

ADDRESS BY PRESIDENT JACOB ZUMA AT THE INAUGURATION OF THE SACU
HEADQUARTERS BUILDING, WINDHOEK, NAMIBIA

12 NOVEMBER 2015

Your Excellency, Dr Hage Geingob, President of the Republic of Namibia;

Your Excellency, Lieutenant General Seretse Khama Ian Khama, President of the Republic of Botswana;

Your Excellency, Dr Dlamini, Prime Minister of the Kingdom of Swaziland;

Your Excellency, Mr Metsing, Deputy Prime Minister of the Kingdom of Lesotho;

Honorable Ministers and Deputy Ministers;

Executive Secretary of SACU;

Senior Officials;

Distinguished Ladies and Gentlemen

Let me take this opportunity, first, to express my personal gratitude to our host, President Geingob, his Government and the beautiful people of Namibia for the hospitality extended to us since our arrival. The hospitality afforded to us and indeed the wonderful welcoming remarks by President Geingob have suddenly reminded us that we are one people. We belong to the same region and we share the same history and aspirations.

Let me also hasten and extend our profound gratitude to the Government and people of Namibia for generously donating the land on which our SACU Headquarters are built.

Ladies and gentlemen,

It was on 22nd April 2010 that we marked a historic occasion of the celebration of the 100 years of SACU on this very site.

Today, five years later, we meet again to mark yet another milestone which is the conclusion of a project to build the SACU Headquarters' building.

As we meet here today we are fully conscious of the collective responsibility we bear towards Africa's Founding Fathers to promote continental and regional integration.

The visionary words of Dr Kwame Nkrumah are worth repeating when he said: "The forces that unite us are intrinsic and greater than the superimposed influences that keep us apart." These words are as important today as there were decades ago.

We are pleased therefore to gather as regional leaders today to witness the official launch of the SACU Headquarters' Building, which is a symbol of our collective effort to promote regional growth and development of the SACU region and its people, as well as a symbol of unity among SACU Member States. This is therefore an important and historic gathering.

Your Excellencies, ladies and gentlemen,

We meet in a time of global turbulence, framed by the uncertainty of a seemingly fragile world economic recovery and outlook.

Effective regional integration is of particular pertinence now, especially with uncertainty surrounding the global economy and stagnation still likely to continue in traditional markets such as Europe.

Enormous opportunities for cross-border trade within Africa in food products, basic manufactures and services remain unexploited. The cross-border production networks that have been a salient feature of development in other regions, especially East Asia, have yet to materialise in Africa. Hence, the renewed focus on sectoral cooperation through a value-chain approach to industrial development.

We need to utilise our resources to change the region's fortune away from an exporter of primary products and an importer of manufactured goods.

Challenges in our own continent remind us of the immense burden of responsibility we carry as African leaders, to bring about substantive improvements to the material wellbeing of all our citizens.

As such, we are compelled to create enabling environments for our economies to prosper and grow.

Sustainable economic growth and development is essential if we are to support the creation of more sustainable livelihoods for our citizens and in particular our youth, through the provision of decent jobs and employment.

We therefore need to align developmental strategies and programmes aimed at poverty alleviation, under-development, food security and the like across national, regional and continental boundaries.

There is no single country that can prosper on its own. Our destinies are intertwined. Our economies are inextricably linked and our market is small, by global standards.

Global growth is expected to be the slowest since the Great Recession. This new world order is characterised by lower commodity prices which are likely to stay low for the foreseeable future, and weakening of currencies resulting from slow growth in the economies of our major trading partners, particularly China.

Ladies and gentlemen,

Developing economies such as ours face widening trade deficits resulting from low commodity prices and weak demand for imports has come to put pressure on our foreign exchange reserves and, consequently, on our fiscal and monetary policies.

As SACU Member States, we need each other more than ever before.

We need to consider very seriously what we can do to avert these crises for the benefit of our people.

It is my considered opinion that as we celebrate another achievement in SACU we should spare a moment to reflect on all these urgent and pressing challenges.

It cannot be business as usual, we need to develop practical work programmes that address the challenges we collectively face to promote complementarities between our economies. We need to consider a funding mechanism that will ensure speedy and effective implementation of agreed programmes. This requires that we take charge of our destiny due to limited resources and aid globally.

Ladies and gentlemen,

Diversification is important. An economy and export basket concentrated in a few products could be very vulnerable and prone to destabilization. Sustainable and continued economic

development becomes very unlikely, if not impossible, in such a destabilized economic environment.

In addition, a strong and diversified manufacturing sector across the region will increase the impact of SACU as an integration tool for all of us. Competitive and diversified manufacturing will increase the trade potential among us.

Ladies and gentlemen,

As SACU Heads of State and Government, we have met several times and, on 12 April 2013, we signed the Amendments to the SACU Agreement of 2002, institutionalising the SACU Summit. We have noted that the SACU Council of Ministers had streamlined the five-point priority list to underpin the SACU work programme on regional industrial development as an overarching objective of the SACU.

The work programme included eight priority sectors with potential for cross-border collaboration: i) Textile, clothing and apparel; ii) Agro-processing; iii) Mineral beneficiation and processing (including mining and quarrying); iv) Leather and leather products; v) Automotive, including automotive components; vi) Energy, including renewable/alternative energy; vii) Arts and crafts;

and viii) Support Services (Information and Communication Technology (ICT); Financial skills development; Infrastructure, Transport and logistics; and Engineering).

We must therefore act purposefully to strengthen and identify competitive advantages in value added production and trade, including through the development of complementary cross-border value chains.

Well-developed infrastructure, as well as the market size offered by the combined SACU member states' markets, are essential underpinnings for industrial development and are key to foster economic development.

Ladies and gentlemen,

SACU has a potential through collective effort to address the challenges facing the region.

Our economies have resources that can be utilised to spur economic growth through the development of both our agriculture and manufacturing sector. We must redouble our efforts to build and rehabilitate the regional infrastructure that must underpin production and trade growth.

We also agreed that SACU continues to play an important role in the economies of its Member States and that it should be transformed into a vehicle for regional integration capable of promoting equitable development and the new SACU Vision. Consequently, as leaders, we agreed on the need to take bold decisions, requiring a collective commitment towards securing the long-term economic prosperity of our region to the benefit of our people.

Ladies and gentlemen,

As we inaugurate this eco-friendly and state of the art building, we should move beyond strategies towards programmes that meet our strategic objectives.

Our people expect a lot from us. They expect us to create employment opportunities, they expect us to deliver social services.

With our collective effort, we can deliver these and we need to commit ourselves to doing exactly that. We dare not fail!

I thank you!

Issued by The Presidency

Pretoria