drugs, and illegal immigration etc. Fifteen victims were rescued from incidents of Trafficking in Human Beings and 11 stolen vehicles were seized.

Efforts towards Combatting Corruption in the SADC Region

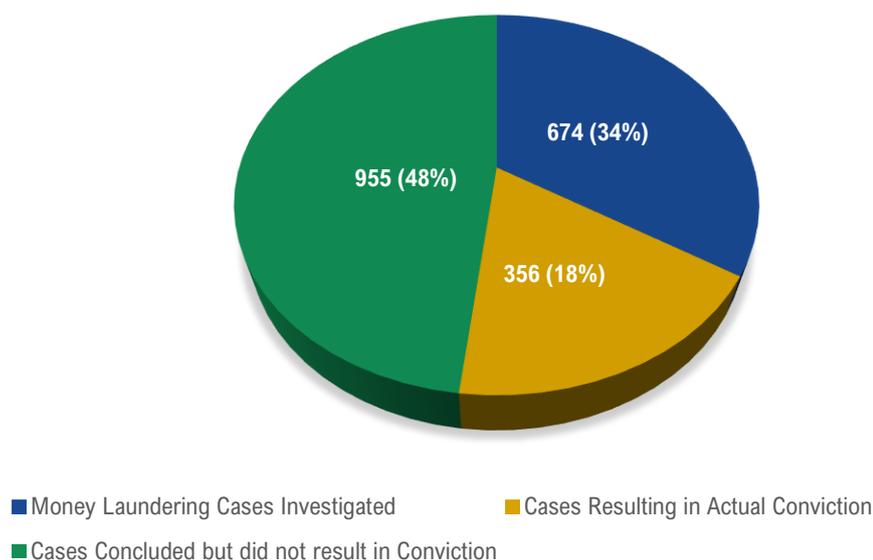
Efforts have been made to combat corruption in the SADC Region. A total value of US\$2.8 billion of illicit assets was recovered from 2021 to 2022 while US\$126.2 million value of money laundering cases were investigated during the same period.

Table 2: Number and Value of Money Laundering Cases vis-à-vis Illicit Assets Recovered in US\$

Member States	Number and value of money laundering cases investigated from 2021 to 2022	Total value of illicit assets recovered in US\$ from 2021 to 2021
Angola	22 216 842,00	2 771 323 826,00
Botswana	3 100 000,00	3 341 854,00
Madagascar	-	4 247 841,00
Mauritius	4 456 921,00	-
Namibia	792 444,00	4 700 000,00
Seychelles	1 855 287,00	4 100 000,00
South Africa	-	23 411 139,00
Tanzania	14 000 000,00	14 571,00
Zambia	79 777 384,00	6 556 250,00
Total	126 198 878,00	2 817 695 481,00

Corruption cases in the Region on money laundering were investigated, resulting in convictions, and concluded, but did not result in actual convictions are depicted in Figure 10.

Figure 10: Corruption Cases in the Region on Money Laundering



Efforts towards Strengthening and Consolidating Democracy

The SADC Electoral Observation Mission (SEOM) was deployed for the first time since 2019 in August and October 2022, respectively. The hiatus in the deployment of the SEOM was due to the restrictions on human movements in response to the COVID-19 pandemic. The SEOM was successfully deployed to the Republic of Angola and the Kingdom of Lesotho. Both Member States had peaceful elections. Lesotho, in particular, saw an orderly transition and power transfer to a new coalition government led by a new political party, which committed to finalising the outstanding comprehensive reforms programme to stabilise the country.

Increased Participation of Women in Peacekeeping Initiatives

As part of the response to gender challenges arising in the Cabo Delgado Province in Mozambique and to increase participation of Women in Peacekeeping initiatives, SAMIM established a SAMIM Women's Network Forum as a platform for all uniformed female officers and officials. Despite these efforts, the participation of women in peacekeeping remains limited. A concerted effort is required by Member States to expedite the development and implementation of National Action Plans on Women, Peace, and Security.

Increased turnaround Time for Emergency and Humanitarian Assistance

De-bushing, fencing and architectural designs have been completed at the land allocated for the SADC Regional Logistics Depot at Rasesa village in Botswana. Resource mobilisation and construction of the Depot should be accelerated as crucial steps towards ensuring rapid response to emergency, humanitarian, and peacekeeping situations.

4.2. Pillar I: Industrial Development and Market Integration



Key Messages

1. The Region's share of manufacturing to GDP declined from 121% in 2019/20 to 11,5% in 2021/22.
2. Share of Manufacturing Value-Added (MVA) also declined from 11.96% to 10.18%.
3. Share of technology production in total Manufacturing Value-Added increased from 8.33% in 2019/20 to 8.56% in 2020/21 but dropped to 8% in 2021/22.
4. Macroeconomic and microeconomic environments within Member States require improvement to attract both domestic and international investments in selected value-chain priority areas.
5. Agricultural growth improved from 6.9% in 2019/20 to 7.9% in 2020/21 but dropped to 7.6% in 2021/22.
6. Five countries experienced animal and crop pests and disease outbreaks including the African Migratory Locust (AML), Swine Fever and Foot and Mouth Disease from early 2020 to April 2022.
7. Locusts damaged about 76,000 hectares of crops in Namibia while Swine Fever occurred in Zambia and Foot and Mouth Disease in Malawi, South Africa, and Mozambique.
8. Cereal production increased from 2.92 metric tonnes to 3.05 metric tonnes in 2021/22.
9. Livestock production index increased from 106.93 to 110.60 in 2021/22.
10. DRC and South Africa comprised 72% of the food-insecure population. Together with Malawi, Zimbabwe, Madagascar, and Angola account for 93% of the food-insecure population in the Region.
11. 55.7 million people were estimated to be food insecure in 2022/23, a notable increase from an estimated 50.8 million from the same countries in 2021/2022.
12. Share of SADC intra-regional trade increased from US\$64,421 million (20%) to US\$77,769 million (23%) in 2021/22.
13. Foreign Direct Investment (FDI) to SADC Region increased to US\$46 billion in 2021 due to a large corporate reconfiguration in South Africa. Excluding the above, FDI to the Region has remained moderate.
14. The number of transactions settled on the regional cross-border Real-Time Gross Settlement (RTGS) system in 2023 was 2.8 million, representing a value of ZAR11.18 trillion. Banks from 15 Member States participated in the system. The total number of participating banks, including central banks was 89.
15. The Region missed all primary macroeconomic performance indicators (fiscal deficit, public debt, and inflation).

Manufacturing for Industrial Growth and Development

The Region's share of manufacturing to GDP declined from 12,1% in 2019/20 to 11,5% in 2021/22. Share of Manufacturing Value-Added (MVA) also declined from 11.96% to 10.18%. Share of technology production in total Manufacturing Value-Added increased from 8,33% in 2019/20 to 8.56% in 2020/21 but dropped to 8% in 2021/22.

Figure 11: Manufacturing for Industrial Growth and Development



Enhanced Industrial and Value-Chain Development Focusing on Priority Value Chains

Overall, the **development of value chains** has not yet achieved tangible results. However, the following milestones have been achieved, laying a foundation for the development of the value chains:

- (i) A comprehensive assessment of the Leather value chain support institutions has been conducted and the draft model policy framework for the Leather Regional value chains has been developed.
- (ii) A Final draft comprehensive assessment of the ARV value chain support institutions and the final draft model policy framework for the ARV Regional value chains has been developed.
- (iii) A draft report on the integration of Small and Medium Enterprises (SMEs) into the regional value chains was produced and a model policy framework and guidelines were developed.

Furthermore, there is a notable increase in **institutional capacity and regulatory environment in the regional value chain development**. Operationalisation of the SADC Pooled Procurement Services is ongoing, and the M&E Framework for the SADC Regional value chains and the Medicines Regulatory Harmonisation (MRH) Strategic Plan are in place.

The final draft of the **SADC Protocol on Mining** was completed. The next step is to ensure its alignment to the SADC Treaty, and establishment of a corresponding regional regulatory framework.

Overall, the macroeconomic and microeconomic environments in Member States require improvement to attract both domestic and international investments in selected value-chain priority areas.

A Productive Agricultural Sector and Improved Access to The Market

Agricultural growth (as a percentage of GDP) improved from 6.9% in 2019/20 to 7.9% in 2020/21 and dropped to 7.6% in 2021/22. Cereal productivity increased from 1,844kg/hc in 2019/20 to 2,169.66kg/hc in 2021/22. Five countries, namely, Angola, Botswana, Namibia, Zambia and Zimbabwe experienced animal and crop pests and disease outbreaks including the African Migratory Locusts (AML), Swine Fever and Foot and Mouth Disease from early 2020 to April 2022. Locust reportedly damaged about 76,000 hectares of crops in Namibia, Swine Fever in Zambia, and Foot and Mouth Disease in Malawi, South Africa, and Mozambique.

Improved Agriculture and Food Security in the Region

Cereal production increased from 2.92 metric tonnes to 3.05 metric tonnes in 2021/22 while the livestock production index increased from 106.93 to 110.60 in 2021/22.

Improved food and nutrition security for the socio-economic well-being of people in the region

June 2022



Approximately 55.7 million people were estimated to be food insecure in 2022/23, a notable increase from an estimated 50.8 million from the same countries in 2021/2022.

Figure 12: Overall Agriculture and Food Situation in SADC Region

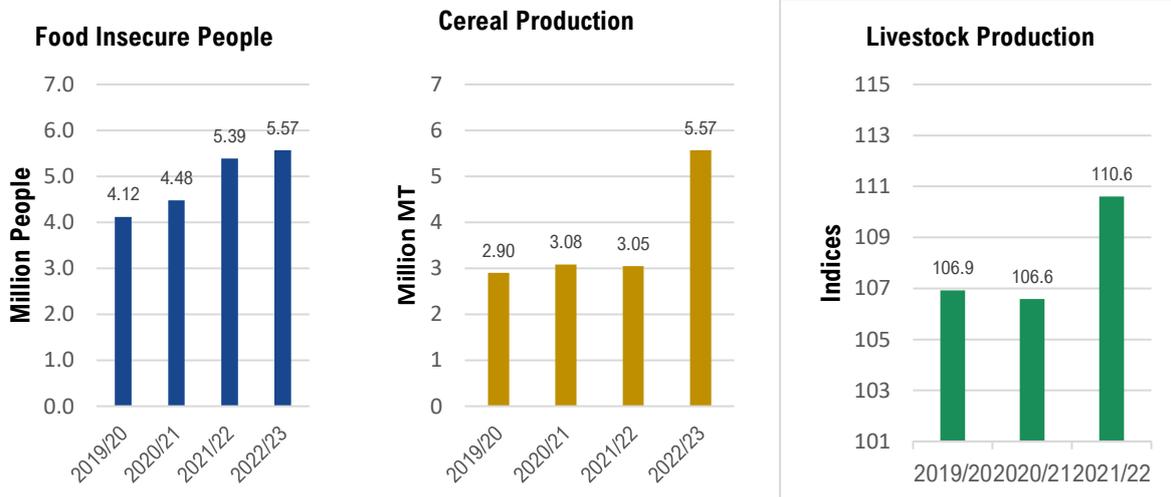


Table 3: Number of Food Insecure People in SADC Region for the Period 2022/2023 by Country

Member States	5 Yr. Average 2017-2021	2021/22	2022/23	% Change from 5yr Average	% Change from 2021/22
Angola	1131091	1584000	1584000	40.0%	0.0%
Botswana	31931	36000	37000	15.9%	2.8%
Comoros	-	-	-	-	-
DRC**	15370000	-27000000	25900000	-68.5%	-04.07%
Eswatini	243160	336000	258800	6.4%	23.0%
Lesotho	472000	472000	521000	10.4%	10.9%
Madagascar	1045464	1640000	2064000	97.4%	25.9%
Malawi	1949308	1653000	3822502	99.3%	155.5%
Mauritius	-	-	-	-	-
Mozambique	1414011	1858000	-	-	-
Namibia	658588	750000	750000	13.9%	-
Seychelles	-	-	-	-	-
South Africa	13700071	13600000	14400000	5.1%	5.9%
Tanzania	446066	437000	592000	32.7%	35.5%
Zambia	1383531	1580000	1950000	40.9%	23.4%
Zimbabwe	3480563	2943000	3820000	9.8%	29.8%
SADC	61326783	53887000	55689889*	34.9%*	7.5%*

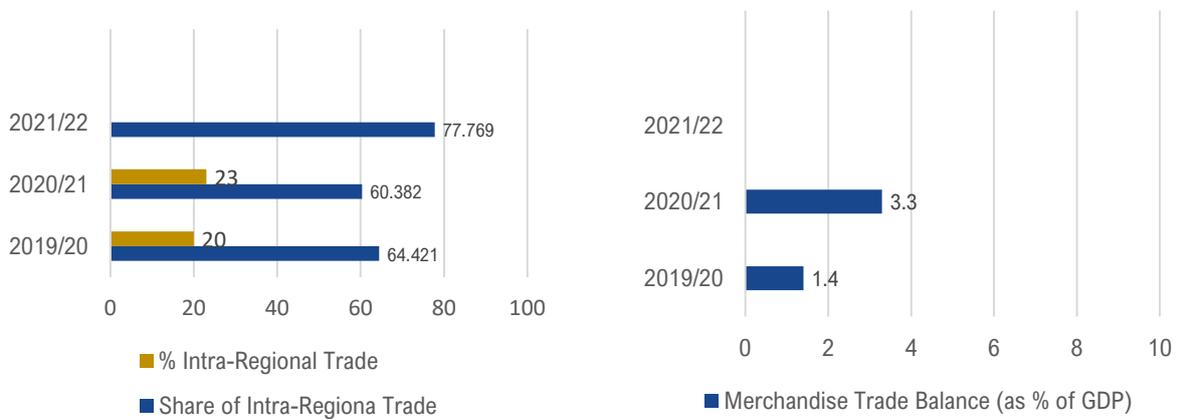
Source: SADC Member States/NVACs. *Based on 12 Member States that submitted data

The DRC, with 25.9 million, and South Africa, with 14.4 million people, made up 72% of the food insecure people from the 12 Member States that provided reports. Together with the caseloads in Malawi (3.8 million), Zimbabwe (3.8 million), Madagascar (2.1 million) and Angola (1.6 million), these six countries account for nearly 93% of the estimated food-insecure population in the Region. The increase in food insecure population is attributable to severe shocks including flooding, waterlogging, prolonged dry spells, the impact of the Russia-Ukraine war, and animal and crop pest and disease outbreaks on agricultural production.

Increased Intra-SADC and SADC Extra-Regional Trade

The average share of intra-SADC and SADC extra-regional trade in goods and services was just below 20% in the last five years leading to 2019. However, intra-SADC regional trade improved from US\$64,421 million (20%) in 2020/21 to US\$77,769 million (23%) in 2021/22, with Angola submitting her provisional offer to accede to the SADC Protocol on Trade. This improvement reflects the impact of ongoing efforts to roll out various provisions of the SADC Protocol on Trade, including the implementation of simplified trading arrangements which have enabled an increase in informal cross-border trade covering both agricultural and non-agricultural commodities.

Figure 13: Intra-regional Trade and SADC extra-regional trade in the Region

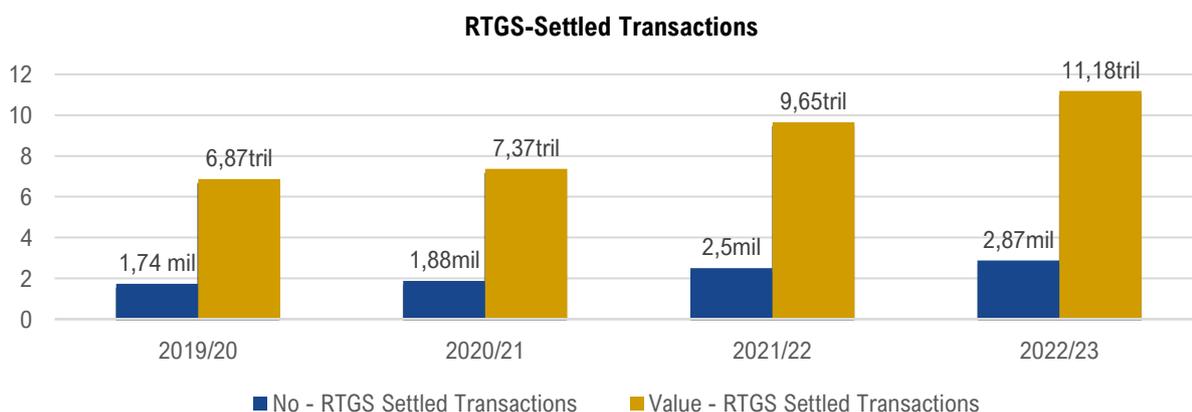


Deepened Financial Market Integration, Monetary Cooperation, and Investment

Transactions Settled through the SADC Real Time Gross Settlement System (RTGS)

The number of transactions settled on the regional cross-border Real-Time Gross Settlement (RTGS) system as at end-February 2023 was 2,879,019 representing a value of R11.18 trillion. Banks drawn from 15 member countries participated in the system and the total number of participating banks, including central banks were 89.

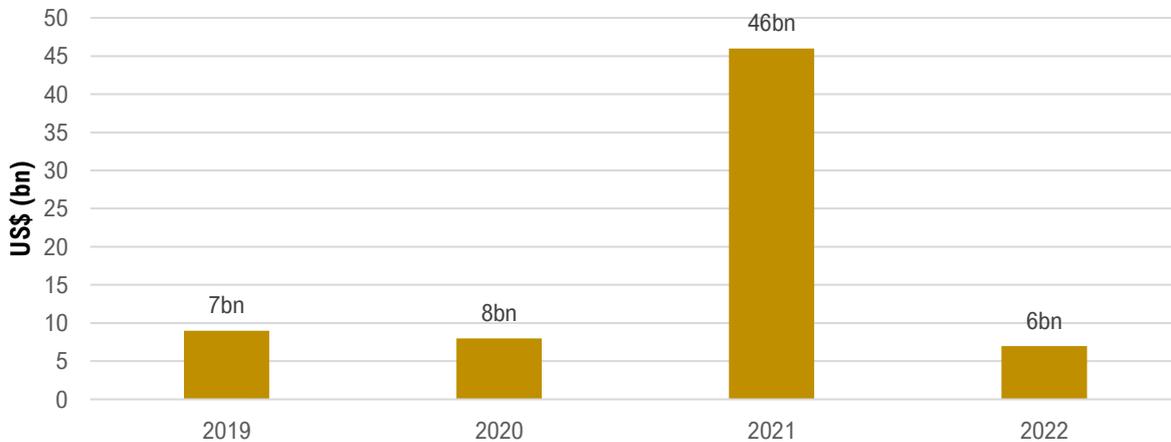
Figure 14: Transactions Settled through SADC Real-Time Gross Settlement System



Foreign Direct Investment (FDI) in the SADC Region

FDI has remained moderate in four years from 2019/20 to 2022/23 except for 2021/22 where it jumped to US\$46 billion due to a large corporate reconfiguration in South Africa.

Figure 15: Foreign Direct Investment in the SADC Region



Macroeconomic Performance in the Region

The Region missed the set targets of the Macroeconomic Economic Convergence primary indicators and GDP growth in 2022 as shown in the scorecard below.

Individual Member State performance below varied with 5 Member States achieving the inflation target, 4 Member States achieving the fiscal target, 6 achieving the public debt target and 3 Member States growing above the set target. Reasons for poor performance include the effects of climate change (Floods, cyclones, droughts), COVID-19 and the Russia-Ukraine war.



Source: SADC Macroeconomics Statistical Yearbook 2022; Member States; WEO Database April 2023; and African Economic Outlook 2023. **Note:** Date series are Preliminary for 2022. Zimbabwe's inflation is 194.5% and is put at zero in the graph as an outlier.

Despite the varied measures implemented at regional and national levels, as part of the recovery process following the devastating effects of the COVID-19 Pandemic, it is evident that the effects of these may take a while longer to hold. Following a deeper contraction of -8.6% in 2020, the manufacturing sector registered a turnaround of 5.6% in 2021.

4.3. Pillar 2: Infrastructure Development in Support of Regional Integration

The economic transformation of the SADC region requires adequate and functioning infrastructure to move the Region towards front-loading industrialisation in the context of regional development and integration. The key achievements during the 2022/23 Financial Year are outlined below.



Key Messages

1. The Region achieved a 4.1% growth in the Energy Sector in 2021/22, compared to -3.1% in 2019/20 and 2020/21.
2. Installed electricity generation capacity stands at 71,653MW, a significant reduction in installed generation capacity of 80,923MW in 2020/21.
3. Some progress has been made towards implementing Smart Corridors. The quantity of goods and services within the Region decreased from 31,681 in 2019/20 to 18,774 in 2021/22.
4. SADC has 28 Internet Exchange Points (IXPs), accounting for 57% share of IXPs in Africa.
5. Only five Member States have achieved the 2025 SADC Broadband Target to cover 80% of their population with broadband services and Regional Broadband interconnectivity.
6. The SADC average population coverage by a mobile network is 88%.
7. Only six Member States successfully migrated from analogue to Digital Terrestrial Television.
8. The Regional Road Network Infrastructure is relatively strong but needs expansion and maintenance. The network increased from 903,672km in 2020/21 to 1.39 million km in 2021/22.
9. The Region has reduced congestion and transaction costs during border crossing, following the completion and functioning of specific One-Stop-Border-Posts.
10. Access to the Internet in the Region increased significantly from 81.2% in 2019/20 to 88% in 2021/22. The average population with access to a mobile network increased from 274.4 million in 2019/20 to 300 million in 2021/22.
11. 63% of the population had access to safely managed drinking water in 2019/20 and 74% in 2020/21, representing good progress against the regional target of 80% by 2030.
12. The population using at least basic sanitation increased marginally from 46.51% in 2019/20 to 52% in 2020/21.
13. 63% of basic sanitation was 39% in 2019/20 and 61% for urban population.
14. The Region stored 18% of annual renewable water resources compared to the target of 25% by 2027. However, this storage is primarily for hydropower generation.
15. The weighted Region's average access to electricity increased from 55% in 2019/20 to 57% in 2021/22. The weighted average access by urban areas stood at a significant 77%.

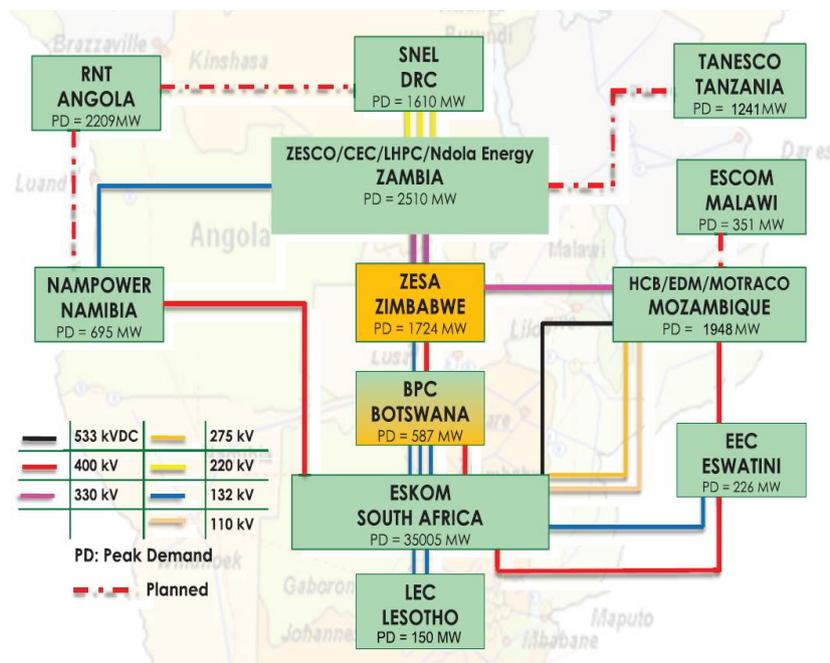


Supply of Energy in the Region

The Region achieved a 4.1% growth in the Energy Sector in 2021/22, compared to -3.1% in 2019/20 and 2020/21. Installed electricity generation capacity stands at 71,653MW, a significant reduction in installed generation capacity of 80,923MW in 2020/21

All SADC mainland Member States, except Angola, Malawi, and the United Republic of Tanzania, are interconnected through the Southern African Power Pool (SAPP) Power Grid, allowing them to share electricity loads, manage surpluses and deficits, and trade electricity. New generation capacity installed in these non-participating countries is not accessible to the other SAPP members.

Figure 16: Connection to the SAPP Power Grid as of March 2021



Generation Projects with completed feasibility studies to connect non-participating countries to the grid.

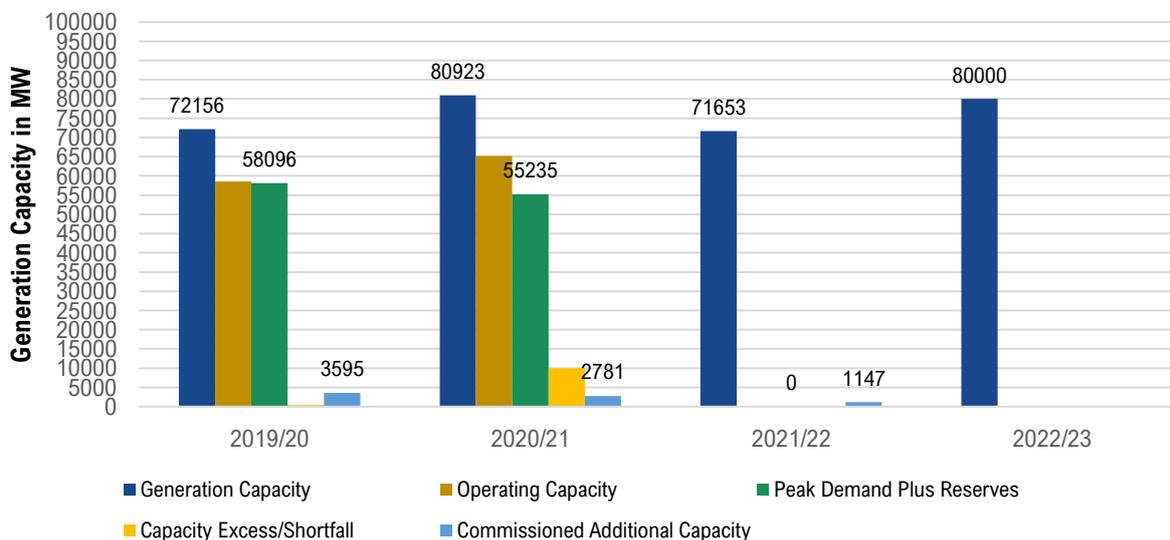
1. Tanzania – Zambia (TAZA) interconnector
2. Mozambique – Zambia interconnector
3. Zimbabwe – Zambia – Botswana - Namibia (ZIZABONA) interconnector
4. Angola – Namibia (ANNA) interconnector
5. Solwezi – Kolwezi interconnector between DRC and Zambia
6. Botswana – South Africa (BOSA) Interconnector; and
7. Alaska – Sherwood (part of Central Transmission Corridor)

Installed Electricity Generation Capacity

Installed generation capacity dropped from 80,923MW in 2020/21 to 71,653MW in 2021/22. A total of 1,147MW was commissioned in 2021/2022, lower than the 2,781MW commissioned in 2020/21. The target is to commission an additional capacity of 30,000MW by 2030 through 10 power generation plants.

A hydropower station in Zambia (750+12MW) and a Hwange Power Project in Zimbabwe (600MW) were commissioned. The construction of a 2115MW Julius Nyerere hydropower project in the United Republic of Tanzania and a Mozambique – Malawi Interconnector project commenced.

Figure 17: Installed Electricity Generation Capacity



Installed Generation Capacity Mix

The installed Power Generation Mix is dominated by thermal (coal) at 64%, followed by hydropower at 24%. Other technologies contribute less than 4% of the installed generation capacity mix. This presents a low penetration rate of the abundant Renewable Energy resource in the SAPP Grid.

Figure 18: Installed Generation Capacity Mix

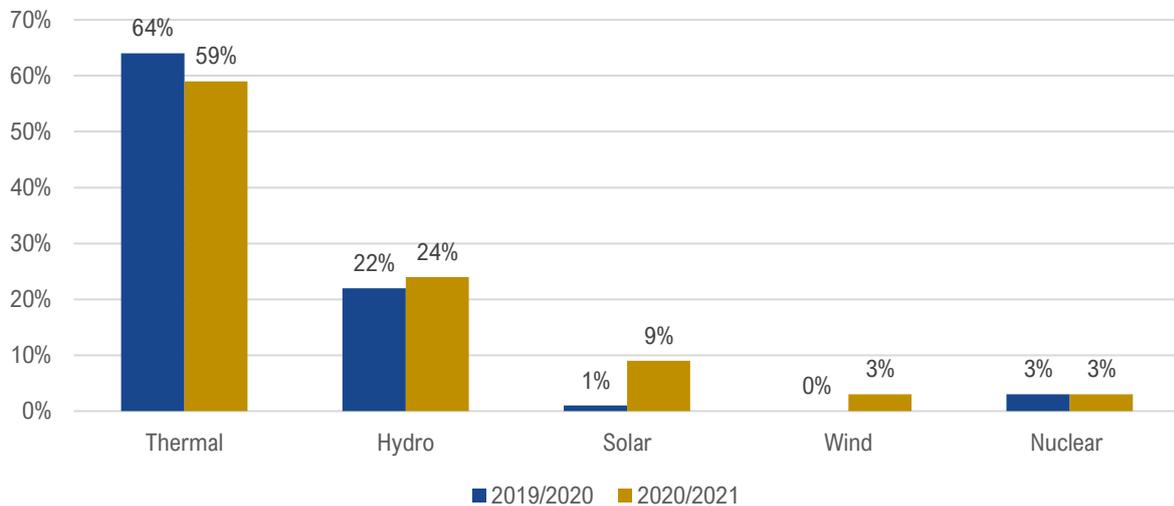


Figure 19: Proportion of Renewable Energy to Total Energy Generated in the Region



As at March 2021, Renewables contributed 54.5% to the total energy generated in the Region. This proportion remained unchanged since 2019/20. The Proportion of Renewable Energy to Total Energy Generated in the Region has increased and presented a positive outlook in terms of Energy generation.

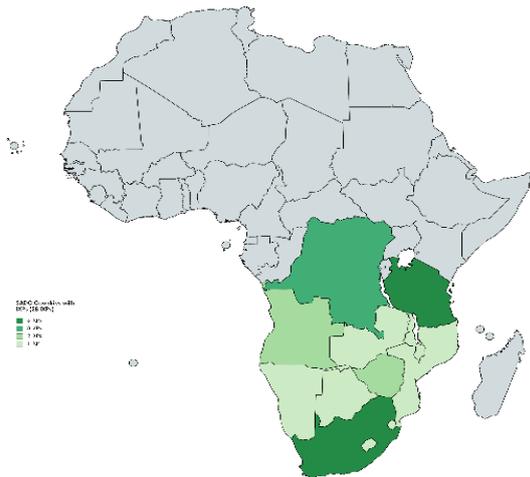
Availability of Smart Corridors in the Region

Some progress has been made towards implementing Smart Corridors. There is reduced road transport and transit time of 9 days (2022/23) between loading a container at the port of Durban to arrival in Lubumbashi via Beitbridge, Chirundu and Kasumbalesa. The number of goods and services within the Region decreased from 31,681 in 2019/20 to 18,774 in 2021/22.

Increased Connectivity Coverage in the Region

SADC has 28 Internet Exchange Points (IXPs), which accounts for 57% share of IXPs in Africa. There are also 19 Advanced SADC IXPs spread over five Member States. All Member States have localised IXPs. Establishing the IXPs has resulted in low latency, cost, and bandwidth-saving Internet access to the SADC Internet Users.

Figure 20: Share of SADC Internet Exchange Points in Africa



SADC Countries with IXPs:

1. South Africa (6)
2. Tanzania (6)
3. DRC (3)
4. Angola (2)
5. Zimbabwe (2)
6. Botswana (1)
7. Eswatini (1)
8. Lesotho (1)
9. Malawi (1)
10. Mauritius (1)
11. Mozambique (1)
12. Namibia (1)
13. Seychelles (1)
14. Zambia (1)

Only five Member States (Botswana, Eswatini, Namibia, South Africa, and the United Republic of Tanzania) have achieved the 2025 SADC Broadband Target to cover 80% of their population with broadband services and Regional Broadband interconnectivity.

Average Mobile Penetration is 85% (ranging from 45% to 205%), with seven Member States exceeding 100% mobile penetration. The average Internet User Penetration is 54.5% with five Member States having exceeded 100%. 73% of the population is covered by at least a 3G Mobile Network which is 90% and a 4G Network is 73%.

Only six SADC Member States have successfully migrated from analogue to Digital Terrestrial Television. Migrating to digital TV will release the frequency spectrum needed for various telecommunications services, enable more channels, and improve the quality of picture and sound.

Investments in Infrastructure Projects to Support Regional Integration

Of the 35 hard infrastructure projects currently under implementation, 10 Projects (29%) are completed, 12 (34%) are in process and 13 (37%) are ready for Implementation with full studies.

The Regional Road Network Infrastructure is relatively strong. The network increased from 903,672km in 2020/21 to 1,397,258km in 2021/22. However, the roads are mostly unpaved and result in delays for motorists and cross-border operators. The paved roads require rehabilitation due to overloading and infrequent maintenance. Going forward, the network also requires expanding to meet demand.



The Region has reduced congestion and transaction costs at selected borders following the completion and functioning of the following One-Stop-Border-Posts:

- 1) Walvis Bay Container Terminal, Namibia
- 2) Rehabilitation of the Plumtree-Bulawayo-Gweru-Harare-Mutare Road, Zimbabwe
- 3) The Kazungula Bridge and the One Stop Border Post (OSBP), Botswana and Zambia
- 4) The Mwami/Mchinji One Stop Border Post, Malawi, and Zambia
- 5) Kasumbalesa One Stop Border Post for DRC and Zambia-partially completed.
- 6) Nakonde/Tunduma One Stop Border Post (Zambia/Tanzania). The Tanzania section was opened in 2019.

Increased Access to Affordable Infrastructure and Services

Access to the Internet in the Region increased significantly from 81.2% in 2019/20 to 88% in 2021/22.



The average population with access to a mobile network increased from 274,436,720 in 2019/20 to 300,158,721 in 2021/22.

63% of the population had access to safely managed drinking water in 2019/20 and 74% in 2020/21, representing good progress against the regional target of 80% by 2030. Piped water accounted for 55% overall, of which the rural populations had access to 27% and 74% of urban population.

The population using at least basic sanitation increased marginally from 46.51% in 2019/20 to 52% in 2020/21. The rural population's share of basic sanitation was 39% in 2019/20 and 61% for the urban population. The population with access to improved, safely managed sanitation was 39% in 2019/20.

The Region stored 18% of annual renewable water resources compared to the 25% target by 2027. However, this storage is mainly for hydropower generation. If the Kariba and Cahora Bassa dam storage is excluded, only 4% of the total annual renewable water resources in the Region are stored.

The weighted Region's average access to electricity increased from 55% in 2019/20 to 57% in 2021/22. The weighted average access by urban areas stood at 77% and 42% for rural areas. Unaffordable tariffs for the poor continue to reinforce energy poverty.

4.4. Pillar III: Social and Human Capital Development



Key Messages

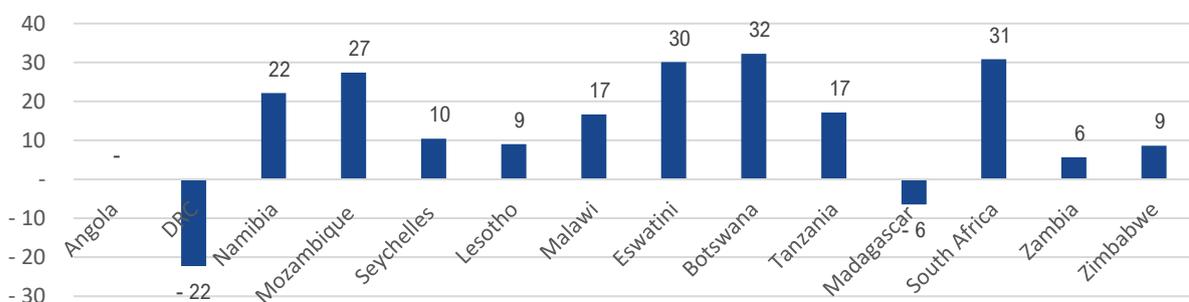
1. All SADC countries experienced a disruption in the provision of health services during the COVID-19 Pandemic period.
2. The downward trend in COVID-19 infections has enabled countries to gradually recover and restore the services to pre-pandemic levels.
3. Botswana, Eswatini, Namibia and South Africa have made progress which will, for the first time, pave the way for the eminent elimination of Malaria much earlier than the estimated target of 2030.
4. The Region is making progress on food and nutrition security as show below:
 - (i) 20.2 million people are stunted, with the burden of stunting concentrated in 10 SADC countries. A third of the stunted children in Africa are in the SADC Member States. However, the reduction in stunting in the SADC Region is approaching the target of 40% by 2030.
 - (ii) There is a growing burden of wasting in the Region. While over 6.5 million of high wasting in children under 5, 11 Member States have reduced wasting to less than 5%. A concerted effort is required for Member States to continue to prevent and treat wasting.
 - (iii) Overweight and obesity is a growing challenge among adults and young children in the SADC Region. 2.5 million are overweight and over 325,000 children were admitted for treatment of severe acute malnutrition in 2022 (representing 25% of the burden, excluding in DRC).

Improved, Accessible and Responsive Regional Health Systems

Reduction in the Incidence and Death from TB

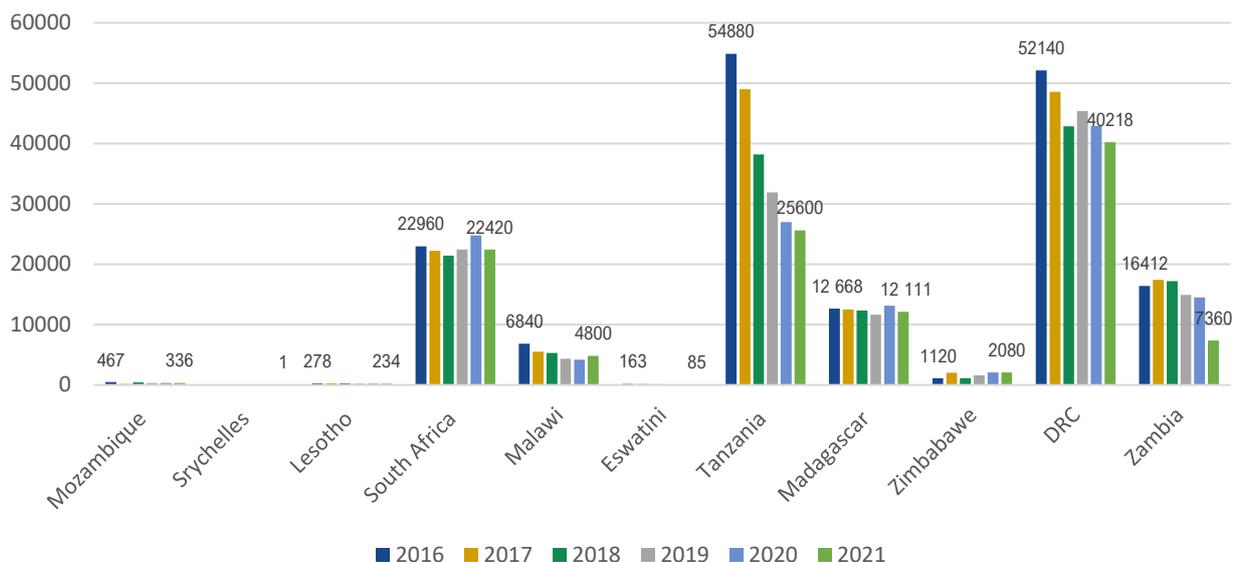
Overall, TB incidence in the Region has reduced, comparing 2016 data with the estimated incidence for 2021. The overall regional incidence reduction is 13.3%. Five of the 14 reporting countries have reduced incidence by over 20%. These are Botswana, South Africa, Eswatini, Mozambique and Namibia, with incidence reductions of 32%, 31%, 30%, 27% and 22%, respectively. While there were increased TB incidences overall, DRC and Madagascar saw an increase in estimates in the same period.

Figure 21: Percentage of Tuberculosis (TB) Incidence in the Region (2016 vs 2021)



Although these percentages demonstrate success in the response to TB, more effort is needed to reduce the number of TB deaths in the Region. For example, in absolute figures, it is estimated that up to 40,218; 25,600; and 22,420 people died of TB in DRC, Tanzania and South Africa, respectively, in 2021. Seychelles also reported a TB death in 2021, a first in its recent history (see Figure 22).

Figure 22: Annual TB Deaths by Country 2016-2021



Data presented in this section only covers 11 of the 16 SADC countries (Mozambique, Seychelles, Lesotho, South Africa, Malawi, Eswatini, Tanzania, Madagascar, Zimbabwe, Zambia, and DRC).

Four countries reduced death by over 35% when 2016 data are compared to 2021 data, which include Zambia, Tanzania, Eswatini and Mozambique at 55%, 53%, 48% and 48% respectively. The other countries reporting except for Zimbabwe, which recorded an increase (of 86%) had reduction of between 2% and 30% in TB death when 2021 data is compared with that of 2016.

Incidence and Death from Malaria in the Region

Malaria incidence has increased over the past 10 years until 2020. However, the incidence per 1000 population dropped by 13% from 235 cases per 1000 population in 2020 to 204 per 1000 in 2021 (see Figure 23). This reduction could be a promising sign of change in the trajectory of Malaria in the high burden countries. All Member States except Angola witnessed a decline in Malaria cases.

Figure 23: Incidence of Malaria Per 1000 Population in SADC

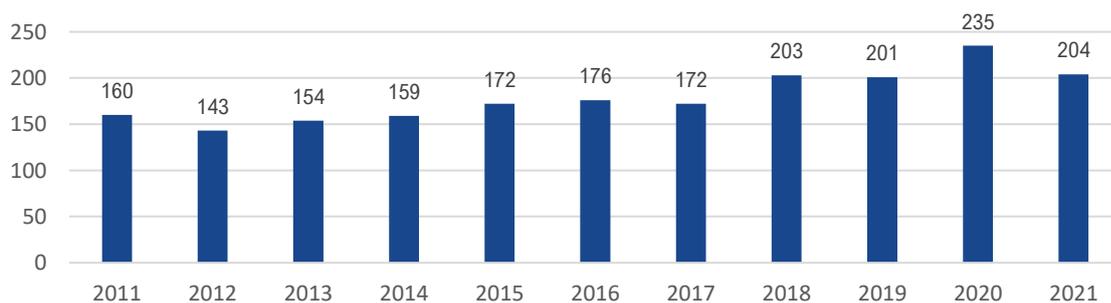
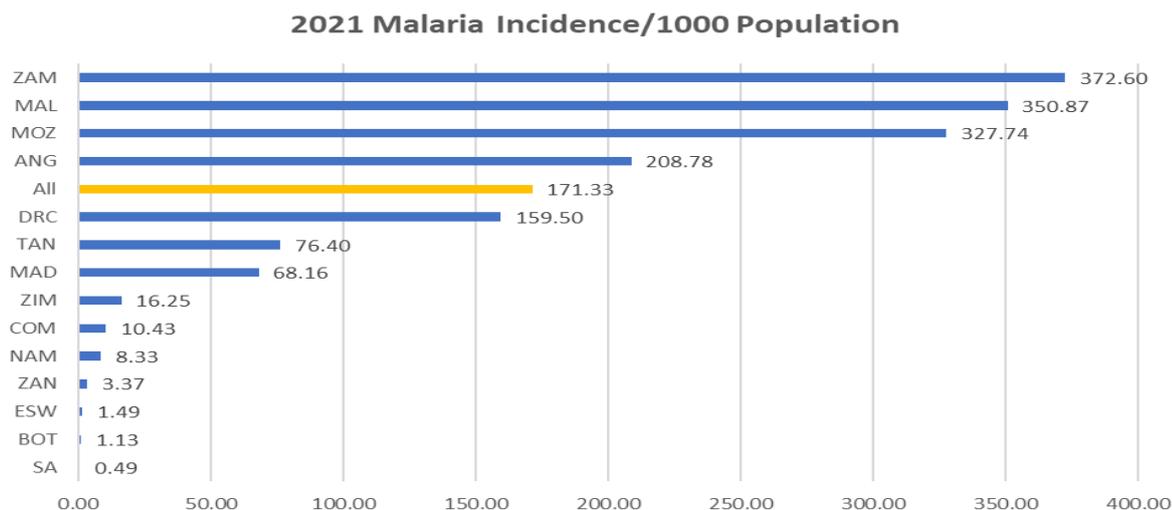


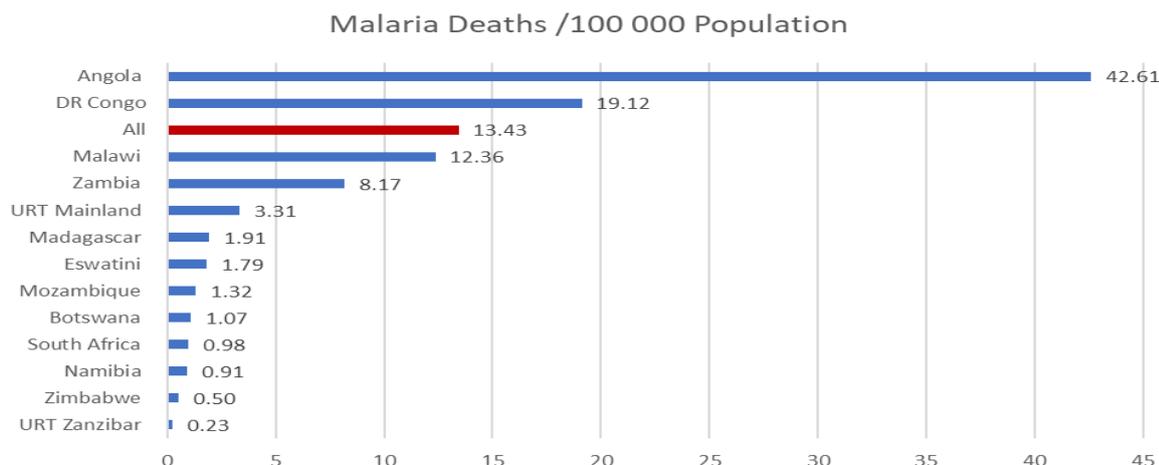
Figure 24 shows that South Africa has the lowest rate of 0.49/1000 population and Zambia recording the highest rate of 372.60/1000 population. Four Member States (Angola, Mozambique, Malawi, and Zambia) reported rates above the regional figure while the other nine reported lower rates.

Figure 24: Incidence of Malaria by SADC Country (Per 1000 Population)



Mortality declined overall for all Member States except in Angola. Despite Malawi, Zambia, Mozambique, and Madagascar having very high incidences, their Malaria related mortality is very low (see Figure 25). Improvement in mortality could result from improved access to diagnosis and treatment. Most Member States rolled out community management of Malaria, which accounted for 6% of the reported cases.

Figure 25: 2021 Malaria Mortality Per 100,000 by Country



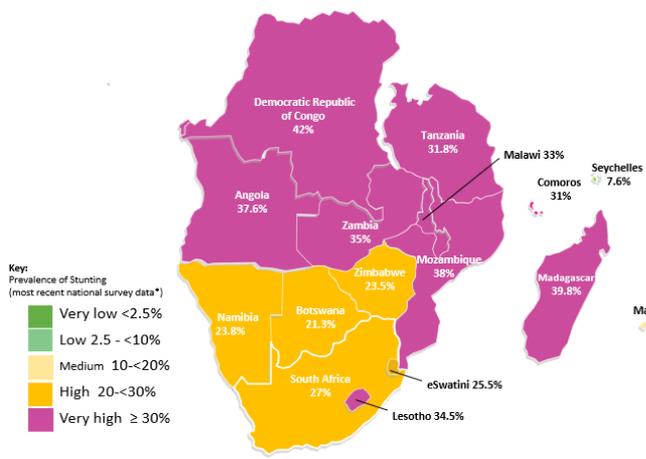
Improved Food and Nutrition Security

Wasting: In 2023, 2.8 million children under five will be affected by severe wasting in the Region. This represents an increase of 240,000 children compared to 2.6 million in 2021, signalling a growing burden and a need for concerted efforts by Member States to prevent and treat wasting. Member States will need to prioritise the allocation of resources to procure therapeutic feed to manage this trend even as partners support sustainably.

Stunting: An estimated 21 million children under five are stunted in the SADC Region, an increase from 18.6 million reported in 2022. This accounts for about one in every three children under five being stunted. A third of the stunted children in Africa are in the SADC Member States. Every country in the Region, except Namibia, Mauritius, and Seychelles, has a high or very high burden of stunting.

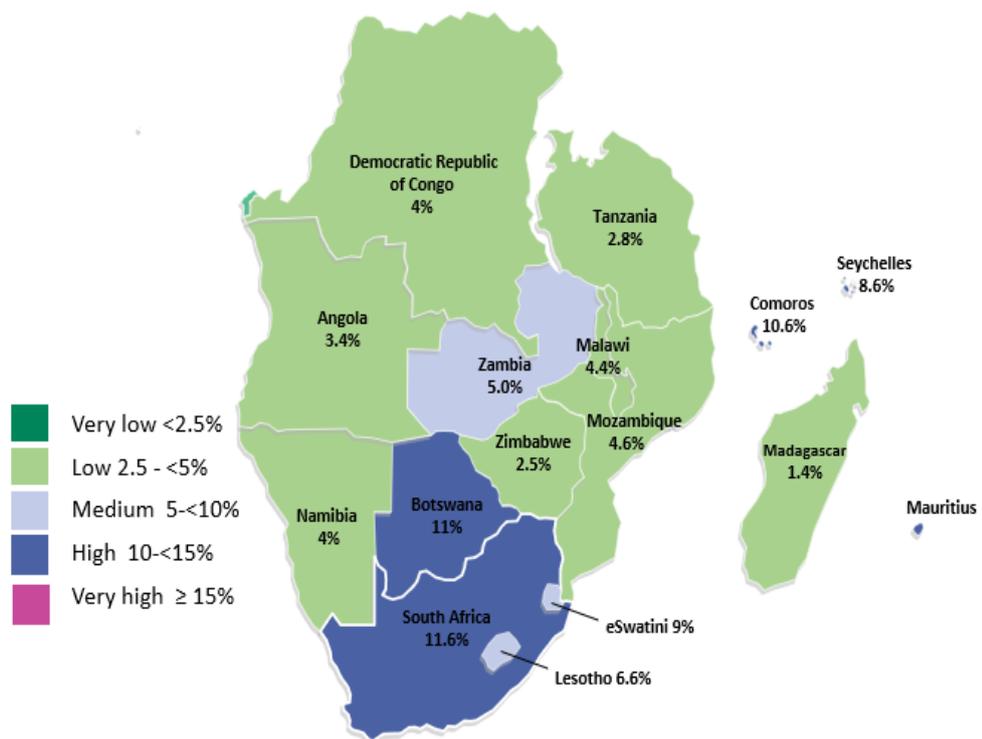


Figure 26: Prevalence of Stunting in the Region



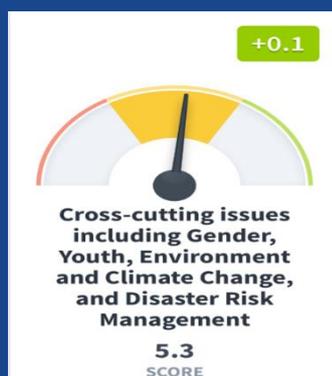
Overweight and Obesity among adults and young children is a growing challenge in the Region. An estimated 2.4 million children under 5 are overweight. The prevalence of overweight is ‘high’ in 4 Member States: Botswana (11%), Comoros (10.6%), and South Africa (11.6%). Three Member States have medium overweight, namely Eswatini (9%), Lesotho (6.6%) and Zambia (5.0%). Although the prevalence is still classified as ‘low’ in Angola, Namibia and Tanzania, the number of overweight or obese children is increasing in these three Member States.

Figure 27: Prevalence of Overweight Children (%) under 5 Years



Source: SADC Member States, September 2022

4.5. Cross-Cutting Issues



Key Messages

1. No Member State attained gender parity in Parliament, but three recorded more than 40% representation of women, namely, Mozambique, Namibia, and South Africa.
2. Only two Member States (Namibia & South Africa) reached gender parity in the Executive.
3. 469,947 GBV cases were reported from 13 Member States in 2022. Females accounted for 77% of GBV cases and males 23%.
4. 149,143 GBV cases were prosecuted in 2022. Only seven Member States reported the proportion of GBV cases prosecuted. Three Member States had prosecution rates above 65%. The other Member States reported prosecution rates below 25%.
5. Women and girls in the Region continue to experience Gender-based Violence (GBV) and cyber bullying, especially when they stand for political positions.
6. Improved Resilience to and capacity for adaptation to the effects of Climate Change.
7. The SADC Region continues to bear the biggest brunt of HIV and AIDS.
8. Improved Resilience and disaster management in SADC Region: SADC continues to face multiple disasters that include droughts, tropical cyclones, floods, wildfires, and sea level rise, among others.
9. Malawi was supported with a contribution of US\$300,000 towards humanitarian assistance to those affected by tropical Cyclone Freddy.

Gender-related Cross-cutting Issues

Women in Politics and Decision-Making

Performance is mixed across the Region, with some Member States showing positive trends while others are losing traction in facilitating gender parity in politics and decision-making positions. In 2021, no country registered more than 40% in Cabinet except South Africa, which recorded 50% since 2019.

In 2022, Malawi, Mozambique and Seychelles moved up from the range of 30% to the range of 40%, with Mozambique almost attaining 50%. Table 4 also reflects that in 2021, Tanzania reached above 30% of women in Cabinet, but in 2022 it declined to less than 30%.

Table 4: Gender Parity Per Member State

Member States	2018	2019	2020	2021	2022
Angola	23.0	39	33.0	33.3	33.3
Botswana	16.7	14.2	17.9	17.9	21.4
Comoros	n/a	NDP	NDP	-NDP-	NDP
DRC	10.4	20	20.0	27	28.6
Eswatini	26.0	30.0	30	29	37
Lesotho	18.0	32.1	NDP	16	NDP
Madagascar	20	NDP	NDP	34	36,7
Malawi	15	15	15.0	38.7	41.0

Member States	2018	2019	2020	2021	2022
Mauritius	8.3	13.0	14.3	14	14.3
Mozambique	27.0	32.0	47.7	33	47.5
Namibia	27.0	23.0	53	34.6	55.0
Seychelles	31.0	50.0	38.0	38.4	42.0
South Africa	48.6	50.0	50	50	50.8
Tanzania	34.0	18.0	23.1	30.4	28.3
Zambia	25.0	33.9	30.0	16	16.7
Zimbabwe	18.0	30.0	23.3	27	21.4

Gender-Based Violence

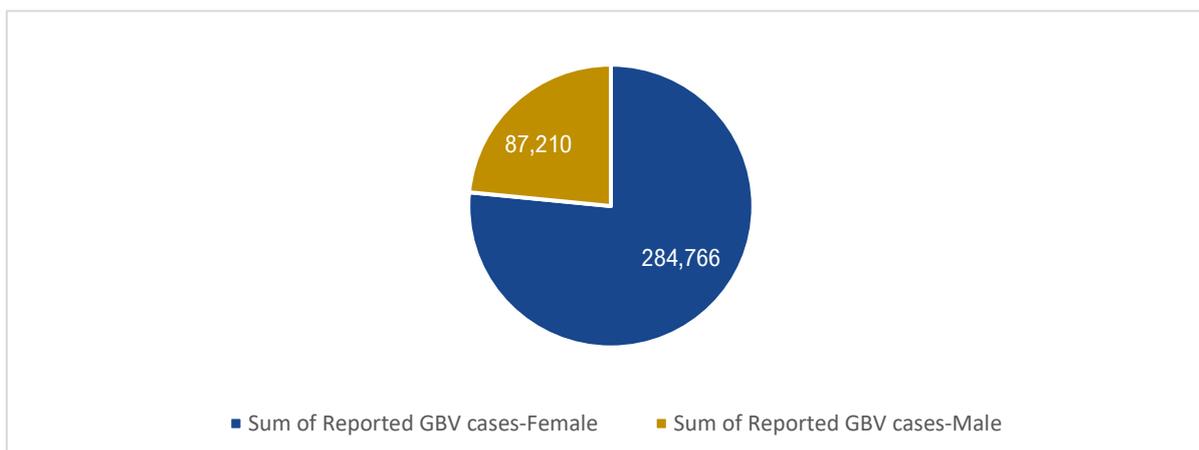
The total number of reported GBV cases in the Region in 2022 is **469,947** (informed by data from only 13 Member States) as presented in Table 5. The Member States that submitted data are Angola, Botswana, DRC, Eswatini, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Tanzania, Zambia, and Zimbabwe.

Table 5: Number of Reported GBV Cases in SADC in 2022, by Total and Sex

SADC Member States	Sum of Total number of reported GBV cases	Sum of Reported GBV cases-Female	Sum of Reported GBV cases-Male
Angola	25728	15935	10138
Botswana	19727	17463	2264
Comoros	482	391	91
Democratic Republic of Congo	29143	No data	No data
Eswatini	16033	10765	5277
Madagascar	37289	28883	8406
Malawi	20827	14160	6667
Mozambique	21100	12330	2308
Namibia	4628	No data	No data
South Africa	175657	83234	34331
Tanzania	4301	4181	120
Zambia	24290	19217	5073
Zimbabwe	90742	78207	12535
Grand Total	469,947	284,766	87,210

Women and girls in the Region continue to experience Gender-based Violence (GBV) and cyber bullying, especially when they stand for political positions. According to the reported data, all the reporting Member States reported that GBV affects more women than men.

Figure 28: Share of GBV Cases by Sex in 2022



The total number of prosecuted cases of GBV in the Region in 2022 was **149,143**. Only three Member States (Botswana, Mozambique, and South Africa) have had prosecution rates above 65%. Other Member States reported prosecution rates below 25%, with the lowest at 2%. The reported data indicates that Member States are experiencing challenges with computing data on the prosecution of GBV cases.

Table 6: Proportion of Reported GBV Cases Prosecuted per Member State

SADC Member States	Total Number of Prosecuted GBV cases	Proportion of Prosecution as stated by MS, %
Botswana	22512	68.3
Comoros	120	24.9
Democratic Republic of Congo	62517	5.3
Eswatini	377	2.4
Mozambique	21240	100*
Seychelles	263	No data
South Africa	34456	76.7
Tanzania	6056	No data
Zambia	1602	6.6
Grand Total	149,143	

*NB: Table reflects Prosecution Rates reported by Member States. *Mozambique reported 100% prosecution rate.*

Women’s Economic Empowerment

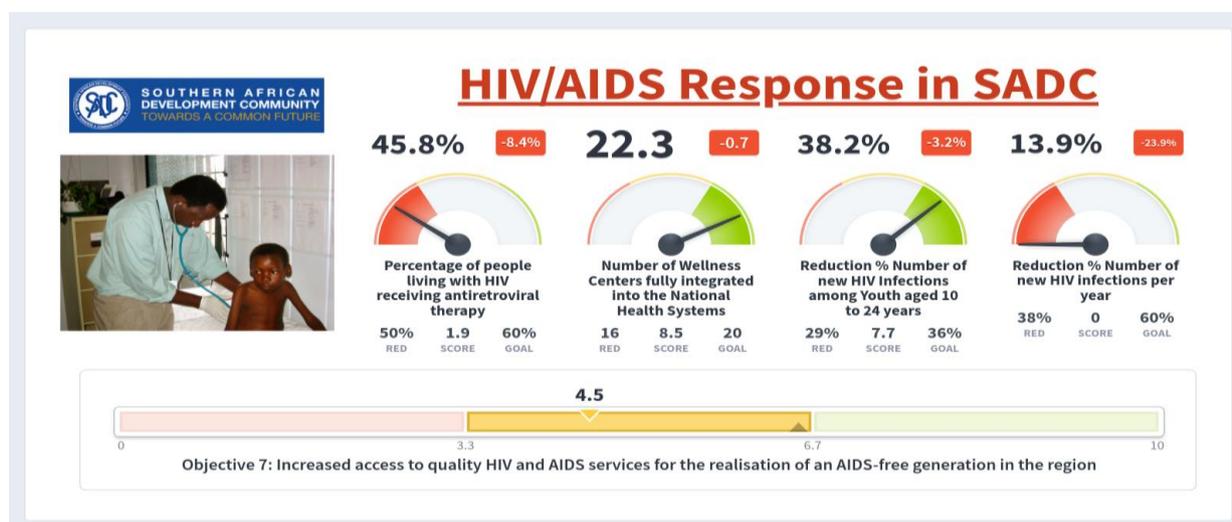
As part of the response to gender issues in the Cabo Delgado province, SAMIM established a SAMIM Women Network Forum as a platform for all uniformed female officers and officials.

A SADC “Challenge Fund” was launched to support the capacity building of women entrepreneurs. To date, 14 grants of about Euro 20,000 each have been issued to projects in 14 Member States.

HIV and AIDS-related Cross-cutting Issues

Member States have achieved commendable milestones in the past 12 years in HIV and AIDS. New infections have been reduced by 57%, while AIDS-related deaths have been halved compared to 2010. However, Madagascar experienced a 154% increase in 2022.

However, the Region continues to bear the biggest brunt of HIV and AIDS. 17 million (44%) people living with HIV are SADC Citizens. Approximately six million are yet to be put on life-saving treatment.



Nine Member States with 50% and above reductions in 2022 compared to 2010 are Zimbabwe (78%), Botswana (67%), DRC (58%), Malawi (71%), Lesotho (73%), Eswatini (71%), South Africa (58%), Zambia (53%) and

Tanzania (67%). Botswana, Eswatini, Tanzania and Zimbabwe will likely achieve the UNAIDS target of 95-95-95 before the 2025 deadline.

Disaster Risk Reduction-related Cross-cutting Issues

SADC faces multiple disasters such as droughts, tropical cyclones, floods, wildfires, and rising sea levels. These have been projected to increase in both frequency and severity. Considering this, the SADC Humanitarian Operations Centre (SHOC) was established in Mozambique and launched by His Excellency the President of the Republic of Mozambique in June 2021. Operationalisation of the Centre is underway, and the following achievements have so far been made:

- 1) SADC has mobilised financial resources to procure early warning equipment and monitoring equipment for the SHOC.
- 2) Council approved a budget amounting to US\$1.23 million in August 2022 to support Member States affected by disasters and facilitate the deployment of the Emergency Response Teams.
- 3) A 73-member Emergency Response Team was established to support Member States affected by Disasters. Standard Operating Procedures for the SADC Standby Force were developed to support Member States affected by disasters.
- 4) Malawi was supported with a contribution of US\$300,000 towards humanitarian assistance to those affected by tropical Cyclone Freddy.

4.6. Strategic Management of the RISDP



KEY MESSAGES

1. Improved Member States coordination structures (SADC National Committees and National Planning Entities)
2. Number of Member States complying with the SADC Protocols
3. Establishment and financing of the Regional Development Fund
4. Increased implementation of the SADC Resource Mobilisation Framework, including adherence to the SADC Resource Allocation Framework
5. SADC citizens are unaware of the opportunities for socioeconomic improvement through regional integration. The lack of information about some of the most basic SADC initiatives diminishes their sense of belonging to the regional community.

Increased Potential Innovative Funding Avenues

The regional indicative coordination cost for implementing the RISDP is at US\$620 million. The indicative investment cost is estimated at US\$398 billion (for the RIDMP) and US\$1,288 billion (for the RAIP). These estimates far exceed the available funding through Member State Contributions (and Special Funds) and ICP programmes and projects.

The SADC Regional Development Fund

The SADC Regional Development Fund RDF is currently being operationalised. It is a self-financing and revolving mechanism intended to limit dependency on external support for resources. The Fund will provide a window for financing economic development and sustainable growth through supporting mainly regional infrastructure and industrial development.

At least nine SADC Member States have signed the agreement to operationalise the SADC RDF. However, none of the nine has yet deposited instruments of ratification with the SADC Secretariat. The agreement establishing the Fund enters into force a month following ratification by at least two-thirds of the 16 SADC Member States.

According to the agreement signed by the nine Member States in 2019, the initial authorized capital for the SADC RDF will be US\$13 billion, with each Member State expected to pay an initial subscription fee of US\$120 million. As a precursor to the SADC RDF, the Secretariat has proactively set up the SADC Project Preparation Development Facility supported by development partners, which provides project preparation finances, advisory services, and technical assistance for Member States.

Options for Resource Mobilisation in the Region

Apart from ICP funding, the Region has mobilised no notable amount of resources through the options identified in the Resource Mobilisation Framework (RMF) (2019). This low performance is arguably attributable to the ongoing use of the “*a la carte*” approach, where Member States are free to choose their way of mobilising resources for the regional programme.

According to the Resource Mobilisation Framework, the Region could mobilise US\$1,460 billion annually if it were to:

- 1) implement a 0.2% levy on all eligible imports from outside the SADC Region and yield approximately US\$331.3 million annually on a gross basis;
- 2) charge a levy of \$5 per air-ticket on international tourists and raise US\$123 million per annum;
- 3) charge a tourism levy of 5%-10% on tourist activities in the SADC Region and raise US\$100 million annually. And a tourism visa levy could raise about US\$245 million;
- 4) charge a Financial Transaction Tax at a rate of 0.1% on international payments from all Member States settled through SWIFT and raised about US\$659.1 million originating from international payments of \$659.1 billion from the 15 SADC Member States settled through SWIFT;
- 5) mobilise US\$1.25 billion from Philanthropy flows available in the Region; and
- 6) raise about US\$33,4 million per annum from a Regional Lottery.

Status of Development Cooperation with SADC

As provided for in the Treaty, the Secretariat is mandated to mobilise resources to implement the SADC Common Agenda. Table 7 shows a list of ICPs currently supporting the implementation of the SADC Regional Programme.

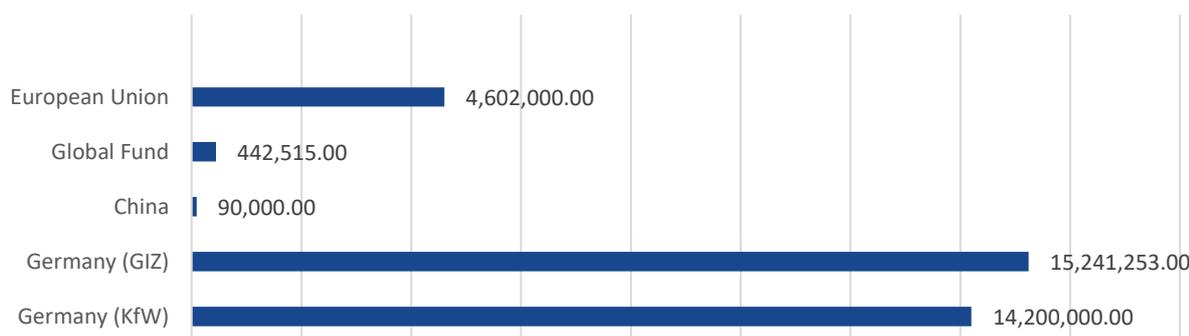
Table 7: Status of Development Cooperation with SADC

No	Cooperation	Programmes	Status
1	SADC-EU Cooperation	11 th EDF programmes – Euro 120 million for 2014-2020 The 2021-2027 Multiannual Indicative Programme for Sub Sahara Africa (MIP SSA)	Two ended in 2022; Three to end in 2023, Five to end in 2024 and one to end in 2026. New programmes are in the pipeline.
2	SADC-EU Political Dialogue	Programme in area of peace and security, trade and investments, COVID-19 recovery,	SADC-EU Ministerial Political Dialogue, hosted by the SADC region. Led by Double Troika is to be convened in October/November 2023 in Luanda, Angola.
3	SADC-German Cooperation	Thirteen (13) programmes - Euro 100 million	Quarterly Technical Meetings instituted, and Biennial Bilateral Development Cooperation Consultations and Negotiation meetings are scheduled for November 2023.
4	SADC-China Cooperation	Annual grants of USD 90,000 to support the Secretariat’s operational needs in implementing SADC Programmes in line with the SADC Vision 2050 and the priorities of (RISDP 2020-2030).	On-going
5	SADC-Russia Cooperation	Two MoUs signed in 2018: Military-Technical Cooperation and Basic Principles of Relations and Cooperation	No progress in the implementation of two MoUs.

No	Cooperation	Programmes	Status
6	SADC-African Development Bank Cooperation	Programmes on sustainable financing, macroeconomic stability and financial integration, and fisheries and blue economy – UA 12 million	Programme in the pipeline: Trade and Transport Facilitation, anticipated next Financial Year.
7	SADC-World Bank Cooperation	Cooperation on disaster risk management is in place	Concretising support in the areas of infrastructure, value chains and private sector development, human capital, climate change, energy, water, and regional statistics development.
8	SADC – ARAB Bank for Economic Development in Africa (BADEA) Cooperation	Programmes under discussion in the areas of industry, transportation, infrastructure, construction, energy, water, health, trade, agriculture, and investment.	MoU was initiated in 2019 but not yet signed following disruptions attributable to COVID-19.
9	SADC-ICP Dialogue Platform	Programme established to engage with ICPs	An extraordinary ICP Meeting will be convened in June 2023, where the Prioritised RSIDP 2020-2030 Projects, approved by Council in March 2023 will be presented.

For the FY 2022/23 annual cycle, the Secretariat managed to mobilise resources worth USD 34.5 million from cooperation agreements negotiated and finalised with four ICPs with Germany (GIZ) leading with USD15,241,253 (44%) followed by Germany (KfW) with a total of USD14,200,000 (41%) and the last one China with USD90,000.

Figure 29: Contribution from ICPs in SADC Regional Programmes



Enhanced Visibility and Awareness of SADC, its Activities and Impact

SADC citizens are unaware of the opportunities for socioeconomic improvement through regional integration. The lack of information about some of the most basic SADC initiatives diminishes their sense of belonging to the regional community.

- 1) The Secretariat is conducting interventions to promote Awareness, Communication and Visibility about SADC and its work, as a contribution to the implementation of the RISDP 2020 – 2030, which includes:
- 2) development, production, and dissemination of multimedia materials, including the 42nd SADC Summit Brochure, Videos, Audio Content, Press Releases, Media Advisories; and
- 3) a SADC Success Stories publications to demonstrate the success of SADC in Member States.

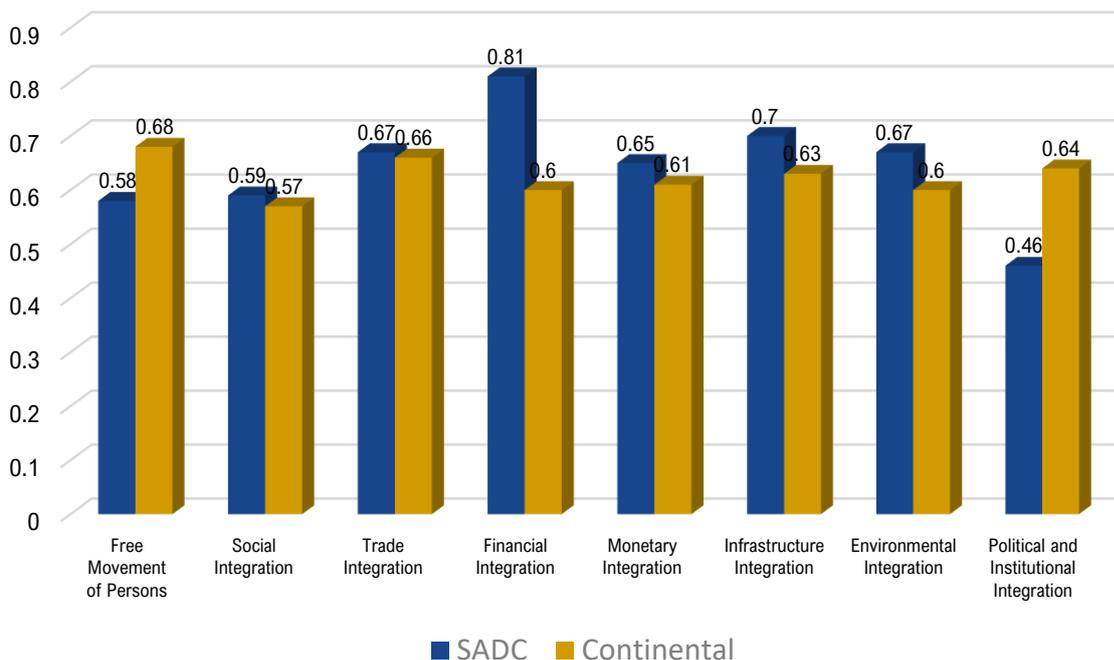
5. Performance of SADC on Continental Obligations

The Secretariat continued to engage the African Union (AU) in promoting continental integration in line with the Treaty establishing the African Economic Community, commonly referred to as the Abuja Treaty, of 1991 and the revised Protocol on Relations between the African Union and the Regional Economic Communities (2008, revised 2021). These instruments are intended to, inter alia, formalise, consolidate, and promote closer cooperation among the RECs and between them and the Union through the coordination and harmonisation of policies, measures, programmes and activities in all fields and sectors in line with the principle of subsidiarity and complementarity.

Comparison of SADC and Continental performance

SADC Region average score for regional integration is low. Except for South Africa, nine Member States are performing around the mid-point hence affecting the overall performance of SADC as a Region on the African continental agenda. Moreover, SADC's average score is mostly pulled down by the gap in regional infrastructure. However, regarding Trade Integration, Eswatini is Africa's best performer on trade integration, followed by Namibia. The next three countries that trade the most with their Region are Lesotho, South Africa, and Zimbabwe, all from SADC Region. This is because four countries are members of the Southern African Customs Union (SACU). The SACU has achieved a high level of trade liberalisation, boasting a full customs union that renders its economies strongly interdependent. The SADC Region is doing well in the areas of Financial and Monetary Integration as shown in Figure 30.

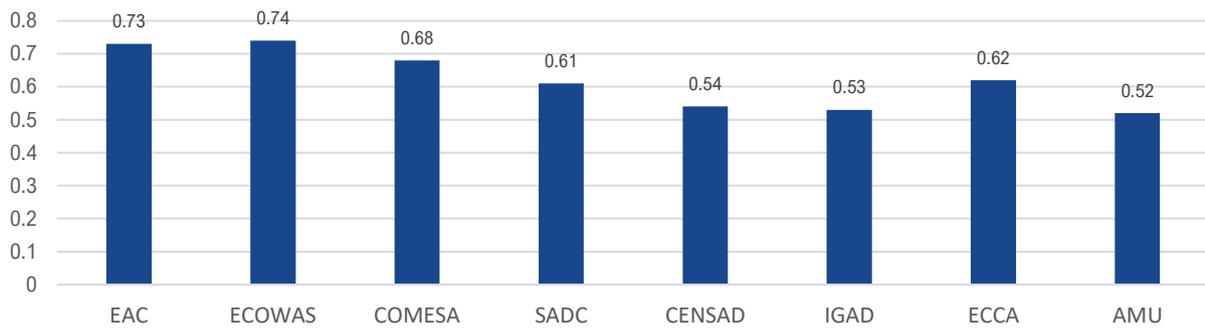
Figure 30: Comparison of SADC and Continental performance



Comparison of SADC Performance with other Regional Economic Communities

Figure 31 shows that SADC's performance is lower than that of EAC, ECOWAS and COMESA in continental rankings. However, SADC and ECCAS are the only RECs to have a positive trade balance with a 55% share of exports in total trade. SADC has a larger share of intermediate consumption exports, which indicates some processing capacity of intermediate consumption goods, particularly at the earlier stage of the production cycle, as presented in Figure 31.

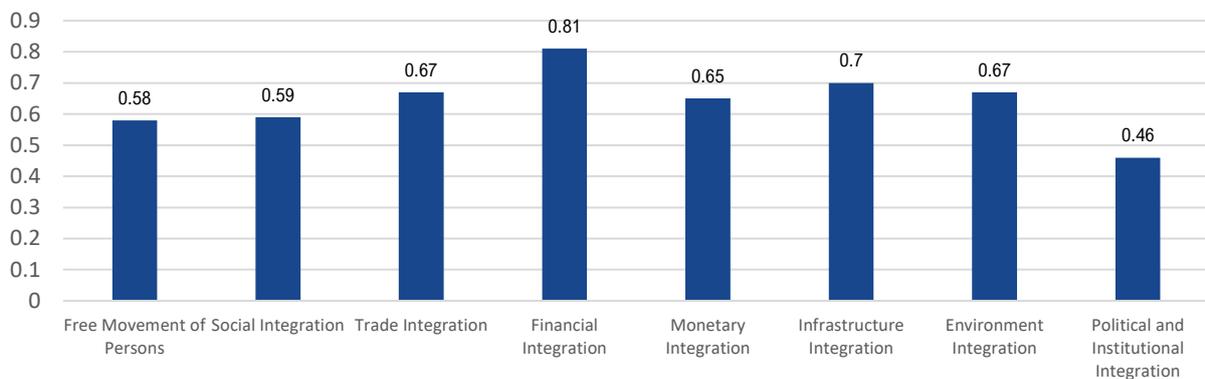
Figure 31: Comparison of SADC Performance with other RECs



Performance of SADC per Regional Integration Indices

SADC is performing well in terms of Financial and Infrastructure Integration. The Region is performing poorly in terms of Political Integration and Free Movement of Persons, which affects the overall performance on Regional Integration.

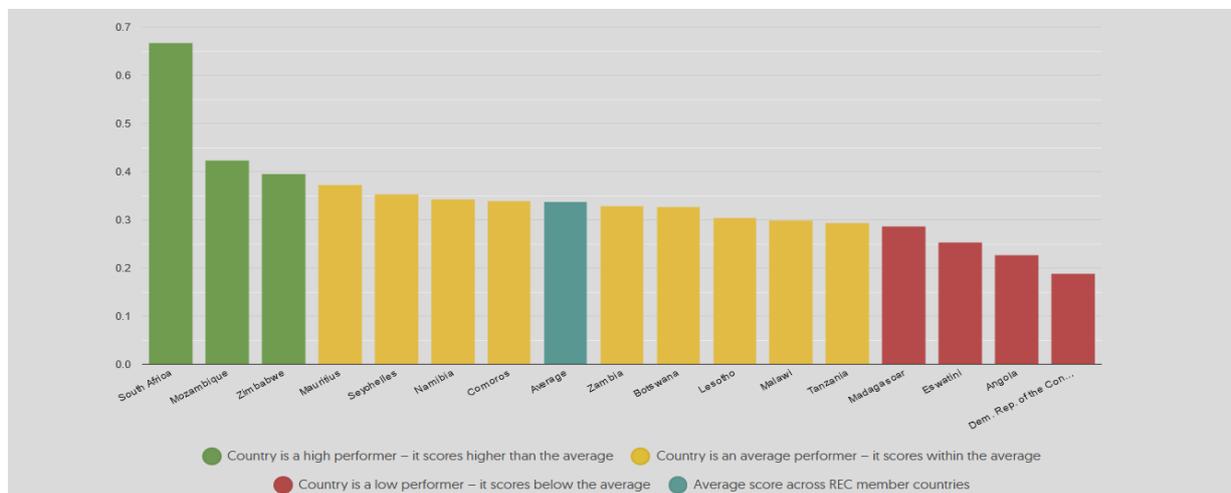
Figure 32: Performance of SADC Member States per Regional Integration Indices



Performance of SADC Member States per Regional Integration Indices

As shown in Figure 33, South Africa is the best performer on Regional Integration Indices. The bottom five performers are the DRC, Eswatini, Lesotho, Madagascar and Tanzania).

Figure 33: Performance of SADC Member States Per Regional Integration Indices



Participation in the African Union Strategic Interventions and Sessions

SADC continued to participate in the AU strategic interventions and sessions, including the following:

- 1) Preparation of the Status of Integration Report 2023;
- 2) Monitoring of the implementation of the Agenda 2063;
- 3) Follow-up on the developments regarding the AfCFTA and provision of technical support;
- 4) Evaluation of the first Ten-Year Implementation Plan;
- 5) Ongoing formulation of the Second Ten-Year Implementation Plan of Agenda 2063; and
- 6) The 42nd Ordinary Session of the Executive Council, and the 36th Ordinary Session of the Assembly of the African Union, held in Addis Ababa, Ethiopia in February 2023.

The AU is spearheading plans to finalise a document that will outline the division of labour between the African Union, Regional Economic Communities/Regional Mechanisms and Member States.

SADC Involvement in the Tripartite Free-Trade Area (TFTA)

The COMESA-EAC-SADC Tripartite Free-Trade Area (TFTA) is a critical contributor to the African continental integration. Only 11 Member/Partner States have ratified the TFTA Agreement (Botswana, Burundi, Egypt, Eswatini, Kenya, Namibia, Rwanda, South Africa, Uganda, Zambia, and Zimbabwe), while the required threshold is 14 ratifications. Tangible milestones in this area will be reported once they become available.

SADC Involvement in the African Continental Free-Trade Area (AfCFTA)

All SADC Member States, except Madagascar, are actively involved in the African Continental Free-Trade Area (AfCFTA) and have ratified the AfCFTA Agreement. Although trading under the AfCFTA started on 1 January 2021, negotiations on the tariff offer, schedules of specific commitments under trade-in-services are still underway. With the approval of the Protocols on Investment, Intellectual Property Rights and Competition Policy, the AfCFTA is finalising the remaining two: Protocols on Women and Youth in Trade, and on Digital Trade.

6. Status of Protocols, Agreements and Other Legal Instruments

Significant number of SADC Legal Instruments have entered into while some have not yet entered into force because entry into force requires either signature or ratification by two thirds of the Member States or signature by three quarters of the Member States.

Status of Protocols, Agreements and other Legal Instruments

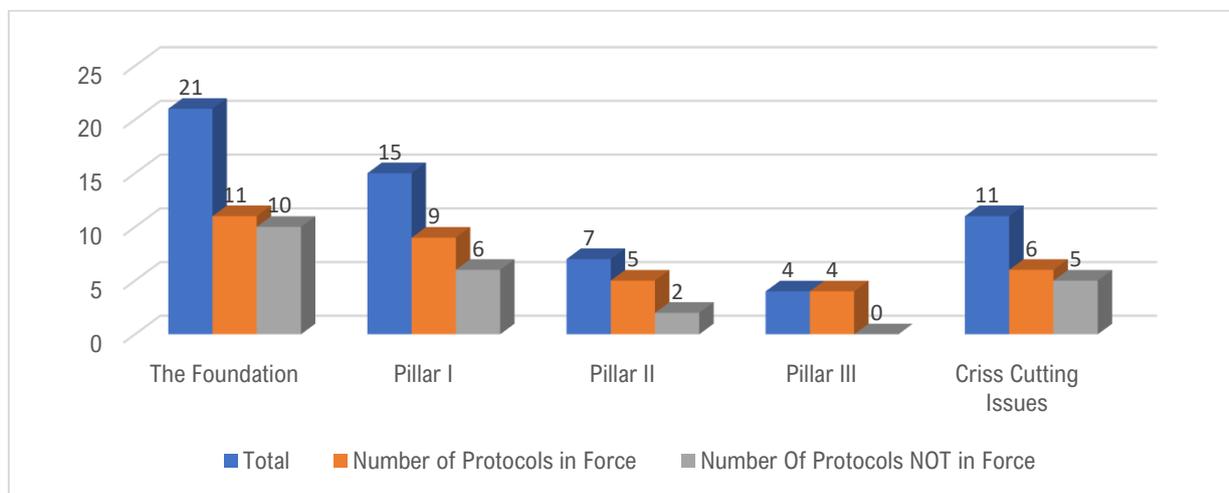
As highlighted above, there is a **notably slow performance in signing and/or ratifying SADC Protocols and other Legal Instruments** by some Member States. The overall performance is **5.6 out of 10**. Higher performance has been recorded under Pillar III: Social and Human Development with a score of 6.7 out of 10. The Foundation, Pillar I, Pillar II, and Cross Cutting Issues' score remains mostly average at 5.1, 5.3, 5.7 and 5.2 respectively as shown in the scorecard below.



Under The Foundation: Peace, Security and Good Governance, four Member States, namely: Angola, the Union of the Comoros, Democratic Republic of the Congo, and Seychelles are not yet party to the Protocol on Politics, Defence and Security Cooperation.

The delay in the entry into force of the SADC Legal Instruments is due to the slow pace in signing and ratification of SADC Legal Instruments by some Member States. An assessment is underway to determine the reasons for, and implications of the slow pace in signing and ratifying the SADC Protocols and other SADC Legal Instruments.

The figure below presents the total number of Protocols and other Legal Instruments that were to be signed and ratified, with the performance per Pillar.



7. SADC Institutions

SADC Parliamentary Forum

SADC is transforming the SADC Parliamentary Forum into a SADC Parliament. In August 2022, SADC adopted the agreement amending the SADC Treaty to recognise the SADC Parliament as one of its Institutions. The agreement was signed by eight Member States: Angola, Eswatini, Lesotho, Malawi, Seychelles, South Africa, the United Republic of Tanzania, and Zimbabwe.

The Secretariat is collaborating with the SADC Parliamentary Forum Secretariat to prepare a Draft Protocol on the SADC Parliament, to be approved in August 2024. Analysis of budgetary implications and financing modalities is also underway. Once finalised, the Protocol will define the objectives of the Parliament, Membership and Composition, established Organs, and financial resources.

SADC Administrative Tribunal

Six current judges were sworn in in DRC in November 2022, replacing the retiring bench. The former SADCAT Secretary, Mr N. Juddoo, retired on 28 February 2023 and the new Secretary, Dr KudaTshimo-Kgati, assumed office on 13 February 2023.

SADC Humanitarian and Emergency Operations Centre

Operationalisation of the Centre in Mozambique is underway. The Hosting Agreement was finalised for SHOC, ensuring readiness for signing between the SADC Secretariat and the Government of the Republic of Mozambique. Notable achievements are summarised as follows:

In March 2022, Council approved US\$1.38 million as the budget for staffing and interim activities of the Centre. The Centre has recruited temporary staff seconded by Member States for three years, and procurement of equipment is underway, to be completed by the end of 2023.

SADC Regional Peacekeeping Training Centre

RPTC continues to provide Member States with requisite knowledge and skills in peacekeeping operations in line with global and regional standards. In 2022/23, RPTC developed the RPTC Strategic Plan 2023-2027 and trained 452 Experts (311 males and 141 females). Training for Regional Peacekeepers and induction training for SAMIM Forces in the Mission Area is also conducted regularly.

SADC Permanent Representation to the African Union

As per Article 20 of the Protocol, the “Liaison Office” of SADC is now referred to as the “Permanent Representation of SADC to the African Union” and the African Union. The Office has assisted the SADC Secretariat in securing AU-donated equipment for the “Cabo Delgado Reconstruction Plan” and the Republic of Mozambique and SAMIM. The Office has also assisted the Secretariat with uplifting some of the military equipment donated to and currently being used by SAMIM.

8. Current and Emerging Issues in the Region

Regional Peace and Security

The Region faces isolated threats to peace and security in the DRC, Eswatini, Lesotho and Mozambique, and SADC mechanisms for peace and security continue to intervene to find lasting solutions for these countries. Four Member States will go to the polls this year, namely Zimbabwe, Eswatini, Madagascar and the DRC in that order between July and December. Mechanisms are to be implemented to limit the probability of election-related conflicts.

The Region is expected to experience disease outbreaks, especially Cholera, which is already ravaging some of the Member States. New HIV infections, mostly among adolescent girls and young women, are expected to persist for the foreseeable future. The SADC will remain faced with a wide range of transnational organised crimes. Water insecurity is expected to continue in some parts of the Region, largely due to climate change, population growth, urbanisation, and intra-country migration. The food and nutrition insecurity situation in the Region will remain a concern, as the Region has been affected by a combination of climatic shocks, including drought, floods, and extreme temperatures, as well as the socio-economic impact of the COVID-19 pandemic and the Russia-Ukraine war.

Furthermore, the Region will continue to experience shortages of energy because of, but not limited to, growing demand for electricity; insufficient water, due to poor rainfall, for some of the key hydro-power stations; floods and storms that will destroy infrastructure for power generation and transmission; and low investment in generation and transmission capacity. High inflation and interest rates, low investment and high unemployment compounded by external factors such as the Russia-Ukraine war will continue to slow down the Region's economic growth.

Regional Health Status

The African continent has reported a cumulative total of 8 980 841 laboratory-confirmed cases, including 174 230 related COVID-19 deaths, resulting in an overall case fatality rate of 1.9%. It is estimated that 92% (8 268 136) of individuals infected fully recovered from the disease. In the SADC Region, countries that reported the highest numbers of cases during the outbreak include South Africa 4 072 533 (45.4%), Zambia 343 415 (3.8%), and Botswana 329 837 (3.7%). The caseload in the three countries represented more than 50% of all COVID-19 cases reported in Africa.

In addition, there were several communicable health risks and disease outbreaks that affected the Region over the reporting period, including Marburg Virus Disease reported in Tanzania, measles reported in Botswana, DRC, South Africa and Zambia, and Cholera reported in DRC, Malawi, Mozambique, South Africa, Tanzania, and Zambia.

Food Security Situation

Food security is on a downward trend in the Region. The number of food-insecure people is estimated at 57.8 million for the 2022/2023 season, which is a 7% increase to the 2021/22 figures and a 39.9% increase when compared to the 5-year average. The increase in the food insecure populations is attributed to factors such as chronic poverty coupled with recurrent shocks experienced in the Region. These shocks include droughts and cyclones that hinder agricultural potential, contributing to loss of employment and other sources of livelihood, high inflation rates that diminish access to food and other pertinent services, and conflict in eastern DRC and northern Mozambique.

Conflict continues to disrupt livelihoods in DRC and northern Mozambique, with more than 946,500 people displaced and agricultural activities disrupted. Continued violence in the eastern provinces of DRC is causing new displacements and is affecting the agricultural season. Overall, the food security situation throughout much of the Region is expected to deteriorate in the coming months as households' own-produced food stocks decline, and an increasing number of households must rely on the market with lower-than-normal purchasing power. Over 19 million people are stunted, 2.5 million are overweight and over 6.5 million have high wasting rates in the Region. Over 325,000 children were admitted for treatment of severe acute malnutrition in 2022 (representing 25% of the burden, excluding DRC). The highest admissions were in Angola, Madagascar, and Mozambique.

9. CONCLUSIONS AND RECOMMENDATIONS

This Report presented a comprehensive account of performance in the implementation of the RISDP 2020-2030 per Pillar using selected Key Performance Indicators. Overall performance is **average**. The Region's performance score on all Pillars in 2022/23 is **6.1 out of a scale of 10**. Peace, Security and Good Governance (the Foundation) scored 7.7 followed by Strategic Management at 7.6. Social and Human Capital Development follows with a 6.2 score. Industrial Development and Market Integration (Pillar 1) scored 5.4, Cross-cutting Issues 5.3, and Infrastructure Development in Support of Regional Integration (Pillar 2) 4.4. The scorecard is shown in Figure 8.

Resource mobilisation is the most important factor in implementing the Regional Agenda. However, the Region has not satisfactorily utilised the SADC Resource Mobilisation Framework to mobilise resources for the Regional Programme. It is recommended that use of the "*a la carte*" approach be reviewed. Member States are to work out the modalities for implementing at least one resource mobilisation option outlined in the RMF.

As per the Resource Mobilisation Framework, the Region could mobilise US\$1,460 billion annually if it implemented some of the options listed in the framework: Import Levy, Air-ticket Levy, Tourism Levy, Financial Transaction Tax, Philanthropy and Regional Lottery. It is also recommended that SADC revisit the various types of innovative sources to finance the SADC Programmes and projects, working closely with national governments and with support from the continental international finance institutions.

A sizeable portion of the population has little to no knowledge about SADC and its work and the value of their countries being members of SADC. It is recommended that SADC make a greater effort to communicate its successes and improve the visibility of its programme at regional and national levels.

SADC has adopted prioritised projects to expedite the RISDP 2020-2030 delivery and achieve a greater impact of its programmes on the citizens. It is imperative to strengthen coordination with relevant SADC national structures including SADC National Planning Entities and SADC National Committees to ensure that National Development Plans reflect regional priorities outlined in the RISDP 2020-2030. Robust monitoring of progress in implementing the RISDP through a Balanced Scorecard management approach will result in evidence-based progress reporting to Council and Summit coordinated by the Secretariat but led by Member States for the first time.

10. REFERENCES

1. Healthy Diet: WHO [Online] - Geneva, Switzerland, 2020. [Cited 6 May 2021]. www.who.int/news-room/factsheets/detail/healthy-diet
2. <https://www.integrate-africa.org/rankings/regional-economic-communities/sadc/>
3. Meeting of SADC Ministers Responsible for Gender/Women's Affairs): DRC, 02 June 2023
4. OECD Economic Outlook Interim Report, March 2023
5. Progress Report on Implementing the Industrialisation Strategy and Roadmap, Phase I: 2015-2020, SADC, July 2023
6. Regional Nutrition Report October, 2022
7. Report on the Formulation of the SADC Regional Infrastructure Development Master Plan (RIDMP)
8. Short Term Action Plan (STAP) II: 2023-2027, SADC, May 2023
9. SADC Malaria Report, 2022
10. SADC Demography and Social Statistics Yearbook, 2021
11. SADC Macroeconomic 2021 Web Long Version, December 2022
12. SADC Sectoral Statistics Yearbook, 2021
13. SADC Tuberculosis Report, 2022
14. Synthesis Report on the State of Food and Nutrition Security and Vulnerability in Southern Africa, Regional Vulnerability Assessment and Analysis (RVAA) Programme, SADC, 2022
15. The Global Risk Report, JME 2023, 18th Edition, World Economic Forum
16. UNICEF/WHO/The World Bank Group's JME 2023 Report