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**Opening Remarks by Honourable Ipumbu W. Shiimi  
Chairperson of the SACU Council of Ministers and  
Minister of Finance, Republic of Namibia**

**11 June 2020,**

**Virtual Meeting of the SACU Council of Ministers**

**Honourable Ministers,  
Madam Executive Secretary,  
Members of the SACU Commission,  
Senior Government Officials of the Member States,  
Officials of the SACU Secretariat,  
Ladies and Gentlemen,**

**Good Morning,**

1. Allow me to welcome you all to this 39<sup>th</sup> Meeting of the SACU Council of Ministers. This Meeting is being held virtually as a result of the unprecedented times that the world is faced with following the outbreak of the Covid-19 pandemic.
2. I hope the IT arrangements and the facilities made available would meet your requirements.
3. I wish to thank you, Honourable Ministers, for taking time off from your busy schedules to meet as the Council knowing well that we are all pre-occupied in our respective countries to fight the Covid-19 pandemic, as well as strategizing on how we will help stabilize our economies post the pandemic.
4. As this is my first Meeting since assuming the role of Finance Minister in Namibia and as the Chair of the SACU Council of Ministers, allow me to first introduce myself. My name is lipumbu Shiimi. I look forward to

meeting you individually when the conditions are right and also count on your support during the remaining few weeks of my term as Chairperson of the Council.

5. I am also advised that there has been a number of changes since the last Council Meeting in December 2019. Therefore, allow me colleagues to also extend a warm welcome to Honourable Dr Thapelo Matsheka, Minister of Finance of Republic of Botswana, Honourable Thabiso Molapo, Minister of Trade and Industry and Honourable Thabo Sophonea, Minister of Finance, from the Kingdom of Lesotho; and the Honourable Lucia lipumbu, Minister of Industrialization, Trade and SME Development, Republic of Namibia. All these colleagues including myself are attending our first Council Meeting. I look forward to working with all of you in advancing the SACU Agenda.
6. I also wish to thank the Executive Secretary, Ms. Paulina M. Elago and her team for their support in coordinating our Meetings.

**Honourable Ministers,**

7. You may recall that the Council could not meet in April 2020, due to the outbreak of the Corona virus which resulted in all our Member States instituting lockdown measures to curb the spread of the Virus. The pandemic has caused a lot of disruptions to the global economy and livelihood for all of us which is resulting in unprecedented severe economic and social impact. Certainly, the global economy will take many years to recover while the health sector remains overstretched and requires extensive resources not only financial but also human resources, to respond to this global crisis. At the same time, the stimulus packages

to revive our economies require additional financial resources from an already constrained fiscus in our Member States.

8. As of 9<sup>th</sup> June 2020, the number of confirmed Covid-19 cases globally is now approaching 7,000,000. It is of global concern that about 403,128 people have lost their lives due to the pandemic. However, it is also comforting and worth noting that about 3,000,000 people globally have recovered and we pray that more recoveries will emerge.
9. In the SACU region, the number of confirmed Covid-19 cases are now over 51,000 with South Africa recording about 50,879, followed by Eswatini with 340, Botswana with 40, Namibia with 31, and Lesotho with 4 cases. A total of number of 1,084 people have sadly lost their lives due to Covid-19. May their souls rest in peace and we pray that God comfort their families.

**Honourable Ministers,**

10. No single country can address this pandemic alone. We can only do so in a coordinated and collaborative manner at the Global, continental and regional level. In our case, the situation calls for us in SACU to forge a coordinated regional approach as we fight the pandemic and seek to cushion our people from its adverse effects. This collaboration will assist our economies to recover post Covid-19 amidst increased poverty levels as a result of massive job losses amongst others.
11. More specifically, there is a need to ensure access to essential goods to support the fight against the spread of COVID-19 and that their clearance within the borders of the Customs Union is swift and expedited without

any delays. As you will appreciate, most of our economies rely on South Africa as our main source of imports including the supply of essential goods in this case. Closer collaboration is therefore required in order to save lives considering that the health systems are in distress and yet, the timely delivery of medical supplies remains imperative. This also calls for closer collaboration and cooperation amongst stakeholders operating at our ports of entry including Customs, Immigration, Health, Police, Agriculture and Ports Authorities.

12. Prior to the outbreak of the Covid-19 pandemic, the global economy was initially projected to grow at about 3.3 percent in 2020, but this has since been revised by the IMF and is now expected to contract by 3 percent. This downturn is projected to be the worst since the Great Depression in the 1930s. However, there is a glimmer of hope with the IMF forecasting a recovery with a growth of 5.8 percent in 2021.
13. SACU economies are forecasted to contract in 2020, with Botswana by -5.4 percent; Eswatini -6.16 percent; Lesotho -5.7 percent; Namibia -6.9 percent; and South Africa -7.0. However, similarly to the global trends, the SACU region is expected to slowly recover in 2021.
14. Given these developments, we do need to reflect on our own regional agenda and to ensure that it is responsive to this new reality. I believe it cannot be business as usual in the wake of these global and regional developments. I therefore hope that the Council will find time to engage on the Work Programme for the Ministerial Task Teams, which has not progressed much since its adoption in 2017, with some key elements

having stalled due to the fundamental differences amongst the Members on the issues of tariff setting and the revenue sharing. As you will be aware, these issues have been escalated to the Summit for guidance.

15. I am also informed that the bilateral consultations amongst the Heads of State or Government is yet to be concluded. I believe we need to make time, Honourable Ministers, to re-engage on these issues with a view to determining and assessing the progress achieved to date and the scale and scope of what we can realistically take forward. We therefore need to prioritise this process, which obviously has also been greatly impacted by the outbreak of COVID-19.

**Honourable Ministers,**

16. Looking at the Agenda of our Meeting today, our main discussions will be on the impact of COVID-19 on SACU economies and responses to the pandemic. Honourable Ministers, I trust that we can engage fruitfully on the key threats, challenges and our own experience in responding to this Pandemic and what those key imperatives are as we look to enhance coordination on these issues at the regional level now and beyond the pandemic.
17. I am advised that the Commission has met two times since the outbreak of COVID-19. Therefore, we will also consider the key issues and the Recommendations emanating from the Reports of the 55<sup>th</sup> and 56<sup>th</sup> Meetings of the Commission. I believe these are issues that require policy and a regional coordinated approach at the SACU level in light of the COVID-19 pandemic. These include the economic impact of COVID-19 on

our economies, specifically (i) the compilation of the list of essential goods and rebated products for COVID-19; (ii) common measures to expedite the treatment of essential goods at the borders; and (iii) the impact of COVID-19 on the Implementation of the SACU Work-Programme. We will also consider the request for arbitration by the EU in relation to the SACU Poultry Safeguard Measure under the EU-SADC EPA; EU-SADC EPA Rules of Origin; SACU Tariff Offer to the African Continental Free Trade Area; and the extension of the Interim Sugar Rebate Mechanism, among others.

18. I am confident and trust that with your support and cooperation, we shall be able to address these important issues within the time allocated and at the same time allow ourselves to engage on these issues. With these few remarks, I wish the Meeting successful deliberations and I thank you for your kind attention.
19. Allow me Honourable Ministers to call upon the Executive Secretary to make her remarks.