



STATEMENT

BY

**THE SADC EXECUTIVE SECRETARY
H.E. DR STERGOMENA LAWRENCE TAX**

**ON THE OCCASION OF THE MEETING OF THE SADC
COUNCIL OF MINISTERS**

14 MARCH 2016

**GABORONE
BOTSWANA**

Honourable Ontefetse Kenneth Matambo, Minister of Finance and Development Planning of the Republic of Botswana and Chairperson of the SADC Council of Ministers;

Honourable Ministers;

Deputy Executive Secretaries;

Distinguished Senior Officials from SADC Member States;

SADC Secretariat Staff;

Partners from the Media;

Invited Guests;

Ladies and Gentlemen;

Allow me, to begin by thanking the Government and people of the Republic of Botswana for the hospitality, and the excellent facilities placed at our disposal. This is yet a further testimony of the commitment of the Government of Botswana to SADC Regional Integration and the generosity of the people of Botswana. May I also welcome you, Honourable Ministers, to this session of the SADC Council of Ministers.

Implementation Progress;

This meeting provides an opportunity to receive progress reports on the implementation of SADC plans for 2015/2016, implementation of Council Decisions, and to deliberate on plan and budget for 2016/2017. Major milestones during financial year 2014/2015 included finalization of the Regional Indicative Strategic Development Plan (RISDP) 2015–2020 and SADC Industrialization Strategy 2015 – 2063, which were approved in April 2015. During financial year 2015/2016 the Secretariat has finalized coordination costs for the RISDP, while preparing a costed implementation Plan for the Industrialization Strategy. Furthermore, the Secretariat focused on the implementation of key priorities in line with these strategies as supported by other SADC strategies, and also on preparation of the needed instruments to operationalize SADC strategies.

Honourable Ministers;

I am glad to report that substantial progress was recorded during the year as contained in the report that will be presented to you in the course of this meeting. Allow me to highlight few key achievements during the period, which include;

- i) Finalization of the Secretariat Coordination costs which were approved in August 2015, and finalization of national public coordination costs which will be tabled for your consideration during this meeting;
- ii) Substantial progress has been made in the preparation of costed action plan for the Industrialization Strategy, the Plan will be tabled in August 2016;
- iii) Recognizing the importance of value chain, beneficiation and value additions, a regional value chain and value addition strategy in priority sectors has been developed. This will facilitate effective implementation of the SADC Industrialization strategy;
- iv) Recognizing that food security and management of natural resources and environment are key enablers to economic development, and thus to industrialization, a Regional Agricultural Policy Implementation framework was developed; this will facilitate trade, and industrialization, while contributing to food security;
- v) Electricity generators and transmission expansion plan was implemented contributing to more power generation in the region, thus addressing one of the major challenge, affecting almost all the Member States;
- vi) Significant progress has also been recorded in the establishment of SADC development fund, a long overdue initiative that will contribute significantly to Infrastructure Development and Industrialization. Finance and Investment Ministers received a report in their meeting held on 12th March 2016 and agreed to operationalize SADC RDF through a two-phased approach; Phase 1 focusing on project preparation and development; and Phase 2 focusing on infrastructure development, industrial development, integration and economic adjustment and social development windows.
- vii) Policy, standards, strategic and regulatory framework of regional infrastructure network were adopted, and this will facilitate project development and resource mobilization;
- viii) Shared River Basin Management Strategies/Plans were adopted in targeted River Basins;
- ix) Oceanic Blue Economy Strategy was also developed and this will enable the region to exploit maritime resources;

- x) Revised Regional Qualification Framework was approved contributing to increased mobility of standards, comparability of qualifications, and creation and utilization of the region's employment opportunities;
- xi) Regional Innovation and Technology transfer framework was developed, promoting the use of science and technology and innovation, and thus contributing to socio-economic development, including industrialization;
- xii) Macro-economic convergence peer review undertaken contributing to economic performance and development;
- xiii) Guidelines for the essential medicine list and regional standards treatment guidelines developed contributing to increased access to quality and affordable medicines; and
- xiv) Regional multi-dimensional Women Economic Empowerment programme has been finalized, contributing to gender equality, and equity at different levels of society in the region.

These are some of the key milestones during financial year 2015/2016. Details are contained in the report that will be presented to you.

Honourable Chairperson,

In August 2015, the Council directed the Secretariat to facilitate the operationalization of Tripartite Free Trade Area as directed by the Sharm El Sheik Declaration launching the Tripartite FTA, in particular the finalization of negotiations on outstanding areas under Phase I of the TFTA, as well as the legal scrubbing of the remaining Annexes. Pursuant to that directive, and in collaboration with our sister Regional Economic Communities (RECs), COMESA and the EAC, the legal scrubbing of remaining Annexes have been finalized except for one Annex on Dispute Settlement, and negotiations are ongoing.

Progress in exchange of offers and ratification of the Tripartite FTA has nonetheless been very slow. It is unlikely that the deadline set by the Tripartite Summit will be met. **May I kindly appeal to Members States to fast-track exchange of offers that will enable effective operationalization of the TFTA, and signing and ratification of TFTA,** and in doing so honouring commitments made in Sharm El Sheik. We will only be able to utilize opportunities created by TFTA market, if and when the outstanding elements are fully addressed.

Sustainable financing of SADC development and integration agenda remains a major challenge. The outcome of ongoing work on alternative

sources to sustainably finance SADC Programmes will be presented in your meeting in August 2016.

Food Security;

During the last two rainfall seasons, the region has experienced droughts. The current drought for 2015/2016 rainfall season is the worst in more than 35 years and has affected nearly all SADC Member States. It has negatively impacted on water, energy, health, agriculture and food security sectors, among others. Food prices are likely to increase and the overall economic growth and development of the region will be adversely affected. Currently, about 28 million people need humanitarian support (i. e. food and non-food). This figure is likely to substantially rise due to the continuing effects of the drought. In recognition of this challenge, measures are being taken, especially the establishment of a Logistical Team at the Secretariat to coordinate the regional response and support to the disaster. For the logistic Team to effectively address this challenge, **we appeal to Member States to expeditiously submit the needed information that will enable the Team determine the required assistance.**

Governance;

In your previous meetings, the Council expressed concerns regarding weaknesses in internal controls, and Member States not getting value for money. I am glad to report that the Secretariat has taken measures to further address internal controls challenges. Systems are in place and most of the issues have been addressed as reported in the Audit Committee report before you. The Secretariat has also taken measures to put in place a functional result based planning, budgeting, monitoring and evaluation system that will among others, address the persistent low absorption capacity, while strengthening SADC Secretariat's performance management system. Once finalized, the system will enable the Secretariat to monitor progress made in terms of outputs, and the impact of SADC integration.

Plan and Focus for 2016/17;

Plan and budget focus for financial year 2016/2017 continues to be on the implementation of RISDP priorities, Industrialization, and consolidation of peace and security. So as to assess progress made, and the impact of our cooperation, the focus will also be placed on finalizing a robust Monitoring and Evaluation Framework that will enable timely and effective monitoring, with a view to ensuring that SADC cooperation and integration objectives are

realized; specifically the realization of “*sustainable and equitable economic growth and socio-economic development, that will enhance standard and quality of life of the people of Southern Africa*” as enshrined in the Treaty. I wish to reiterate that industrialization is the only sure path to achieve sustainable and deep-rooted socio-economic development.

Honourable Chairperson;

Since your last Council Meeting in August 2015, SADC observed general and Presidential elections in the United Republic of Tanzania and the Republic of Seychelles. I wish to congratulate the Governments and peoples of these Member States for holding peaceful and credible elections. The Region remains peaceful and politically stable, albeit few challenges in some of the Member States. I thank the Organ on Politics, Defence and Security and the Double Troika Members who have time and again continued to address emerging challenges.

As your Secretariat we remain responsive to the aspirations of Member States. We greatly thank Member States for the continued guidance and support. The Secretariat will continue to implement decisions of Council and Summit diligently.

In conclusion, let me seize this opportunity to extend our gratitude to Honourable Kenneth Matambo, Minister of Finance and Development Planning and Chairperson of the SADC Council of Ministers and his entire Team for his dedication and continued guidance and support, that have enabled the Secretariat to realize 2015/2016 milestones. I wish also to thank the Secretariat Staff for their hard work which enabled the Secretariat deliver on 2015/2016 milestones. Let me also commend the Senior Officials and for the job well done in preparing for this meeting.

Ke a leboga!!! Pula!!!!!!! Pula!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!

Thank you!!!