



REPUBLIC OF BOTSWANA

REMARKS

BY

**HIS EXCELLENCY DR MOKGWEETSI E.K. MASISI,
THE PRESIDENT OF THE REPUBLIC OF BOTSWANA**

ON THE OCCASION OF THE

SACU INVESTMENT ROUNDTABLE

DATE: 12TH APRIL 2022

VENUE: GICC

- **Director of Ceremonies;**
- **Chairperson of the SACU Council;**
- **Honourable Ministers and Members of the SACU Council;**
- **Your Excellency Mr. Wamkele Mene, Secretary General of the African Continental Free Trade Area (AfCFTA) Secretariat;**
- **Ms. Paulina Mbala Elago, Executive Secretary of SACU;**
- **Your Excellencies Members of the Diplomatic Corps;**
- **Captains of industry and Sector representatives;**
- **Members of the SACU Commission**
- **Distinguished Guests and Panellists;**
- **Officials of the SACU Secretariat;**
- **Members of the Media;**
- **Ladies and Gentlemen.**

Good morning to you all.

1. It gives me great pleasure to welcome you all to the Republic of Botswana and to this Investment Roundtable. I also wish to convey my deepest appreciation for your participation both virtually and in person in this event, the first of its kind within the Southern African Union Customs (SACU).
2. I trust that you have all travelled well and believe that the facilities put at your disposal and the arrangements made are satisfactory despite the COVID-19 challenges that are still in our midst.
3. Allow me also to convey my appreciation to Your Excellency, Mr Wamkele Mene for your insightful remarks on the work done by the African Continental Free Trade Area (AfCFTA) and how this work relates to the work of the SACU Region.

4. This Roundtable is taking place in the aftermath of the successful completion of the Dubai 2020 Expo where all the SACU Member States participated. Our countries showcased their investment opportunities and developmental potential. In this regard, the hosting of this Investment Roundtable is a good way to transition into the Region's focused approach in support of our collective investment promotion drive.

5. **Your Excellencies, and Distinguished Ladies and Gentlemen,** this event is also taking place at a time when we continue to face the social and economic impacts of COVID-19 which resulted in the overall weighted growth contraction of 6.3 percent in 2020 for the Region compared to a positive growth of 0.3 percent in 2019.

6. In the language of the non-economist, our citizens will grasp that the "contraction of our economies growth" means that the volume of goods and services produced

was diminished; livelihoods were ravaged as economic activities were disrupted or came to a standstill.

7. Life was filled with harrowing experiences, such as the closure of many businesses, resulting in loss of jobs and incomes for workers, and also reduced corporate tax revenues for governments. Those who make a living in the informal sectors, and usually referred to as street hawkers, were the hardest hit in our communities.

8. Our people would, furthermore, understand that there was massive loss of lives of loved ones; massive incidences of morbidity (or ill-health), absenteeism and low productivity in the surviving businesses, whilst investment opportunities were also curtailed by disruptions in the supply chain of raw materials due to mandatory restrictions on movement and transportation of goods, as well as total lockdowns of countries, in some instances.

9. However, the challenges arising from the pandemic also present an opportunity for the region to create and develop production capacity that will fill the commodity gaps and allow for increased production in the affected sectors, particularly on pharmaceuticals and agricultural products. ***Here lies the practical wisdom of the English adage that: "Behind dark clouds there is a silver lining".***
10. Therefore, it is of critical importance for SACU to work together to advance regional integration objectives and find solutions to these global problems and challenges facing us.
11. **Distinguished Guests**, the main objective of the SACU Agreement, 2002, is to enhance the economic development, diversification, industrialisation and competitiveness of the five SACU Member States. In particular, Article 38(1) of the SACU Agreement specifically states that *"Member States recognize the importance of balanced industrial development of the*

Common Customs Area as an important objective for economic development”.

12. In line with this mandate, the SACU Member States have adopted regional industrial development as an overarching objective that would underpin the region’s development and integration agenda.
13. It is with that in mind that SACU has a common vision to advance work on industrialisation to take advantage of the opportunities that have been created by the AfCFTA. This will be achieved through a coordinated approach that will ensure that all the SACU Member States benefit from the industrialisation initiatives undertaken by the region.
14. I am highly optimistic that the priority sectors of Agro-processing, Textiles and Clothing as well as Pharmaceuticals and Cosmetics and Essential Oils identified in the SACU Work Programme will propel SACU

to be an industrial and innovation hub for the African Region. The identified priority sectors offer immense and credible opportunities for the development of regional value chains across the SACU Region, as observed from the trade and production figures.

15. In 2020, for example, the trade deficit for the textiles and clothing sectors between SACU and the world measured about US\$8.0 billion and US\$3.3 billion, respectively. In the cosmetics and essential oils sector, SACU's exports to the world amounted to R17.66 billion and R6.2 billion, respectively. The Region has comparative advantage in the production of essential oils as demonstrated by the existing capabilities and capacities to cultivate, harvest and produce oils like, eucalyptus, rosehip and morula, amongst others.
16. Agro-processing also provides a unique opportunity for the region given its abundant resources and raw materials, especially for fruits and vegetables; and meat

and meat products. For the latter, SACU produces about 3.6 million tons, representing 1.1 percent of the world's total meat production, whilst on leather and leather products, in 2018, SACU's imports amounted to R25.9 billion with exports totalled R11.9 billion. This resulted in a trade deficit of R13.9 billion.

17. **Distinguished Ladies and Gentlemen,** this Roundtable also provides an opportunity for focused policy dialogue especially with SACU Trade Ministers and Policy Makers on the critical policy interventions and measures required to develop the priority sectors in SACU. Furthermore, the Roundtable provides opportunity for enhancing the competitiveness of the trading environment; a synopsis of the key investment opportunities as well as opportunity for Business-to-Business sessions featuring investment projects and promoters.

18. As we all know, Governments alone cannot achieve the ambition of transforming the SACU region. It is important to have such engagements to collaboratively partner with the private sector, development finance institutions and other regional organisations.

19. We have learnt over the years that collaboration and partnerships result in the generation of sustainable growth, employment creation and poverty reduction. This is more critical today, more than ever before, considering the adverse impact the COVID-19 pandemic has had on our economies. We should therefore, continue to strengthen our collaboration with a view to achieving mutual benefit and collective prosperity for all our Member States.

20. For our part as Governments, we will continue to ensure that an enabling environment is in place for investments and trade in general to realise our ambition of industrial transformation.

21. Furthermore, the discussions today are intended to inform the development of a focused regional Investment Plan and strategies to guide the practical implementation of the SACU Industrialisation Work Programme.
22. Industrialisation has proven to be a catalyst for development for many economies. This is because investment allows for generation of employment opportunities; provides educational opportunities; encourages advancement and innovation, and better utilisation of the existing resources. Given the factor endowments in the SACU Member States, we should ensure that this industrialisation programme bears immediate fruitful results for both the public and private sector.
23. **Your Excellencies**, and Distinguished Guests, this Roundtable has, indeed, come at an opportune time

when the African Continent is implementing one of the world's largest Free Trade Agreements as well as the time when the world needs to undertake extraordinary measures to revive and prepare their economies for the transition post-COVID-19 pandemic.

24. In taking advantage of these prevailing opportunities, concerted efforts will be required by both the public and private sector to lay the foundation for a more resilient regional economy by investing in job-rich, highly productive priority projects and greener activities. This is in line with the priority sectors and their respective strategic projects identified for economic transformation by the SACU region.
25. I, therefore, encourage you all to participate fully in this Roundtable, brainstorm and share ideas on how to pragmatically take this work forward.

26. Furthermore, today's deliberations require contributions on the development of measures and mechanisms that will allow the private sector participating to ensure that their engagements lead to securing investments, including development of joint ventures. The need for bilateral engagements in platforms like this Roundtable, provide the private sector with the opportunity to engage and leverage these opportunities.

27. Our engagement will also engender discussions on how to ensure financing and mobilisation of resources for industrialisation, infrastructure and technology development in SACU. This is important in unlocking the SACU region's industrial development capacity.

28. Given the composition and expertise of the speakers gathered here today, as well as the wide spectrum of Stakeholders participating both virtually and in-person, I believe that we will be able to achieve and deliver on the expected outcomes of this Roundtable.

29. **Distinguished Guests**, allow me, at this stage, to commend the SACU Council of Ministers through the respective teams of the Technical Committee of Senior Officials and private sector representatives from all SACU Member States as well as the SACU Secretariat, for working tirelessly to ensure that this programme comes to fruition.
30. In conclusion, it is my greatest honour, on behalf of people of the Republic of Botswana and the entire SACU Region, to host you today in our beautiful city of Gaborone. I now declare the first ever Investment Roundtable for SACU officially open.
31. I wish you fruitful deliberations and a great stay in Botswana.

I thank you.
