

# OVERVIEW OF THE SACU WORK PROGRAMME ON INDUSTRIALISATION

#### SACU INVESTMENT ROUNDTABLE

12-13 APRIL 2022

DR. JOEL SENTSHO
TRADE POLICY ADVISOR
MINISTRY OF INVESTMENT, TRADE AND INDUSTRY, BOTSWANA



## Presentation outline

Background on the SACU industrialisation agenda
Industrialisation
Export Promotion
Investment Promotion
Financing for Industrialisation, Infrastructure and
Exports
Cross Cutting Issues
Conclusion



## **Background**

Industrial development has been adopted by SACU as an overarching objective to underpin the region's development and integration agenda
ISACU underscored the importance of, and the need to fast-track work on the development of Regional Value Chains (RVCs) to position SACU in the African Continental Free Trade Area (AfCFTA).
ISACU Work Programme refocused in 2020 centred on Industrialisation, export and investment promotion; Trade Facilitation and Logistics; and implementation of the AfCFTA
ISACU therefore agreed on a common vision to advance work on industrialisation both at the regional and continental level



## **Background**

- □ SACU Technical Committee of Senior Officials on Industrialisation, Export and Investment Promotion (SO-IEIP) established in October 2002 to spearhead work on industrialisation
  - Comprises of stakeholders from the Member States, including the Development Finance Institutions (DFIs), private sector and industrial development agencies and senior government officials
  - Established 4 Sub-Committees on Industrialisation; Export Promotion; Investment Attraction and Promotion and Financing for Industrialisation, Infrastructure and Exports
- ☐ Technical Committee made significant progress on SACU's industrialisation agenda as outlined in the following slides



#### Industrialisation

- □ Adopted Vision on Industrialisation: "to build a diversified, competitive, sustainable and equitable industrial base that supports structural transformation and the economic integration of the SACU region"
- ☐ Priority sectors
  - ➤ Agro-processing (Leather and Leather products, Meat and Meat products, and Fruits and Vegetables);
  - ➤ Textiles and Clothing;
  - Pharmaceuticals;
  - Cosmetics and Essential Oils
  - > Future sectoral considerations: Mineral beneficiation and Automotives
- ☐ Industrial and ICT infrastructure; transportation and logistics and financial sectors agreed as **enabling sectors** to support SACU's industrialisation



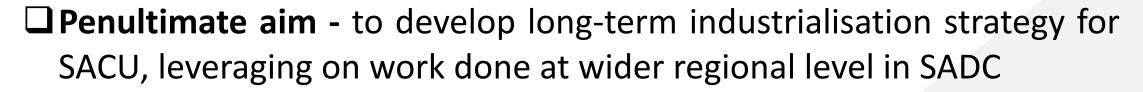
## Industrialisation

- ☐ Value chain mapping conducted on the priority sectors to assess the relative competitiveness of each Member State
- ☐ This work culminated in Sectoral Roundtables convened as follows:
  - ➤ Leather and Leather Products 19<sup>th</sup> March 2021
  - ➤ Fruits and Vegetables 12<sup>th</sup> May 2021
  - ➤ Meat and Meat Products 27<sup>th</sup> May 2021
  - ➤ Textiles and Clothing 10<sup>th</sup> June 2021
  - Cosmetics and Essential Oils 29<sup>th</sup> July 2021
- ☐ On Pharmaceuticals sector, a workshop was convened in August 2021
  - rivate sector on the potential of the Pharmaceuticals sector in the region



#### Industrialisation

☐ Work ongoing to complete comprehensive Sectoral Reports
☐ Sectoral Reports will inform sectoral plans and strategies for the region
☐ To further undertake engagements on the recommendations from the Workshop on Pharmaceuticals





## **Export Promotion**

☐ SACU adopted the Export Scoping Engine (ESE+) Model a Model for the identification of SACU's export opportunity sectors	
☐ Using this interim Model, export opportunities were ider Sectoral Roundtables	ntified for the
☐ Work also commenced on the development of the Reference of the Referenc	gional Export
☐ Export promotion Catalogue is being considered  ➤ These activities will be implemented as part of the Strategic Plan	Secretariat's



### **Investment Promotion**

☐ Work on Investment Promotion focused on coordinating regional efforts to attract investment such as convening the Sectoral Roundtables for the identified priority sectors and this Investment Roundtable

☐ Work also focused on determining the criteria to guide the identification of investment projects to be showcased at this Investment Roundtable

☐ These projects have been documented into an Investment e-Booklet as part of the promotional material for the Roundtable

#### **Investment Promotion**

☐ Similar Investment Roundtable envisaged for projects under Trade Facilitation and Logistics and other proposed priority sectors

□ Investment Promotion Framework/Strategy for the region is a key consideration



# Financing for Industrialisation, Infrastructure and Exports

□ SACU recognised the imperative to address the financing and mobilisation of resources to support SACU's industrialisation agenda

☐ Work by Sub-Committee on Financing for Industrialisation will include consideration and identification of financial resource requirements and propose options for funding the regional value chain projects and infrastructure development in SACU

☐ A Draft Concept Note on Financing for Industrialisation to facilitate the Sub-Committee's discussions on how financing mechanism could be established has been developed. Work is on-going in this regard



## **Cross Cutting Issues**

☐ The Technical Committee is also working on cross-cutting issues with the Technical Committee on Trade Facilitation and Logistics

☐ In this regard, work is on-going to ensure complementarities and synergies on the work of the two Technical Committees



## Conclusion

☐ Subsequent to t	:his Roundtable,	work will	continue	to provide	e a
strategic directio	n for the work c	n Industria	lisation in	SACU	

- ☐ This includes developing a long-term industrialisation strategy for the region. We look forward to collaborate with our cooperating partners, present today, to assist the region to develop this longterm strategy
- ☐ The region will also explore development of relevant strategies to complement the on-going work





## **THANK YOU**

