



OPENING REMARKS

BY

**HIS EXCELLENCY, DR. MOKGWEETSI E.K. MASISI
PRESIDENT OF THE REPUBLIC OF BOTSWANA
AND THE CHAIRPERSON OF THE SUMMIT OF THE
SOUTHERN AFRICAN CUSTOMS UNION (SACU) HEADS OF
STATE AND GOVERNMENT**

ON THE OCCASION OF THE

**7TH SUMMIT OF THE SACU HEADS OF STATE AND
GOVERNMENT**

Date: 30th JUNE, 2022

VENUE: GABORONE, BOTSWANA

- **Your Majesty King Mswati III, of the Kingdom of Eswatini;**
- **Your Excellency Dr. Hage Geingob, President of the Republic of Namibia;**
- **Your Excellency Cyril Matamela Ramaphosa, President of the Republic of South Africa;**
- **The Right Honourable Dr. Moeketsi Majoro, Prime Minister of the Kingdom of Lesotho;**
- **Your Honour, Slumber Tsogwane, Vice President of the Republic of Botswana;**
- **Honourable Peggy O. Serame, Chairperson of the SACU Council of Ministers;**
- **Honourable Ministers and Members of the SACU Council;**
- **Your Excellency Paulina Mbala Elago, Executive Secretary of SACU;**
- **Honourable Members of Parliament;**
- **Your Excellencies Members of the Diplomatic Corps;**
- **Distinguished Invited Guests;**
- **Members of the SACU Commission and other Senior Officials;**

- **Officials of the SACU Secretariat;**
- **Members of the Media;**
- **Ladies and Gentlemen;**
- **Good Morning.**

1. It is with great honour that I welcome you all to Gaborone, on the occasion of the 7th Summit of the SACU Heads of State and Government.
2. On behalf of the people of the Republic of Botswana, we are pleased to host you once again for the SACU Summit, following the 6th Summit that was held on the 29th of June, 2018 here in Gaborone. **RE LE AMOGELA KA PULA!!**
3. I am pleased that we are able to meet physically, following the restrictions that we all had to implement to mitigate the spread of COVID-19 in the past 2 years. I therefore wish to express my sincere gratitude to members of the Summit, who are all in attendance today, considering the demands of your respective offices. Your presence bears testimony to the important role that SACU plays in our nations, as the nucleus that binds us geographically and economically.

4. Allow me to welcome the **Right Honourable Dr. Moeketsi Majoro, Prime Minister of the Kingdom of Lesotho**, to the SACU Summit. While **Dr. Majoro** is attending the Summit for the first time in his capacity as the Prime Minister, I do recognise that he is no stranger to SACU, having served as the Minister of Finance of the Kingdom of Lesotho before assuming his current role. We therefore look forward to your valuable contribution and hope to tap into your experience on SACU matters.
5. On this note, let me convey our sincere appreciation to **Dr. Motsoahae Thomas Thabane**, the former Prime Minister of the Kingdom of Lesotho. Dr. Thabane was a member of the SACU Summit until 2020, and his immense contribution is acknowledged.
6. ***Your Majesty, Your Excellencies***, we are gathered here today for the 7th Summit to deliberate on key issues concerning SACU, with a view to providing the necessary political and strategic guidance to the various institutions on the SACU Agenda.
7. We are meeting in the midst of social, economic and geo-political challenges at the global level. As such, it is critical

that we reflect on these developments as they impact us in different ways, at the continental and regional levels.

8. For the past 2-3 years, the COVID-19 pandemic has drastically changed our lives. We have seen and experienced dramatic transformation such that the way we used to do things pre-COVID era seems like a bygone era. Within a noticeably short space of time, human lives were lost, livelihoods altered, our economies and cross-border logistics and supply chain management that facilitates the movement of essential supplies disrupted, to such magnitudes that the socio-economic ills that we were battling with, were all aggravated by this pandemic.
8. Our Governments had to find ways to contain the spread of the corona virus and ensure that the already limited financial resources adequately service the overstretched public facilities in order to save lives and our economies. You will certainly recall that the delays in our countries accessing the vaccines and the subsequent challenges on their uptake, further hampered our efforts to fight this scourge.
9. Whilst we are slowly getting to normalizing living with COVID-19, we need to reflect on the lessons learnt from this pandemic. Key among these is how we can further strengthen

our collaboration and cooperation, as sisterly neighbouring countries and trading partners, in dealing with similar challenges in the future. In addition to the efforts aimed at reviving our economies, of critical importance is also how we can make our economies to be more resilient when faced with the prospect of similar crisis in the juncture.

10. I must hasten to acknowledge and commend the Secretariat for ensuring that it continued to execute its work and facilitate the Meetings of the Institutions of SACU even at the height of the pandemic. This is attributable to the Secretariat having adopted and invested significantly in Information and Communication Technology infrastructure which enabled the Officials at the Secretariat, to transition to work virtually without major disruptions. This was certainly a good return on our investment.
11. Guided by our aspiration of regional industrial development, we need to take lessons from what we could have done differently to inform what to do better going forward. This will enable us to efficiently harness our limited resources to implement our post-COVID-19 economic recovery plans.
12. As Members of a Customs Union, stronger regulatory and administrative collaboration can only aid us in responding in a

coordinated manner; to facilitate the seamless movement of goods within the Common Customs Area. It is only through mutual partnerships, that our people and traders can derive the maximum benefits from what SACU aims to achieve.

13. **Your Majesty, Your Excellencies,** with regard to developments on the economic front which impact our economies, you would be aware that in January 2022 there was some optimism that the global economy would continue the positive trajectory and record a growth of 4.4 percent, lower than the 6.1 percent in 2021. However, with the ongoing Russian-Ukraine conflict, growth prospects have now been dimmed and growth is estimated to slow down to 3.6 percent in 2022.
14. You will certainly agree with me that the Russian- Ukraine conflict has worsened the already depressed economy due to the impact of the COVID-19 pandemic. This, together with the disruptions of the global supply chains, has resulted in a surge in inflation the world over, including in our region. The surge in inflation, especially for food and energy, remains a present global risk which is hurting consumers and wearing down their purchasing power.

15. With regard to emerging markets and developing countries, growth projections for 2022 stand at 3.8 percent compared to 6.8 percent in 2021, with an improvement forecast in 2023 to 4.4 percent. In Sub-Saharan Africa, growth forecast has been revised downwards to 3.8 percent for 2022 and 4 percent for 2023.
16. In relation to trade, for the year 2020, global trade was estimated at US\$22 trillion representing a contraction from the US\$25 trillion recorded in 2019. This, however, rebound in 2021, by more than US\$ 6 trillion, reaching US\$28 trillion and is projected to decline in 2022.
17. For the SACU region, the overall weighted growth is estimated to have contracted by 6.5 percent in 2020, down from 0.3 percent in 2019, amid recent growth revisions by the Member States. Growth is estimated at 4.9 percent in 2021 and would decline in 2022.
18. We are now at a stage where there is increasing risk for stagflation. This calls for us as a region, to undertake countercyclical measures to cushion our economies. It further highlights the importance of accelerating the implementation of our economic recovery plans and continue to mobilise the necessary financial support.

19. ***Your Majesty, Your Excellencies***, In order for the Summit to effectively discharge its mandate, it will be critical that we reflect on progress achieved in the implementation of the resolutions from our last Summit. It is only through such introspection that we can ensure that we advance our objectives as espoused under the SACU Agreement of 2002, and ultimately deepen regional integration and economic development.
20. You will recall that in June 2018, the Summit considered progress on the implementation of the Work Programme for the Ministerial Task Teams on Trade and Industry and on Finance, as well as developments on the SACU Trade Agenda. The Work Programme addressed a number of key focused and fundamental areas of intervention for SACU. Whilst noting the progress made, the Summit emphasised the importance of expediting the conclusion of this work so that the results were tangible for the benefit of the region.
21. Additionally, the Summit resolved to meet later in 2018, for further strategic engagements on the SACU Work Programme. Whilst this did not materialise due to the need for extensive national consultations that were required, I am elated to note that the various consultations and

engagements undertaken by our Council of Ministers since that time, have been fruitful. This is particularly so because the work was undertaken in the middle of the COVID-19 pandemic. The Council of Ministers and other Institutions convened virtually, to discharge their responsibilities.

22. The Summit will therefore today consider a report from the Council of Ministers on the **Refocused Work Programme** as well as the **Strategic Plan for SACU (2022-2027)**. We commend the Honourable Ministers and their Officials in advance, for the tireless efforts in developing these key documents.

23. I am reliably informed that the **Refocused Work Programme** reaffirms the decision of the 3rd Summit to prioritise Industrialisation as SACU's overarching objective. This will be attained through four distinct priorities, namely:

(a) the development of regional value chains, investment attraction and export promotion;

(b) financing for Industrialisation;

(c) Trade Facilitation and Logistics; as well as

(d) the implementation of the African Continental Free Trade Area (AfCFTA).

24. It is gratifying that the five SACU States were able to reach consensus on such critical aspects that will help propel our economies, considering the different levels of economic development. It is my belief that all aspects on the SACU Agenda and key frameworks, were considered in the formulation of this Work Programme to ensure that its implementation is mutually beneficial and a success.
25. As you may all recall, SACU recently successfully hosted its first ever Ministerial Investment Roundtable on 12th to 13th April, 2022, in Gaborone, Botswana, under the theme ***“Positioning SACU as an industrial, investment, manufacturing and innovation hub for the African Continent and beyond”***. The Roundtable forms part of the key deliverables in the broader SACU Industrialisation, Export and Investment Promotion; and the Trade Facilitation and Logistics Programme.
26. Equally, we welcome the development of the Strategic Plan for SACU. This provides a good roadmap and framework for SACU’s development and progression over the next five years. Through this document, SACU has a Plan that outlines the Strategic Pillars that will inform its actions over the implementation period and responses to emerging

international, continental and regional opportunities and challenges. It is therefore a critical tool to guide SACU's interventions in achieving its Vision and Mission which have been reaffirmed in the Strategic Plan, as well as our founding objectives contained in the SACU Agreement of 2002.

27. ***Your Majesty, Your Excellencies,*** As we continue to implement our Trade Agenda as a bloc, we need to commit ourselves to ensure that SACU fully benefits from the market opportunities created under Trade Agreements concluded with third parties. This can be achieved by a balance of the different interests and levels of development of the SACU Member States, in the outcomes.
28. In this regard, it is critical to successfully implement the AfCFTA; EU-SADC Economic Partnership Agreement; SACU, Mozambique and United Kingdom Economic Partnership Agreement; SACU-EFTA Free Trade Area Agreement and the SACU-MERCOSUR Preferential Trade Agreement. All these Agreements present an opportunity for the SACU region to diversify its exports as well as deepen integration for the economic development of our nations.
29. In addition, whilst acknowledging that the SACU Agreement of 2002 only focuses on trade in goods, it is increasingly

becoming evident that for the region to prosper, SACU should also evolve.

30. This requires that we develop and coordinate SACU positions on the emerging trade-related areas such as investment, intellectual property rights, competition and e-commerce. This will assist us in harnessing opportunities that can accelerate the industrialisation process of the SACU economies.
31. On behalf of Members of the Summit, we look forward to receiving the report from the Council of Ministers for our consideration. Once again, we commend you Honourable Ministers for this achievement.
32. We also acknowledge the work of the Executive Secretary and her team at the Secretariat in Windhoek. We thank them for their dedication and usual efficiency in supporting all the Institutions of SACU.
33. In conclusion, I wish to reassure you of Botswana's commitment to ensuring the success of this Summit. We appreciate the support and cooperation that has been rendered to Botswana, during our term as the Chair of the

Institutions of SACU. We will equally continue supporting all the initiatives of SACU after our term ends.

34. ***Your Majesty, Your Excellencies, It is my honour to declare the 7th Summit of the SACU Heads of State and/ or Government officially open and wish you successful deliberations.***

I thank you for your attention.

PULA!