



**SADC SECRETARIAT**

**REMARKS**

**BY**

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DEPUTY EXECUTIVE SECRETARY FOR REGIONAL  
INTEGRATION**

**AT**

**THE MEETING OF THE MINISTERS OF FINANCE AND  
INVESTMENT (MMFI) AND PEER REVIEW PANEL (PRP)**

**KINSHASA – DEMOCRATIC REPUBLIC OF CONGO**

**20 JULY 2023**

**HONOURABLE NICOLAS KAZADI KADIMA-NZUJI, MINISTER OF FINANCE OF THE DEMOCRATIC REPUBLIC OF CONGO;**

Honourable Ministers from SADC Member States;

Governors of Central Banks from SADC Member States;

Senior Officials from SADC Member States;

SADC Secretariat Staff;

Representatives of the Media;

Ladies and Gentlemen.

1. Allow me, first and foremost, to take this opportunity to welcome you all to this important meeting of the Ministers of Finance and Investment and the Peer Review Panel. These two structures of SADC are charged with overseeing the monetary, financial markets, investment and infrastructure integration that are key to the SADC Integration Agenda.
2. The meetings of the Ministers of Finance and Investment and the Peer Review Panel are a fulfilment of the requirement under the Protocol on Finance and Investment that directs the Ministers responsible for Finance and Investment, and the Central Bank Governors to meet annually to review progress and give guidance with regards to monetary, financial markets, investment and infrastructure integration.
3. **Honourable Ministers and Distinguished Governors**, may I express our gratitude to you for finding time off your busy schedules to attend this important meeting. Your presence here is reassuring and an affirmation of yours and your countries' commitment to the Integration Agenda and the SADC We Want.
4. May I also take this opportunity to express our gratitude to the Government of the Democratic Republic of Congo, who are the current Chairperson of SADC, and its lovely people, for the warm welcome into their lovely country and for the wonderful hospitality that they have extended to us.

5. That said, **Honourable Ministers and Distinguished Governors**, allow me to proceed by reporting that the SADC Region continues to make progress towards achieving peace and security, sustainable economic growth and development, poverty alleviation and enhancing the standard and quality of the lives of the peoples of Southern Africa, through regional integration.
6. The Region continues to prioritise and implement several developmental and integration strategies and programmes under all the eight dimensions of regional integration, namely: Social Integration, Trade Integration, Financial Markets Integration, Monetary cooperation, environmental Integration, and Political Integration.
7. As part of the consolidation of the SADC Free Trade Area, and as a pre-requisite for the establishment of a monetary union, the Region, amongst other things, has focused on the strengthening of the financial sector, i.e., establishment of a functional regional cross-border payment system and stock exchange; strengthening financial inclusion; and harmonisation of the regulatory frameworks for effective bank supervision.
8. The region has also focussed on the harmonisation and convergence of macroeconomic policies and improvement of the investment and business environment as will soon be reported to this august meeting.
9. **Honourable Ministers and Distinguished Governors**; SADC is one of only three regions in Africa, alongside ECOWAS and EAC, that has a Macroeconomic Convergence Framework and Program, and is implementing a Macroeconomic Surveillance and Peer Review Mechanism to monitor Member States implementation of the program.
10. I am glad to state that Member States have remained committed to implementing the Convergence Framework and recommendations made by this Panel. Member States continue to make tremendous effort and progress towards meeting the SADC Macroeconomic Convergence targets as well as implementing the policy recommendations of this Panel.
11. However, despite these efforts, the Region has experienced many headwinds, specially arising from the increasing frequency and intensity

of the effects of climate change, continuing effects of the COVID-19 Pandemic economic fall-out, and the ongoing Russia/Ukraine conflict.

12. These headwinds have resulted into falling agricultural and electricity production that have affected industrial production and investment, weakening global and intra-regional trade, soaring commodity prices, especially those of fuel, fertilizer and food, and subsequently led to food shortages, higher food inflation, increasing food insecurity and macroeconomic instability in the Region.
13. Especially in 2020–2022, economic outcomes generally deteriorated in all the Member States especially with regard to fiscal and current account balances, foreign exchange reserves in months of import cover, and external debt sustainability. Ultimately, this led to a slowdown in economic growth, exchange rate depreciations and rising headline inflation.
14. The headwinds also affected national governments' service delivery and public investment as well as contributed to mixed performance against the MEC Indicators over the five-year review period, 2018 – 2022. The headwinds also affected the implementation of the macroeconomic policy recommendations of the Peer Review Panel to Member States.
15. **Honourable Ministers and Distinguished Governors;** A lasting solution to these headwinds lies in building resilience to the effects of climate change and other external shocks. This implies enhanced investment into climate-smart infrastructure and technologies that are inter-connected across the Region, including for agriculture.
16. It requires coordinated policies and joint effort to develop infrastructure, raise agricultural and industrial productivity and enhance intra-regional trade. It also requires improved supply chain management and the right incentive framework for producers and investors, underpinned by climate-smart and enabling infrastructure which is not easily damaged by the effects of climate change such as floods.
17. Building resilience and self-reliance in the Region further requires a well-functioning and efficient financial system. It is therefore pleasing to note that, there has been notable progress towards deepened financial market integration, monetary cooperation, and investment, as well as

enhanced macroeconomic stability and convergence in our region as shall soon be reported to this meeting.

18. The need to build resilience and self-reliance in the Region also underscores the urgency to fast-track the operationalisation of the Regional Development Fund for mobilising resources to finance the development of climate-smart infrastructure and technologies that raise agricultural production and industrial productivity as well as enhances intra-regional trade.
19. This is more so as the world is facing a set of risks that feel both wholly new and eerily familiar. We have seen a return of “older” risks – inflation, cost-of-living crises, trade wars, capital outflows from emerging markets, widespread social unrest and geopolitical confrontation. These are being amplified by comparatively new developments in the global risks landscape, including unsustainable levels of debt, a new era of low growth, low global investment and de-globalization, a decline in human development after decades of progress, and the growing pressure of climate change impacts. Together, these are converging to shape a unique, uncertain and turbulent decade to come.
20. I am glad to report that as Secretariat, and in response to your directive in your last meeting, we have been in engagement with the AfDB who have accepted the request by SADC to support the region in operationalising its Regional Development Fund and have made some proposals which shall be presented to this august meeting in due course.
21. **Honourable Ministers and Distinguished Governors;** May I assure you, on behalf of the staff of the SADC Secretariat, and indeed on my own behalf, of our commitment to executing our duties and the Secretariat’s Mandate diligently, and to supporting yours and other SADC Structures’ work in order to consolidate the progress and achievements made so far by our Regional organisation towards actualising the Region’s Objectives and Vision as enshrined in the SADC Treaty and Integration Agenda.
22. SADC Secretariat shall continue partnering with the Ministers of Finance and Investment and the Peer Review Panel for effective coordination of

your work, and ensuring that lasting and impactful solutions for the region's economic stability and development are implemented.

23. I, therefore, look forward to fruitful deliberations during this meeting, in advancing the regional Integration Agenda for the benefit of our region's citizens, and to ensure that the SADC vision of economic growth and development, poverty alleviation and eventual eradication is achieved through deepening monetary and financial market cooperation and integration, investment, infrastructure development and as well as enhancing intra-regional trade for macroeconomic stability.

**I THANK YOU!**

**MERCI BEAUCOUP !**

**MUITO OBRIGADO!**

**ASANTE SANA!**