

STATEMENT FROM THE SADC PRIVATE SECTOR ON REGIONAL  
ECONOMIC INTEGRATION- DELIVERED BY MR. Z.M. NKOSI  
17<sup>TH</sup> AUGUST 2008, SANDTON CONVENTION CENTRE,  
JOHANNESBURG, RSA

YOUR EXCELLENCY CHAIR OF SADC AND HOST, PRESIDENT MBEKI, YOUR MAJESTY KING MSWATI III, YOUR EXCELLENCIES HEADS OF STATE AND GOVERNMENT, YOUR EXCELLENCIES MEMBERS OF CABINET AND MINISTERS, EXECUTIVE SECRETARY OF SADC, DR. SALOMAO, HEADS OF DIPLOMATIC MISSIONS AND INTERNATIONAL ORGANISATIONS, DISTINGUISHED LADIES AND GENTLEMEN, HONOURABLE MEMBERS OF THE PRIVATE SECTOR, CIVIL SOCIETY AD THE PRESS CORPS.

IT IS MY HONOUR TO BE INVITED HERE TODAY TO PRESENT A STATEMENT ON BEHALF OF SADC PRIVATE SECTOR. THE SADC PRIVATE SECTOR, REPRESENTED BY ORGANISATIONS FROM ELEVEN OF THE FOURTEEN MEMBER STATES, MET IN JOHANNESBURG ON 2 AND 3 JULY 2008. THE GOUP INCLUDED PARTICIPANTS FROM THE FOLLOWING ORGANISATIONS:

- SADC EMPLOYER GROUP
- SOUTHERN AFRICAN ENTERPRISE NETWORK

- SADC BANKING ASSOCIATION
- FEDERATION OF CLEARING AND FORWARDING AGENTS OF SADC
- SOUTHERN AFRICAN CONFEDERATION OF AGRICULTURAL UNIONS
- SOME INDIVIDUAL CHAMBERS OF COMMERCE AND INDUSTRY

PRIVATE SECTOR REPRESENTATIVES DISCUSSED THE IMPLEMENTATION OF THE SADC TRADE PROTOCOL AND THE PLANS FOR FURTHER ECONOMIC INTEGRATION SET OUT IN THE REGIONAL INDICATIVE STRATEGIC DEVELOPMENT PROGRAMME (RISDP). PARTICIPANTS STRONGLY SUPPORTED THE PROMOTION OF INTRA-SADC TRADE AND INVESTMENT THROUGH DEEPENING REGIONAL ECONOMIC INTEGRATION. THE FOLLOWING IS A SUMMARY OF THE KEY POSITIONS ADOPTED BY THE PRIVATE SECTOR REPRESENTATIVES:

THE SADC PRIVATE SECTOR REITERATED THE IMPORTANCE OF DEVELOPING A STRONG REGIONAL ECONOMY THAT PROVIDES AN ENVIRONMENT WHICH IS CONDUCIVE FOR BUSINESS. AN INTEGRATED REGION PROVIDES GREATER OPPORTUNITIES FOR BOTH TRADE AND INVESTMENT TO BE INCREASED. IT ALSO HAS THE POTENTIAL TO MAKE A REAL CONTRIBUTION TO ACHIEVING EQUITABLE PROSPERITY IN SADC.

THE PROCESS OF REGIONAL INTEGRATION NEEDS TO BE DRIVEN BY ECONOMIC, TRADE AND INVESTMENT REALITIES. IN THIS REGARD, THE PRIVATE SECTOR HAS A KEY ROLE TO PLAY.

THE SADC PRIVATE SECTOR VIEWS THE TARGETS FOR ECONOMIC INTEGRATION SET OUT IN THE RISDP AS AMBITIOUS, IN PARTICULAR THE IMMEDIATE DEADLINE OF 2010 FOR A SADC CUSTOMS UNION. FOR AN EFFECTIVE CUSTOMS UNION TO BE REALISED, AN FTA SHOULD BE FULLY AND SUCCESSFULLY IMPLEMENTED IN THE FIRST INSTANCE.

THE SADC PRIVATE SECTOR URGES GOVERNMENT MEMBER STATES OF SADC TO FOCUS RESOURCES ON THE FULL IMPLEMENTATION OF THE FTA AND THE SADC TRADE PROTOCOL. IN THIS PROCESS ONE COULD PRIORITISE ISSUES SUCH AS INFRASTRUCTURE; SERVICES; INVESTMENT TO BUILD CAPACITY TO PRODUCE GOODS AND ADDRESS SUPPLY SIDE CONSTRAINTS; ENERGY; HARMONISATION OF REGULATIONS AND POLICIES; NON-TARIFF BARRIERS AND TRADE FACILITATION.

YOUR MAJESTY AND EXCELLENCIES

THE ESTABLISHMENT OF A WELL-DESIGNED CUSTOMS UNION IN THE REGION COULD UNDOUBTEDLY HAVE ECONOMIC BENEFITS FOR MANY SADC MEMBER

STATES. HOWEVER THE SADC PRIVATE SECTOR REPRESENTATIVES BELIEVES THAT THERE ARE A NUMBER OF IMPORTANT ISSUES THAT MUST BE DISCUSSED AND AGREED BY BOTH GOVERNMENTS AND THE PRIVATE SECTOR BEFORE NEGOTIATIONS OF A COMMON EXTERNAL TARIFF (CET) CAN BE UNDERTAKEN. THESE INCLUDE AMONG OTHERS THE OVERARCHING OBJECTIVES OF A CUSTOMS UNION IN RELATION TO BOTH TRADE AND INDUSTRIAL POLICIES; POSSIBLE REVENUE SHARING ARRANGEMENTS; AND RESOLUTION OF THE QUESTION OF OVERLAPPING MEMBERSHIP OF REGIONAL TRADE ARRANGEMENTS.

THE PRIVATE SECTOR SHOULD PLAY A PIVOTAL ROLE AND BE THE DRIVING FORCE FOR ECONOMIC INTEGRATION IN SADC AND GREATER STEPS MUST BE TAKEN TO INVOLVE THEM IN THE DECISION-MAKING PROCESSES AS WELL AS DURING THE IMPLEMENTATION OF REGIONAL INITIATIVES. IN THIS REGARD, THE PRIVATE SECTOR CALLS UPON SADC TO IMPLEMENT THE COMMITMENT IN THE RISDP FOR THE DEVELOPMENT OF A PUBLIC-PRIVATE DIALOGUE POLICY FOR THE REGION.

BEYOND THE FTA, THE HARMONISATION OF A RANGE OF POLICIES IS ESSENTIAL TO BUILD A SOUND PLATFORM FOR A CUSTOMS UNION, INCLUDING THOSE RELATED TO TRADE, INDUSTRIAL, CUSTOMS, AGRICULTURAL AND OTHER SECTORAL RELATED ISSUES. THIS TAKES TIME AND CONSIDERABLE POLITICAL WILL.

FINALISATION OF THE HARMONISATION PROCESS OF TECHNICAL REGULATIONS, STANDARDS, SPS AND OTHER CONSTRAINING MEASURE IS ESSENTIAL FOR INCREASING INTRA-SADC TRADE AND SHOULD BE SPEEDED UP.

ACCURATE AND CURRENT TRADE STATISTICS ARE REQUIRED. THE SADC PRIVATE SECTOR URGES MEMBER STATES TO IMPROVE AND DEVELOP SYSTEMS TO ENSURE THAT THE NECESSARY INFORMATION IS AVAILABLE.

THE ISSUE OF OVERLAPPING MEMBERSHIP OF REGIONAL BODIES PRESENTS A CHALLENGE FOR ECONOMIC INTEGRATION IN SADC AND THE PRIVATE SECTOR CALLS FOR GREATER CLARITY FROM MEMBER STATES IN THIS REGARD.

THE SADC PRIVATE SECTOR CALLS FOR URGENT LIBERALISATION OF THE TRANSPORT AND LOGISTICS SECTORS IN THE REGION IN ORDER TO REDUCE THE COSTS OF DOING BUSINESS, ESPECIALLY FOR LAND-LOCKED COUNTRIES.

IN ORDER TO ACHIEVE GROWTH OF TRADE AND INVESTMENT IN THE REGION, EFFORTS NEED TO BE UNDERTAKEN TO FACILITATE THE MOVEMENT OF BUSINESS PEOPLE IN SADC THROUGH THE REMOVAL OF VISA REQUIREMENTS.

YOUR MAJESTY AND EXCELLENCIES

WE CALL UPON MEMBER STATES OF THE REGION TO MAKE GREATER EFFORTS TO INVOLVE THEIR BUSINESS COMMUNITIES IN BOTH THE DECISION-MAKING AND IMPLEMENTATION PROCESSES TOWARDS DEEPER ECONOMIC INTEGRATION. GOVERNMENTS AND THE PRIVATE SECTOR NEED TO ACT TOGETHER IN PARTNERSHIP TO ACHIEVE RESULTS.

GREATER ENGAGEMENT WITH THE PRIVATE SECTOR COULD INVOLVE BUILDING AWARENESS ABOUT REGIONAL DECISIONS AND PROCESSES; THE PROVISION OF RELEVANT AND USER FRIENDLY INFORMATION; SUPPORT FOR

EXPORTERS; CAPACITY BUILDING FOR BUSINESS ORGANISATIONS; AND MORE OPEN DEBATES ABOUT KEY POLICY ISSUES.

AS THE SADC PRIVATE SECTOR WE COMMIT OURSELVES TO BE A MORE CONSTRUCTIVE PARTNER FOR MEMBER STATES AND THE SADC SECRETARIAT IN PURSUIT OF ECONOMIC INTEGRATION. IN THIS REGARD, WE CALL UPON MEMBER STATES TO RECOGNISE AND ENGAGE OUR STRUCTURES WHICH OPERATE AT NATIONAL AND REGIONAL LEVELS.

SIYABONGA, SIYABULELA, REA LEBOHA, ASANTE SANA, O BRIGADO, MERCI