



BUSINESS FOR
SUSTAINABLE
DEVELOPMENT
IN AFRICA

SADC Industrialisation Week
DECLARATIONS
5 August 2019



NEPAD
BUSINESS
FOUNDATION

PURPOSE OF THE SADC INDUSTRIALISATION WEEK DECLARATION

Purpose of the SADC Industrialisation Week Declaration

The SADC Secretariat in partnership with the SADC Business Council (SADC BC), formerly the Southern Africa Business Forum (SABF), and the countries hosting the SADC Summits in the last three years organised three successful SADC Industrialisation Week (SIW) events

These events outlined the main challenges faced by businesses when conducting trade in the region and produced declarations whose outputs were fed into the SADC Heads of State and Government summits for actioning:

- 2016 (Matsapha, Eswatini) = Esibayeni declaration
- 2017 (Johannesburg, South) = Sunninghill declaration
- 2018 (Windhoek, Namibia) = Windhoek declaration

What happens with the Declaration

- Submitted to Council for noting
- Presented for discussion at the Industrial Development Forum (IDF)
- Recommendations from IDF submitted to Ministerial Task Force on Regional Economic Integration Senior Officials for consideration and onward submission to the MTF for endorsement

SUMMARY OF PREVIOUS DECLARATIONS

Esibayeni Declaration (Eswatini 2016)

- The Esibayeni declaration acknowledges that **hard and soft infrastructure shortcoming must always be addressed together**
- That **policy certainty**, including stability, predictability, consistency and transparency is a prerequisite to attract investment for regional industrialization, regardless of sector or scale. Large companies and SMEs from all sectors demand policy certainty regarding the use of tariffs, fees and levies at borders
- Mining houses and agro-processors called for **stable and predictable export regimes** and infrastructure developers / agro-enterprises raised the need for **consistent and transparent land use rights**.
- That **prioritization and sequencing is the key to successful implementation**. Prioritization should consider geographical links, opportunities for incremental implementation to allow for short-term gains, and industry-specific requirements for value chains.
- That enabling trade through the **removal of non-tariff barriers, coordinated border management and a solid regional transit system** is a prerequisite for industrialization.

Sunninghill Declaration (Johannesburg 2017)

- The Sunninghill declaration acknowledges that **conventional policy approaches are not always appropriate** for rapidly changing conditions. **Responsible policymaking requires considered research and groundwork**, considering the evolving regional political economy.
- Acknowledge the **inequalities that exist within Member States**, and particularly between Member States in SADC and states that, **only through genuine deeper regional integration, can smaller and weaker economies can overcome their limitations**.
- That **regional protocols, strategies and plans must be implemented at domestic level**, subject to the sensitivity to the changing socio-political, economic and technological environments.
- That it is **essential to develop common awareness among the public and private sectors on the main elements of 'quality of infrastructure'** for SADC (and the African context), assessing the net long-term benefits and trade-offs.

Windhoek declaration (Namibia 2018)

The Windhoek declaration statement notes the following private sector concerns.

- That the process of registering and marketing new medicines in the region is long (taking up to 5 years). **Private sector urged Member States to shorten the lead times in the registration of pharmaceutical products** (medicines and health commodities) in order to attract new investments in pharmaceuticals;
- A call for **SADC Ministers of Energy to issue a Statement of Intent on Cooperation on Development of Regional Gas**
- Request for the **establishment of a Regional Gas Committee** which will include private sector, and **develop a Regional Gas Master Plan**;
- An agreement by private sector to **proceed with the establishment of the SADC Business Council** as the overarching structure to engage with SADC public sector;
- Request for the **finalisation of the SADC Regional Mining Vision** to provide policy guidance in positioning the region as a global player in mining value chains.

UPDATE OF SIW 2018 DECLARATION

Declaration 1: Infrastructure for Industrialising SADC

Declaration	Status
<p>Forum welcomed the decisions of the SADC Ministers responsible for Energy to:</p> <p>a. issue a Statement of Intent on Cooperation on Development of Regional Gas Market and Infrastructure;</p> <p>b. establish the Regional Gas Committee and calls for the inclusion of private sector in this committee; and</p> <p>c. develop a Regional Gas Master Plan and expresses its willingness to collaborate with the SADC to finalise the Master Plan.</p>	<p>The Secretariat is undertaking the following activities to address the Ministerial decisions:</p> <ul style="list-style-type: none"> (i) The Secretariat incorporated the outcomes from Ministerial Workshop on Gas Infrastructure and Markets in the Directorial annual operational plan; (ii) The Secretariat received nominees from twelve (12) Member States who will participate and represent member States in the Inter-State (Regional) Gas Committee; (iii) convened a workshop in collaboration with the NEPAD Business Foundation (NBF) for information sharing between the public and private sector stakeholders in the gas industry in December 2018 in Windhoek, Namibia. The Workshop discussed the terms of reference (TORs) for the development Regional Gas Masterplan and thereafter, the Secretariat incorporated the comments in the final draft TORs; (iv) The Secretariat engaged the Development Bank of Southern Africa (DBSA) for a funding proposal to develop Phase I of the Regional Gas Masterplan following a bilateral meeting between SADC Secretariat and DBSA in January 2019. A workplan has been developed including procurement of a consultant with the aim to conclude work by December 2019.
<p>Forum urges SADC Member States to develop skills in the Gas sector for Youth and ensure that communities within of gas-related projects benefit from job opportunities along the stages of value chains</p>	<p>The Secretariat convened a SADC Multi-Stakeholder Dialogue on Water-Energy-Food Security in March 2019 with a dedicated session for the youth which identified the following roles that can be played by the Youth in the implementation of the water, energy (including gas), and food security projects in the SADC region:</p> <ul style="list-style-type: none"> (i) Integration of job creation and youth inclusive priorities into national development planning frameworks and finance instruments for youth leveraging high-level political support; (ii) Youth empowerment through increased capacity building, knowledge and application of youth innovation and entrepreneurship; and (iii) Preparation and implementation of bankable youth sensitive investment projects through integrated approaches.

Declaration 1: Infrastructure for Industrialising SADC

Declaration	Status
In order to execute the SADC Industrial Energy Efficiency Programme (SIEEP) effectively, the Forum urges Member States to sign the SACREEE Intergovernmental Memorandum of Agreement (IGMoA) as approved at the last 37th Meeting of Ministers responsible for Energy in June 2018	<ul style="list-style-type: none"> <li data-bbox="658 253 1885 375">(i) The Ministers responsible for Energy and the Ministerial Task Force on Economic Integration (MTF) approved and endorsed SIEEP as a regional programme for energy efficiency in the industrial sector. <li data-bbox="658 383 1885 555">(ii) The Secretariat held a bilateral meeting with Tanzania in February and May 2019 and negotiations are ongoing. As of June 2019, eight (8) Member States have signed the IGMoA for establishing SACREEE namely Botswana, Eswatini, Lesotho, Malawi, Mauritius, Namibia, Zambia and Zimbabwe.

Declaration 2: Youth and women entrepreneurship, and empowerment for sustainable industrialisation

Declaration	Status
Providing conditions and incentives for private sector and training institutions to build capacity of youth and women entrepreneurs through incubation, mentorship, internship and skills training programmes in key areas of industrialisation	<ul style="list-style-type: none"> Ministers responsible for Gender/Women's Affairs at their meeting held in Windhoek, Namibia, in May 29, 2019, considered and approved the Regional Multi-Dimensional Women's Economic Empowerment Programme (RMDWEEP). The goal of the Programme is to promote women's economic empowerment and gender-responsive development in order to contribute to social inclusion and justice by 2030.
Develop regional initiatives to enhance youth and women access to capital and credit to start ups.	<ul style="list-style-type: none"> Strategic Framework and Implementation Plan Technical and Vocational Education and Training (TVET) in SADC approved in June 2018 Convening of a Regional Skills Competition in the context of SADC Innovation Awards was approved in June 2018 Regional Skills Competition Plan and Modalities to be developed by March 2019 Strategy and Business Plan on Youth Empowerment and Participation for Sustainable Development (2015–2020) in place
Expedite the approval of the Simplified Trade Regime as 70% of the beneficiaries are women	<p>Ministers responsible for Gender/Women's Affairs at their meeting held in Windhoek, Namibia, in May 29, 2019, considered and approved the Regional Multi-Dimensional Women's Economic Empowerment Programme (RMDWEEP). The goal of the Programme is to promote women's economic empowerment and gender-responsive development in order to contribute to social inclusion and justice by 2030.</p>

Declaration 3: Research, Innovation and Technology development

Declaration	Status
There is need to increase investment in research, development and innovation by both public and private sectors to advance knowledge generation and productivity to stimulate industrial development	Regional Report on investment in Research and Development developed was approved by Joint meeting of Ministers responsible for Education and STI in June 2019 in Namibia. The report gives an indication of the regions performance and levels of investment in research and development
Strengthen the Intellectual Property Rights (IPR) policies and regulatory systems	SADC Intellectual Property Framework and Guidelines developed and approved by SADC Council of Ministers in August 2018 in Namibia
Facilitate and advance uptake of technology transfer in the development of industrial value chains	Draft SADC Innovation and Technology Transfer Framework and Action Plan approved by SADC Ministerial meeting on Education and Training; and STI in June 2018. Capacity building programmes planned for 2019/2020 financial year
Putting in place instruments to finance innovation and commercialisation of products and services	<ul style="list-style-type: none"> • Draft Concept Note developed for establishment of Regional Innovation Awards Programme • EDF 11 Funding for Support of SISR in agro-processing and pharmaceuticals value chains. Grants component will include support for regional research and innovation projects • Agreement on the operationalization of the SADC Regional Development Fund have been signed by eleven Member States. However, none has ratified the agreement. The revised Roadmap sets the RDF full operationalization by August 2021. • Draft Action Document for support currently being considered by EU

Declaration 4: Private Sector Engagement Mechanism

Declaration	Status
<p>The agreement to proceed with the SADC Business Council as the overarching structure to engage with SADC public sector</p>	<ul style="list-style-type: none"> • The meeting to consider draft action plan was held in 7th November 2018 • SADC Business Council to be launched during the Industrialization week, 5-9 August 2019
<p>The development and agreement on a Plan of Action, that will include the development of a founding document and rules of engagement for both the private sector itself and for interactions between the private and the public sector</p>	
<p>At country level business organisations to meet, decide and nominate their apex business body that will represent them on the SADC Business Council</p>	<p>The National Contact Point at member states submitted the names of Organisations that represent the private Sector</p>

Declaration 5: Mineral Beneficiation

Declaration	Status
Finalisation of SADC Regional Mining Vision to provide policy guidance in positioning the region as a global player in mining value chains	The RMV and its action plan has been endorsed by the Ministerial Task Force and will be presented to Council in August 2019 for consideration and approval.
Establish support programmes to facilitate cross border beneficiation	A meeting was held in Lusaka in October 2018 and the discussion is ongoing
Resuscitate Mining Ministers` forum for better engagement between public and private sector in the mining sector	
Develop a regional database on mining inputs and services	UNECA has accepted to assist the SADC Secretariat in setting up the database
Mining companies to support new SMEs and upstream market development	The meeting was held in Lusaka in October 2018 and the discussion is ongoing

Declaration 6: Pharmaceutical

Declaration	Status
<p>The Forum Urges Member States to shorten the lead times in the registration of pharmaceutical products (medicines and health commodities).</p>	<p>MCAZ has been appointed as implementing agent of the ZAZIBONA project (a collaborative framework between SADC Secretariat, NEPAD, World Bank, and WHO)</p>

Declaration 7: Investment and Finance for Industrialisation

Declaration	Status
Create public-private platform on African economic intelligence - with opportunities, players, legal, regulatory and administrative functions	<ul style="list-style-type: none"> • Regional Action Programme on Investment (RAPI) had been fully developed and operationalized • The BITs Template has been reviewed and is awaiting approval by the Ministerial Task Force. • The FDI Strategy has been developed and awaiting approval by MTF. • The development of an Investment Policy Framework (IPF) to guide Member States in developing their National Action Plans for Investment (NAPI) had been finalized. • Three Member States (Malawi, Botswana and Zambia) have developed their National Action Plan for Investment (NAPI) to facilitate implementation of the SADC Investment Policy Framework (IPF). • The Investment Portal on investment regimes is in place. The IPA's profiles have been updated and will be uploaded on the Investment Portal. • Study on FDI-SME linkages in regional and Global Value Chains and Development Dimension SADC developed.

GUIDANCE FOR SIW 2019 DECLARATION

Guidance for SIW 2019 Declaration

- Guiding Principles:
 - **THEME: A Conducive Environment for Inclusive and Sustainable Industrial Development, increased intra-regional trade, and Job Creation**
 - Intention is for business to support and, where possible, drive the SADC Industrialisation Strategy
 - As a partner, business needs to identify key blockages and solutions required for implementation of the SADC Industrialisation Strategy
- Declaration statements:
 - As part of the discussions, focus on identifying key blockages and recommend solutions
 - Identify specific actions required from SADC Member States and/or business to support the identified solutions
 - Rapporteurs will be in every session and will be responsible for:
 - Event Report :
 - Summary
 - Key issues raised
 - Way forward
 - Declaration Statement

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