

*Opening remarks by the  
Chairperson of Council, Hon. O.K.  
Matambo, Minister of Finance and  
Development Planning, Botswana*



**10 APRIL 2013**

**GABORONE, BOTSWANA**

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Honourable Ministers,

Madam Executive Secretary,

Members of the Commission,

Members of the media,

Ladies and Gentlemen.

It is my pleasure to welcome you all to the 29<sup>th</sup> Meeting of the SACU Council of Ministers, which is taking place on the eve of the 4<sup>th</sup> Summit, of the SACU Heads of State and Government. I do hope, that the arrangements made and facilities extended to you and your delegations during this meeting, meet with your expectations.

Honourable Ministers,

This Council meeting is taking place at a time when global economic growth is showing some signs of recovery, though challenges remain. The recently published IMF World Economic Outlook Update report of January 2013 indicates that, some weaknesses in advanced economies may slow down the rate of global recovery. Indeed, recent developments in the Euro Area, in particular, the challenges experienced in Cyprus, raise further concerns, about the pace of global economic recovery. In essence, this means that we are not totally out of the woods yet. As a region therefore, we need to keep a close watch on these developments and put in place measures to reduce their impact on our economies.

During our last meeting, which took place on 7 December 2012 in Swakopmund, Namibia, we already cautioned about the possible negative spill-over that may come from the fragile global economy. At the time, while we noted the surplus in the Common

Revenue Pool for the 2011/12 financial year, we encouraged Member States to exercise caution and resist the temptation to expand expenditure in the management of fiscal policy.

Honourable Ministers,

Following the December 2012 Council meeting, we have had the opportunity to present our respective national budgets, which set out our policies and development programmes for the 2013/14 financial year, as well as the medium-term economic prospects. I am pleased to note that we are moving forward together, in addressing common challenges that face the region, as reflected in our national budget speeches.

There is indeed a recognition that high and inclusive growth, is a necessary condition for fully addressing the challenges that confront us. Average GDP growth for SACU is projected at 3.4 percent in 2013, whilst this is not sufficient, the positive growth indicates

resilience in our economies, even though the growth rates are still lower than the pre-global economic crisis levels. I note with interest that infrastructure development has again been prioritized in all our budgets. This will certainly stimulate economic growth and help address the unemployment problem that the region presently faces. It is my hope that coordination of our policies at the regional level will yield beneficial results in areas of mutual interest.

Honourable Ministers,

Turning to our agenda for today, one can clearly distinguish between items that are to be tabled to the Summit, and those that form the normal business of our quarterly meetings. I hope, that we can hastily move through the issues while being thorough, to ensure that we prepare a quality report to the Summit.

As we prepare our report for the Summit, it is important to recall that the Heads of State and Government last met on 25 March 2011 in Pretoria, South Africa to consider progress in the implementation

of the five priority areas identified in July 2010. It has therefore been two years since our last report to the Summit. Therefore, our report today needs to reflect the totality of the work that we have undertaken during this period. In this respect, our report will have to indicate:

- the progress made in facilitating trade since the trade facilitation programme was adopted.
- the progress made on the amendments to the 2002 SACU Agreement to institutionalise the Summit;
- the progress made on the review of the Revenue Sharing Arrangement; and
- the progress made in the formulation of the Industrial Development Policy.

I am hoping Honourable Ministers, that while we report progress, we can also indicate areas where delays have occurred, so that Summit can direct accordingly and give further impetus to the execution of our work.

With these few remarks, I would now like us to turn to our agenda for the day. In doing so, I also wish us fruitful deliberations.

I thank you.