

Address at the 21st Plenary Assembly of SADC Parliamentary Forum

Usambara Lodge, Mogale City: 14 November 2006

Programme Director,
Chairperson of the SADC Parliamentary Forum, Amusaa Mwanamwambwa,
Secretary General of the SADC Parliamentary Forum, Kasuka Mutukwa,
Honourable delegates and Members of the Parliaments of the SADC region,
Distinguished Guests,
Ladies and gentlemen:

Thank you for inviting me to this 21st Plenary Session of the SADC Parliamentary Forum. On behalf of the government and people of South Africa, I convey our warmest greetings to the Honourable Parliamentarians and elected representatives of the sister peoples of Southern Africa.

I would also like to take this opportunity to wish our Pan African Parliament, whose sixth sitting started yesterday, on Monday, a successful session, as it grapples with various matters such as the elections in the Democratic Republic of Congo, the situation in Darfur, the transition programme in Côte d'Ivoire, progress towards African political integration, the implementation of the NEPAD programme, the outcomes of the African Peer Review Mechanism, and other challenges facing our continent.

As we know, SADC celebrated its Silver Jubilee in 2005. When it was constituted in 1980, SADC comprised of only eight Member States. But these eight states were driven by a strong determination to end colonialism and apartheid in our region.

Indeed, the spirit that united some of the independent states in our region to form the important group known as the Frontline States and the determination to ensure that this region is constituted of free and independent member states, despite the huge military and economic damage that would incur as a result, should similarly drive all of us as we confront the twin enemies of poverty and underdevelopment.

We clearly need the same resolve to ensure that all citizens in our countries are properly empowered with education, knowledge, information and skills fully to participate in the liberating democratic processes and economic activities in our region, and thus reinforce their role as agents of change, in their own interest.

This is very central to the success of our common endeavour to create a better and prosperous future for our region. This strong resolve is critical for us as a region if we are to redefine the content of the leadership we must provide, as our predecessors who constituted the Frontline States provided the leadership that shaped Africa as a continent free of colonialism and apartheid.

To guide us in this regard, we will rely, among other things, on the objectives contained in the SADC Treaty. These objectives include the imperative for us to:

- Achieve development and economic growth, alleviate poverty, enhance the standard and quality of life of the peoples of Southern Africa and support the socially disadvantaged through regional integration;
- Evolve common political values, systems and institutions;
- Promote and defend peace and security;
- Promote self-sustaining development on the basis of collective self-reliance, and the interdependence of Member States;
- Harmonise political and socio-economic policies and plans of Member States;
- Mobilise the peoples of the region and their institutions to take initiatives to develop economic, social and cultural ties across the region; and,

- Develop policies aimed at the progressive elimination of obstacles to free movement of capital and labour, goods and services, and of the peoples of the region generally within the Member States.

With reference to all this, in your own "Strategic Plan 2006 - 2010", you said:

"The slow pace at which regional agreements and programmes are being implemented is adversely affecting the quality of life of citizens. Part of the problem is the slow pace with which national laws are being harmonized and aligned in order for SADC Protocols to be implemented. The Forum believes that through this objective parliamentarians will become more involved in regional integration issues and provide the link between the regional and national platforms."

This year's Annual SADC Summit held in Maseru, prompted by observations made by its outgoing Chairperson, President Festus Mogae, endorsed your conclusion, that "The slow pace at which regional agreements and programmes are being implemented is adversely affecting the quality of life of citizens."

Accordingly, as the Forum is aware, last month, on October 23rd, we held an Extraordinary Summit Meeting of SADC to address this common concern.

With your permission, I would like to reiterate at this important meeting remarks I made in an article I wrote immediately after the Extraordinary Summit Meeting, in which I sought to communicate my views of what our region needs to do to accelerate the process of regional economic integration, the area of regional integration on which the Summit focused.

I do not repeat these remarks to say anything new, but to emphasise the importance of the need for us to do better today and tomorrow than we did yesterday and the day before. This is what I said in part:

"After detailed discussions, the (Extraordinary) Summit confirmed previous SADC decisions that we should still aim to transform the SADC region into a Free Trade Area (FTA) by 2008. This means that products and services originating from within the region would be traded among the SADC Member States free of tariffs.

"The Summit also agreed that we should still aim to create a SADC Customs Union (CU) by 2010. This would mean that in addition to the duty free tariff regime within the FTA, the SADC region would maintain a common external tariff with regard to goods and services originating from the rest of the world. This means that the customs revenues collected by the Member States would be put into a common pool and then shared out according to an agreed formula.

"It is obvious that these developments, the FTA and the CU, would represent major steps forward towards the economic integration of the SADC region. Of course, we must make the point that this integration is not an end in itself.

"It is an important part of the objective shared by the SADC Member States, as rapidly as possible to reduce poverty and underdevelopment, improve the lives of all our people and achieve balanced and shared growth and development for the countries of our region.

"It therefore follows that the steps we must take along the path to integration cannot be measured just against technical indicators but by the extent to which they contribute to our shared developmental goals.

"Regional integration is rightly being pursued not just in our own region, but across our Continent, as a critical instrument to boost economic growth and raise living standards. But we need to recognise that regional integration in the developing world has all too often been a graveyard of failed expectations. It is

therefore important that our region carefully prepares the ground to make any integration steps it takes sustainable.

"Currently available figures indicate that in the six or so years up to 2003, intra-regional SADC trade increased from 20% to 25% of total regional trade. Undoubtedly, this represents progress. But a critical question we must answer is - what is the pattern of this trade?

"All indications suggest that much of it continues to be made up of exports of manufactured goods from South Africa to the rest of the region, with a much smaller volume of imports into our country from the rest of the region. In reality, the trade imbalance in our region remains virtually unchanged, despite the measures that have been taken to implement the 1996 SADC Trade Protocol that directed that we should create the FTA.

"Why is this so? It cannot be fundamentally because of tariffs. This is because our country has, as a result of the implementation of our obligations under the SADC Trade Protocol, already removed duties on over 90% of goods originating from SADC countries.

"Unquestionably, the fundamental reason for this imbalance is due to underdeveloped production capacity and inadequate infrastructure in the sister SADC Member States - in other words, the historically evolved supply side capacity constraints. (This underlines the importance of ensuring that as we work to promote the economic integration of our region, the obviously dominant position of the South African economy does not serve further to entrench the underdevelopment of the other SADC Member States.)

"What this highlights is that any programme to promote greater trade integration in a region such as ours, must be complemented by programmes of sectoral cooperation focused on the creation of the conditions that would enable producers to emerge in the SADC countries, who would be able to take advantage of the additional market access opportunities that regional integration would create.

"Practically, this means that we need to give clear guidelines for an FTA Work Programme to identify and implement a range of complementary programmes that are necessary to make a SADC FTA function effectively as a tool to promote equitable and mutually beneficial developmental economic relations among us.

"Among other things we need to ensure that:

- we are on track to promote macro-economic convergence around agreed indicators;
- our infrastructure development cooperation programmes, Spatial Development Initiatives and sectoral programmes make the necessary progress;
- we begin to achieve some level of harmonisation of industrial development strategies and competition policies, as called for in the 1996 SADC Trade Protocol; and,
- in general, we carefully elaborate a detailed and realistic but muscular Activity Matrix necessary actually to create the FTA, with the processes in place to achieve the objective of balanced, mutually beneficial regional economic integration.

"Everything we know from global experience, our actual regional reality, as well as general economic postulates, has convinced us that only by laying a solid basis for a properly functioning FTA will we be in a position to advance towards a Customs Union (CU).

"Without establishing a proper basis for duty free trade within the SADC region, and putting in place programmes that will boost the capacity of our partner SADC countries to produce tradable goods, resulting in better trade balances within our region, a common Customs Union external tariff would be meaningless.

"The Summit agreed to authorise a study to identify an "appropriate model" for a SADC Customs Union. Necessarily, the study will have to canvass thoroughly all issues and options. Obviously, afterwards, we will have to allow time and space for all our countries to participate in the elaboration of a practical programme of action for the creation of a SADC Customs Union, based on the necessary analytical rigour to ensure that we do not make a false start.

"Inevitably, among others, these negotiations will have to answer such questions as:

- how do all of us disengage from all regional economic structures outside SADC;
- how do we relate to all other extra-SADC trade and economic agreements into which we might have entered; and,
- how do we ensure that the Economic Partnership Agreements currently being negotiated with the EU by all SADC Member States, except South Africa, do not serve as an obstacle to the envisaged SADC Customs Union?

"Once again, a series of complementary measures in areas of sectoral cooperation and macro-economic convergence would need to be identified and implemented to achieve the developmental objectives of a SADC Customs Union.

"The timeframes we set ourselves earlier, relating to the FTA and the CU, were based on our estimation of the time it would take us, based on perceived objective reality, to achieve these outcomes. It is only logical that our experience, or dynamic objective reality mediated by practice, will serve as our teacher, telling us whether the circumstances necessitate any changes in our target dates.

"With regard to the CU, because of our commitment to balanced and shared economic development in our region, (the South African) government acknowledges and accepts the need for an asymmetrical distribution of the common customs revenues that would accrue to the Customs Union, using, inter alia, such new institutions as a development fund to enhance the trade capacity of all our Member States, especially the most disadvantaged.

"To avoid unnecessary tension and conflict among ourselves in future about such compensation for various Member States as may be necessary as a result of the establishment of the SADC CU, it would be important that the Member States agree upfront that these costs would be shared among the Member States on an agreed basis, and strictly defined in terms both of timeframes and relative dimension, taking into account the interests of all Member States.

"Fundamental to our approach with regard to all the issues we have discussed, we must also emphasise that we would prefer options that would allow us to maintain the unity of SADC. In this regard, we can never forget that SADC was forged in the struggle for freedom from colonial and apartheid rule, among a group of countries that have been part of one region that has had meaning in more than a mere geographic sense since, at least, the 3rd quarter of the 19th Century.

"It is clear that we have major tasks ahead of us, to elaborate and implement the organically related measures that will enable us to achieve the critically important, balanced and equitable regional integration that is a fundamental condition for:

- the sustained and sustainable development of the SADC region;
- our shared success in freeing the ordinary working people of our region from the scourges of unemployment, poverty and underdevelopment;
- creating a firm basis for our region successfully to respond to the challenges of globalisation, including strengthening South-South relations of equitable and mutually beneficial cooperation;
- the creation of the possibility for us to make our necessary contribution as a region to the vitally important project of African integration and unity; and,

- our related capacity to contribute to the emergence of a new world order that would fully restore Africa and the African Diaspora to their rightful place among the world community of nations."

I believe that what I have said constitutes a realistic and necessary agenda to which SADC must respond with a sense of urgency. Last month's Extraordinary Summit Meeting took the necessary practical decisions in this regard, reflecting the resolve of the executive authorities in our region to achieve progress.

The sad reality is that this Forum was not represented at this Extraordinary Summit Meeting. Despite its importance, derived from the fact that it is a collective representative of our democratically elected legislatures, this Forum was not factored into the decisive regional dialogue that has begun, focused on accelerating the process of our regional integration.

Obviously, this cannot be correct. Together we must therefore answer the question - what is to be done! If I may, I would like to make a few supremely practical suggestions, as follows:

- the Forum should contact the SADC Secretariat to access all documentation that bears on the decisions of the Extraordinary Summit Meeting;
- the Forum should persuade the SADC Secretariat to agree on processes that would ensure that it forms a partnership with the executive authorities delegated the task to implement the decisions of the Extraordinary Summit;
- to establish itself as a credible partner in this regard, the Forum will have to do the necessary work to ensure that it makes a meaningful contribution to the elaboration of the realistic regional integration programme that informed the decisions of the Extraordinary Summit; and,
- as this work progresses, the Forum will have to take the necessary steps to ensure that all the SADC parliaments and the public in general are briefed regularly about the work being done, especially to ensure that the masses of our people, throughout the SADC region, feel a sense of ownership of the integration plans that will emerge from the processes decided by the Extraordinary Summit.

I make these proposals in part to respond to the concern you expressed in your "Strategic Plan 2006 - 2010", in the following words:

"It is clear that the Forum was convinced of the need to constitute a regional assembly right from the outset. The issue of a regional assembly was a consistent item on the agenda of the Forum plenary sessions. The Forum made concerted efforts to promote the establishment of a regional parliament, for which it submitted motivational documentation to the SADC Secretariat. After review of such submissions the Council of Ministers recommended the approval for the establishment, in the long term, of a SADC parliament by the Summit.

"The Summit in turn concluded that while the proposal to establish a regional parliament would be welcome, the institutionalization of the recently established Pan African Parliament (PAP) should take precedence. The Summit resolved that as the region hosting the PAP, Southern Africa should, for the time being, work for the successful establishment of the continental parliament. Consequently, the establishment of a regional parliament was deferred, to be considered as a long-term objective."

I know that you are not entirely happy with this outcome. I agree fully with you that you should continue to advocate the establishment of a regional parliament.

However, I also believe that as this discussion continues, we should insert the Forum into the current processes to address the challenge of "the slow pace at which regional agreements and programmes are being implemented", without waiting for the establishment of the regional parliament.

I am convinced that the fact of the involvement of the Forum in the practical work of accelerating the process of regional integration would, in a concrete manner, demonstrate the need for the establishment of the regional parliament to which all of us, in principle, have agreed.

In the article to which I have referred, I said:

"It is clear that we have major tasks ahead of us, to elaborate and implement the organically related measures that will enable us to achieve the critically important, balanced and equitable regional integration that is a fundamental condition for:

- the sustained and sustainable development of the SADC region;
- our shared success in freeing the ordinary working people of our region from the scourges of unemployment, poverty and underdevelopment;
- creating a firm basis for our region successfully to respond to the challenges of globalisation, including strengthening South-South relations of equitable and mutually beneficial cooperation;
- the creation of the possibility for us to make our necessary contribution as a region to the vitally important project of African integration and unity; and,
- our related capacity to contribute to the emergence of a new world order that would fully restore Africa and the African Diaspora to their rightful place among the world community of nations.

"Our regional organisation, SADC, faces the critically important task to respond to these historic challenges. I am certain that our regional leadership will not fail our peoples and the peoples of our Continent and the African Diaspora in this regard, as it did not fail them in the difficult struggle to defeat colonialism and apartheid."

The SADC Parliamentary Forum has a critical role to play with regard to the achievement of these objectives. I wish the Forum success in its deliberations.

Thank you.