

The Regional Economic Integration Support Programme (REIS) moves towards the half-way mark: achievements and way forward

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Implementation of the REIS Programme is now five months away from reaching its half-way mark, and it is time to review its successes, difficulties/challenges, how they were resolved as well as make strategic preparations for the remaining period. A workshop to discuss these issues was held on 9-10 September 2014 in Gaborone, with participants drawn from the SADC Secretariat.

A general observation of the workshop was that the REIS Programme is on track to achieve its Mid-term results and basing on this trend, there is good reason to expect that the final results will be achieved. A glaring example of the REIS Programme achievements so far is the successful roll-out of the SADC Integrated Regional Electronic Settlement System (SIRESS), where the number of Member States (MS) participating in it doubled from 4 when the Programme started to 8 at present. It is expected that by March 2015, all the participating members will be having robust and harmonised national payment systems that ensure greater cross-border transaction security. The REIS Programme has contributed to this success by facilitating discussions and policy dialogue among the MS. This was a cooperative effort with the SADC regional payments team and other international cooperating partners.

The conclusion of the negotiations of the EU-SADC-EPA Agreement on Goods, initialled on 15 July 2014 was another milestone achievement for the REIS Programme because it supports the EPA negotiations and the implementation of the agreed elements. The signing of the Agreement will ensure that there will be no interruption of trade and market access for SADC exports to the EU market until the agreement enters into force (foreseeably in July 2015).

Considerable progress has been made also in other areas, although such progress is not a one giant step forward but a series of steps that build on each other. For example, key headway was made in terms of creating private sector awareness on Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary (SPS) measures, particularly Quality Assurance, Accreditation and Metrology (SQAM). The SQAM awareness level among the private sector has generally been low thereby resulting in a number of traded products not complying with requisite quality and regulatory requirements. REIS Programme SQAM awareness raising activities have however contributed to increased appreciation of the role of standards and quality by the regional business sector. It is therefore expected that this improved awareness will lead to increased uptake of conformity assessment services by the private sector; thereby enhancing the trade competitiveness of the MS.

In the Investment area, 14 Member States are participating in the development of the Regional Investment Policy Framework (SADC- IPF), focussing on the 4 key topics for the improvement of the investment climate in the region. 10 SADC Member States have agreed and committed themselves to the Peer Learning programme for both information sharing among each other and capacity building on common areas of improvement for Investment Promotion Agency (IPAs). In tax co-operation, 6 new Double Taxation Avoidance Agreements (DTAAs) were agreed; from a baseline of 4. This enhanced the certainty of taxation for businesses and strengthened the taxing rights between the contracting parties, as well as ensuring that there is no double taxation of investors.

Further issues presented and discussed at the workshop include the Monitoring and Evaluation system and impact of D+3 in future planning. The workshop noted that the REIS Key Performance Indicators (KPIs) are overly extensive; thereby imposing a relatively heavy reporting burden. The SADC-Institutional Capacity Building Programme (ICDP) agreed to assist in the review of the KPIs;

including possibly rationalizing them. In addition, budget reallocations plans for the period ending March 2015 and budgeted activities planned for the last 2 years (i.e. years 3 and 4) were presented and discussed. They will be incorporated into the TIFI third year plans.

The D+3 stipulates that any payment to be done after 20 March 2016 need to have been contracted before this period; meaning that the REIS plans for years 3 and 4 must be accompanied by compliant procurement plans.

A few minor challenges notwithstanding, the REIS Programme is progressing smoothly and as one of the first Contribution Agreements (CAs) to be implemented by the SADC Secretariat, it will provide important operational lessons for other CAs to follow.

Photo: Participants at the REIS review and planning workshop, Gaborone (9-10 Sept. 2014)



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