

PRESS RELEASE

SACU CONVENES ITS PREMIER INVESTMENT ROUNDTABLE

12 - 13 April 2022

Gaborone, Botswana (Hybrid)

22 April 2022

The Southern African Customs Union (SACU), comprising the Republic of Botswana, the Kingdom of Eswatini, the Kingdom of Lesotho, the Republic of Namibia and the Republic of South Africa, successfully convened its first-ever Investment Roundtable, on 12-13 April 2022 in Gaborone, Botswana. His Excellency Dr. Mokgweetsi Eric Keabetswe Masisi, President of the Republic of Botswana and Chairperson of the SACU Summit of Heads of State or Government, delivered the keynote address. The event brought together the SACU's Ministers of Trade and Industry, Private Sector, Development Finance Institutions, Senior Government Representatives as well as representatives from Regional and International Organisations.

The Roundtable was held under the theme ***“Positioning SACU as an industrial, investment, manufacturing and innovation hub for the African Continent and beyond.”*** This was informed by SACU's ambition of fast-tracking its industrialisation agenda across the region, through the development of regional value chains and to position SACU to take full advantage of the African Continental Free Trade Area (AfCFTA). SACU's industrialisation programme is aimed at supporting the region's post-COVID-19 economic recovery, creating job opportunities and improving the livelihoods of its people.

The Roundtable provided a platform for an introspection and the exchange of views and insights as well as options on how to position SACU as an industrial and manufacturing hub, through the development of regional value chains. In this regard, thirty-six (36) specific bankable projects or investment and export opportunities were showcased by the Investment Promotion Agencies in the SACU Member States, in the following priority sectors: *Agro-Processing (Leather and leather products, fruits and vegetables and meat and meat products); Textiles and Clothing; Cosmetics and Essential Oils, as well as Pharmaceuticals.*

The Roundtable also explored possible solutions to finance industrialisation, including infrastructure that supports trade as well as export promotion. Challenges identified include access to funding for entrepreneurs, packaging of investment projects, harmonisation of regional payments systems and mobilising resources from capital markets. In order to meet these challenges, possible instruments to mobilise financing for industrialisation that were considered, include pension funds, sovereign wealth funds, debt swaps and remittances from the diaspora. In addition, the options for SACU to leverage funds from existing Project Preparation Facility sources and establishing a Regional Financing Mechanism, were considered.

The Roundtable emphasised the need for urgency to deliver on the industrialisation agenda through the development of regional value chains, especially considering the impact of the COVID-19 pandemic on the SACU economies. It was recognised that the outbreak of COVID-19 highlighted the urgency for the region to invest in technology, with public-private partnerships for the development of soft and hard infrastructure being recommended as viable solutions. In addition, consideration for alternative options for funding and addressing the infrastructure challenges in the region, was made.

The Roundtable further underscored the need for seamless cross-border trade through harmonising regulations to ease trade among the Member States. The high transport costs in the region and the delays in the clearance of cargo were highlighted as some of the key challenges impacting cross-border trade. Consequently, the role of transport corridors in the region as important economic development corridors, was amplified as one of the means to enhance competitiveness of the trading environment in SACU through closer collaboration and partnerships. The region further needs to consider technology, digitalisation as well as intellectual property rights through the development of appropriate brands in addition to the focus on the export of goods. Risk management was also considered from a broader perspective that includes transport, corridors, logistics, formalities and processes as well as the importance of the participation of all key stakeholders in terms of facilitating trade.

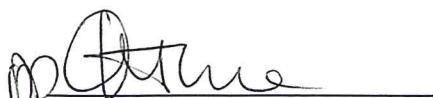
It was further acknowledged that the success of SACU is a collective responsibility of all stakeholders and should not be left to the Governments only. Therefore, SACU should strategically position itself to harness opportunities to boost its own productive capacity and exploit the AfCFTA market through industrialisation. In this regard, the Roundtable facilitated Business-to-Business engagements from which twenty-eight (28) connections were made, whose outcomes may manifest in concrete investment projects over time.

From the insightful statements, presentations and interventions made, as well as the close to one thousand (1000) participants who joined the event virtually and physically in Gaborone, Botswana, the 1st SACU Investment Roundtable served as an impetus to successfully fast-tracking SACU's industrialisation agenda through regional value chains.

Additional information on the Investment Roundtable including presentations made, can be accessed at the SACU website at www.sacu.int.

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