



**STATEMENT BY THE HONOURABLE MINISTER OF TRADE AND INDUSTRY
DR. THABISO MOLAPO**

SACU MINISTERIAL INVESTMENT ROUNDTABLE

GABORONE, BOTSWANA

12 APRIL 2022

Your Excellency, Dr. Mokgweetsi Eric Keabetswe Masisi - President of the Republic of Botswana and Chairperson of the SACU Summit of Heads of State or Government;

Honourable Peggy O. Serame, Chairperson of the SACU Council of Ministers;

Honourable Ministers and Members of the SACU Council;

Madame Executive Secretary of SACU;

Secretary General of the AfCFTA Secretariat;

Members of the SACU Commission;

Your Excellencies, Members of the Diplomatic Corps present today;

Distinguished Invited Guests;

Members of the Media;

Ladies and Gentlemen;

I wish to express our appreciation and gratitude to the Government and the people of Botswana for hosting us and for the warm hospitality extended to us since our arrival yesterday. **Madam Chairperson**, we commend your Government for the efficient way in which this Roundtable has been executed amidst the challenges occasioned by the COVID 19 pandemic. It would be remiss of me not to congratulate the SACU Secretariat and our Experts who

worked tirelessly to prepare technically and otherwise to ensure that this event becomes a success, we are indeed grateful.

Allow me, **Madam Chair**, to convey our gratitude to the private sector for participating in this important event as they have left their businesses and made time out of their busy schedules to grace this momentous occasion. This clearly demonstrates a strong partnership that the public and private sector have. This further marks the beginning of many more fruitful roundtables to come, and our wish is for the private sector in SACU to continue working together to strengthen business relations and linkages, even outside this platform.

Madam chairperson,

We note with grave concern that for most countries, the COVID-19 crisis has caused a dramatic plunge in foreign direct investment. According to the UNCTAD World Investment Report of 2021, global foreign direct investment flows have dropped by 35 per cent from \$1.5 trillion in 2019 to \$1 trillion in 2020. In the case of Africa, the flows declined

by 16 per cent from \$47 billion in 2019 to \$40 billion in 2020. Lesotho was no exception with an estimated decline of 6% in FDI from \$118 million in 2019 to \$102 million in 2020. It is evident that the COVID-19 pandemic continued to have a persistent and multifaceted negative impact on cross-border investment, at national, regional and global levels. Its severity is way more than the global financial crisis which occurred a decade ago.

The refocused SACU work programme, therefore, could have not come at an opportune time, providing direction for the region towards the recovery trajectory. I believe that this roundtable will highlight the investment opportunities that exist within the SACU region which our private sector will take full advantage of, to boost trade and investment flows thereby achieving economic gains. Such opportunities should serve as enablers for private sector participation in various value chains leading to industrialisation in our respective countries.

Furthermore, **Madam Chair**, the importance of the prioritised sectors in this roundtable by SACU cannot be

overemphasised, more so that they resonate well with Lesotho's economic and development agenda as highlighted in our National Strategic Development Plan II (NSDP II). The successful implementation of the SACU work programme will enable Lesotho to meet the targets as laid out in the NSDP II, thus emphasising the importance of the work programme for Lesotho. It therefore goes without saying how critical the success of this work programme is to Lesotho.

I wish to recall that there are a number of core problems identified by the Trade Facilitation Experts in relation to coordination and harmonisation of customs administrative procedures. I believe the private sector present here, will highlight specific trade facilitation challenges that need to be addressed. This platform should therefore bring permanent solutions to any challenges encountered in the region.

In conclusion **Madam Chairperson**, Lesotho is optimistic that the outcome of this Roundtable will add value to our efforts towards implementation of the SACU Work

Programme. We should therefore remain resolute in our pursuit to achieve the objectives we have set, and ultimately reach deeper SACU integration propelled by clear Industrial and Investment Strategies. These strategies will undoubtedly result in export success by taking full advantage of the African Continental Free Trade Agreement and the world markets at large.

I thank you for your attention.