

# MONITORING ECONOMIC INTEGRATION IN SADC 2007/2008

Progress Towards the SADC FTA and Remaining Challenges

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## **Executive summary**

This report presents the findings of fieldwork that was undertaken between July and October 2008 and desk research. The project has been conducted by the Namibian Economic Policy Research Unit (NEPRU) on behalf of Formative Process Research on Integration in Southern Africa (FOPRISA) Secretariat. The study involved interviews of government officials, private sector and academia in Mozambique, Namibia, South Africa and Tanzania.

The objectives of the research were to study the current status of selected regional institutional organisations, their functionality and their role in influencing the process of integration in order for the masses to benefit from regional economic integration. It also includes a quest to understand how the SADC FTA is and challenges that are still in place which may delay the process of deepening economic integration in the SADC. In this way, this exercise provides insight on issues on the ground which affects regional integration in the SADC region. Finally, it seeks to provide information and make recommendations as a supportive arrangement to the SADC Secretariat on developments of interest.



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**List of abbreviations**

ACP	African, Caribbean and Pacific Countries
COMESA	Common Market for Eastern and Southern Africa
CET	Common External Tariff
CU	Customs Union
EAC	East Africa Community
EBA	Everything But Arms
EPA	Economic Partnership Agreement
EU	European Union
FES	Friedrich Ebert Foundation
FTA	Free Trade Area
IEPA	Interim Economic Partnership Agreement
NTB	Non-Trade Barriers
REC	Regional Economic Communities
RISDP	Regional Indicative Strategic Development Programme
SACU	Southern African Customs Union
SADC	Southern African Development Community
SADCC	Southern African Development Coordinating Conference
SNC	SADC National Committee
VAT	Value Added Tax
WTO	World Trade Organisation



## **1. INTRODUCTION**

### **1.1. Background**

In 1992, the SADC region witnessed the antecedents of an old Southern African Development Co-ordinating Conference (SADCC), which was set-up in 1980, translating into a new Southern African Development Community (SADC). The translation took place in 1992 when the Heads of States signed a Declaration and Treaty of SADC which also ushered in new SADC objectives. In the new SADC, economic integration with its pioneers of trade in goods and services seems to be taking a centre stage. The findings of this study confirm this view. The SADC Trade Protocol marshalled by SADC Heads of States in 1996 came into effect in 2000. This protocol which is a legal document has played a pivotal role in guiding processes relating to trade in goods. Though the implementation of the Trade Protocol was delayed, it nevertheless came at the right juncture when the SADC was striving to attain a Free Trade Area (FTA) status. At an Extraordinary Summit of the SADC Heads of State and Government which was held in Windhoek, Namibia in March 2001, the idea of designing the Regional Indicative Strategic Development Programme (RISDP) was approved. The aim was to set the direction on how the SADC regional grouping would advance. Following this decision, the RISDP was then carefully designed to serve as a guide on the SADC region's macroeconomic trajectory and related issues.

Therefore, the RISDP and the Trade Protocol complements each other, although the former is not a legally binding document. The RISDP provides a framework on selected macroeconomic indicators which are referred to as the 'yardstick' in this study. The RISDP is widely regarded to be ambitious but is undoubtedly an important roadmap for the SADC regional grouping. The weakness of the RISDP lies in its conventional permanence and also in the fact that this document was conceived without predicting some of the current regional challenges which include among others, the Zimbabwean economic meltdown, the direction of the EPA negotiations, and future practical realities of multiple membership regimes. The high regard which the SADC leaders place on regional economic integration has led to the SADC FTA<sup>1</sup> coming into fruition. Thus the launch of the SADC FTA on the 17<sup>th</sup> August 2008 in Sandton, Johannesburg is a notable milestone in the history of SADC as a regional grouping.

This study draws on two distinct, and yet related issues. One is the launch of the SADC FTA which consists of 12 out of 15 SADC member states namely, Botswana, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia,

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<sup>1</sup> A free trade area refers to a group of states whereby their tariffs and non-tariff barriers are eliminated on substantially all trade amongst these member states (SADC, 2008).

South Africa, Swaziland, Tanzania, Zambia and Zimbabwe. Member states outside the SADC FTA are Angola, the Democratic Republic of Congo (DRC) and Seychelles. The other issue is that of challenges that beset the deepening of economic integration in the framework of an FTA. Despite their different organisational requirements and expectations, the FTA and the challenges that still exist share common links which requires them to provide a conducive environment for deeper economic integration. It is in the same connection that the FTA should serve as a vehicle to deeper integration while the existing challenges once addressed could serve as enablers to deeper integration.

Tapping into theoretical wealth, it reveals that an FTA provides certain opportunities including economic benefits resulting from reduced product prices – this being a function of tariff lowering or removal; higher competition due to more players in the FTA market, improvements in allocative efficiency of scarce resources (economies of scale); induced productivity gains; and that the FTA offers a wider market with access to a variety of products. These opportunities continue to increase with higher levels of integration. The results of a study published in 2007 by Friedrich Ebert Foundation confirm the practicality of the above theoretical notions. In the FES study, 66% of Non-State Actors and 50% of businesses show that regional integration in SADC would bring new opportunities such as access to inputs, new markets, new business ventures and an increase in domestic production.

It is against this background that the launch of the SADC FTA is seen as an appropriate step that stimulates economic opportunities to the SADC FTA members. The success of the FTA could also serve as a stimulus for Angola, DRC and Seychelles to join. However, this highly eulogised event is by no means without challenges that require careful planning and implementation on its deliverables. The launch of the SADC FTA came at a time when Regional Economic Communities (REC) in Africa aspire to advance to higher levels of integration. With the majority of African RECs aspiring higher levels of economic integration, there is concern though about overlapping memberships. Additionally, the SADC region is beset with other challenges which are also covered in this report, such as the EPA negotiations with the EU.

## **1.2. Objectives**

This report is premised on the need to monitor progress of the SADC regional economic integration. Specifically this includes studying the current status of selected regional institutional organisations, their functionality and their role in influencing the process of integration in order for the masses to benefit from regional economic integration. It also includes a quest to understand the status of the SADC FTA and remaining challenges which may delay the process of deepening economic integration in SADC. In this

way, this exercise provides insight on issues on the ground which affects regional integration in the SADC region. Finally, it seeks to provide information and make recommendations as a supportive arrangement to the SADC Secretariat on developments of interest. The salient influence of economic policy in this connection would be measured against the successes of regional integration in years to come.

### **1.3. Research questions**

This study is guided by the following research questions:

- a) How has the SADC progressed with regard to institutional organisation and private sector involvement to consolidate gains of the FTA?
- b) What are the challenges to deeper economic integration beyond the current FTA?
- c) What lessons should come from the current status quo in the SADC to drive the region into deeper integration?

### **1.4. Research methodology**

The research included interviews among a number of Mozambican, Namibian, South African and Tanzanian stakeholders. These stakeholders comprised of Government officials dealing with regional integration issues, private sector representatives and academia. An interview guideline was designed for the interviews. The FOPRISA programme is a four-year programme and envisaged that the monitoring component involves visits to most of the SADC countries. Every year three to four countries are selected for this exercise. Therefore, the four countries were in part selected because of their relevance to economic integration, in part because they are interesting case studies and in part because they were not visited for the previous two studies. In particular, South Africa is host to a number of regional umbrella organisations as well as the economic giant in the SADC. Tanzania is part of the SADC and the EAC Custom Union, while Mozambique is developing strongly and is becoming more integrated in particular with South Africa. Mozambique is the only country in the SADC with no other continental REC membership. Namibia is both a member of SADC and SACU and is a middle-income country. Hence, these are interesting case studies when it comes to monitoring progress that relates to the SADC FTA and existing challenges to deeper integration. They represent a variety of SADC interests in the sphere of this monitoring exercise.

### **1.5. Organisation of the study**

This report is organised in sections 1 to 6. Section 1 introduces the report and section 2 provides a picture on current memberships of SADC member states and where the challenges of having multiple memberships lie. This section also builds a resolve to the dilemma of overlapping memberships. Section 3 explains the progress surrounding macroeconomic convergence. Section 4 presents current challenges of the SADC Secretariat and associated activities. Section 5 explains the status of the SADC FTA on few selected topics that are

core to deepening economic integration in the region, while Section 6 makes policy suggestions and concludes the study. The report includes a bibliography and an annex.

## **2. MULTIPLE-MEMBERSHIP REGIME**

### **2.1. Introduction**

This section deliberates on the issue of multiple memberships in the SADC region. It discusses five main considerations which are vital to the discussion of multiple membership regimes in the SADC sphere of interest, namely legal, economic opportunity, the geographic configuration, financial purpose, and historical, cultural and traditional relatedness. Finally a summary of this section follows at the end.

### **2.2. Legal provision**

GATT Article XXIV provides a guideline on how members of the same economic grouping should treat each other, how they should treat third parties and it also hints on the technicalities of belonging to two CUs. The WTO does not illegitimatise the choice of belonging to two CUs but it cautions against complications that might arise as a result of the pursuance to negotiate and maintain two Common External Tariffs (CETs). Furthermore, if this hurdle is passed, a member state belonging to two CUs should be able to manage all expectations of the two CUs and the obligations to third parties in a manner that does not violet WTO rules. Therefore the illegality of belonging to two CUs comes into place as a result of the high probability of incompatibility with GATT Article XXIV. Therefore, trying to belong to two CUs becomes practically impossible.

Applying GATT Article XXIV provision to the overlapping membership scenario ahead of the SADC's aspiration in which it seeks to rise to a CU raises concerns. Though the issue of a SADC CU is not a point of discussion for this study, the multiple membership issue suggests explaining this complexity to future events such as SADC and COMESA CUs. Advancing the SADC regional course beyond an FTA is mired with the challenge posed by overlapping memberships. Previously the issue of multiple memberships did not pose many problems to the SADC ideals even though it might have slowed progress on implementation of protocols as a result of lack of proper commitment to the SADC agenda.

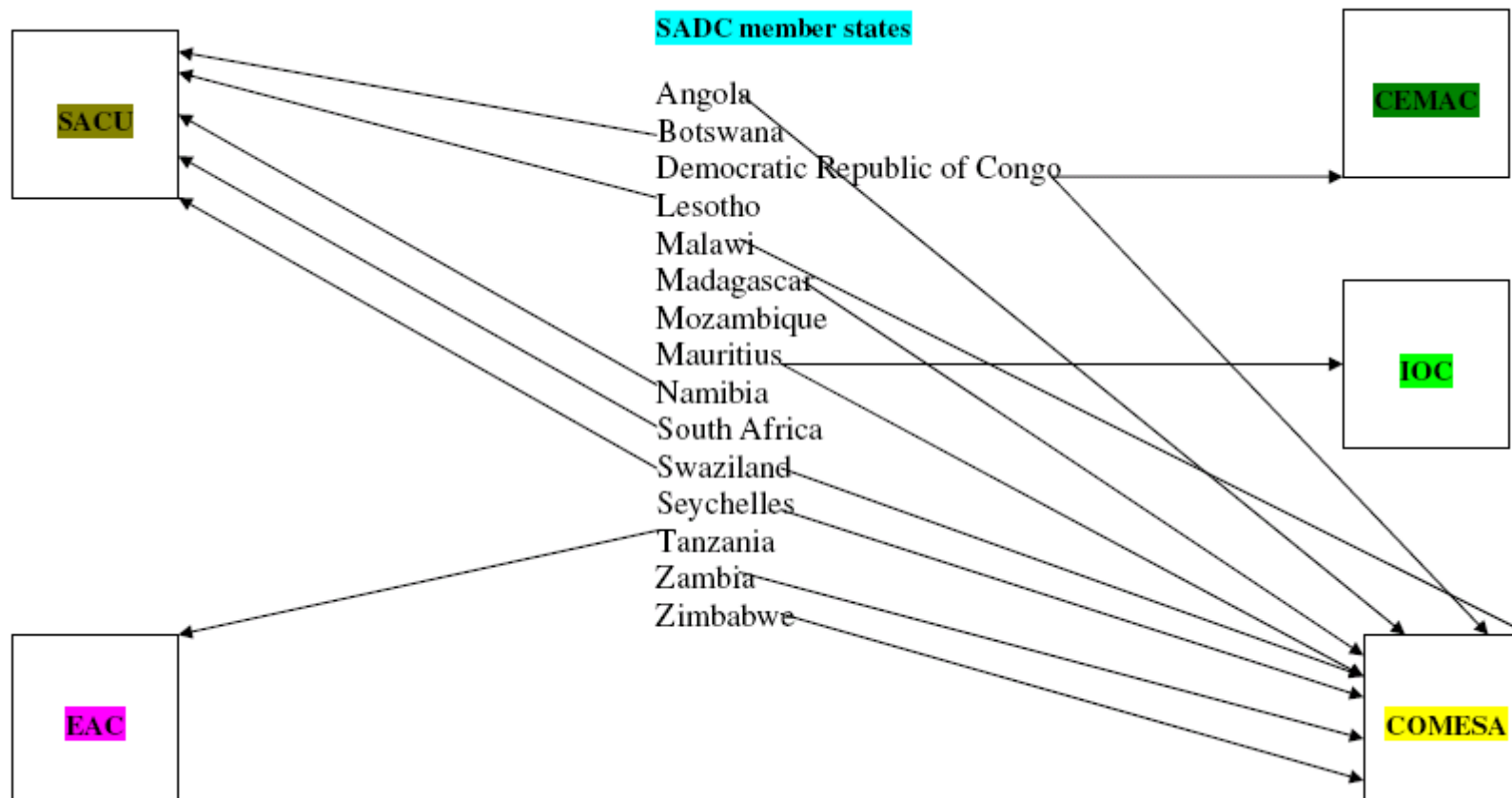


Figure 1 Multiple memberships of SADC member states in other African Regional Economic Communities

Figure 1 illustrates the multiple memberships of SADC member states. Belonging to more than one REC has a bearing on a particular member's negotiating position as seen during SADC EPA negotiations in which Tanzania had to opt out of the SADC EPA and began to negotiate in the East African Community (EAC) configuration.

Currently there are two CUs to which some SADC member states belong, namely the SACU and the EAC. Other groupings are ordinary RECs with future aspirations of developing into higher levels of integration. Thus other RECs are for now not posing threats of a membership nature on the SADC. In the SADC regional grouping, all member states except Mozambique, belong to either SADC & SACU; SADC & COMESA; SADC & EAC; SADC & IOC and SADC & Central African Economic and Monetary Community (CEMAC). By the end of 2008, COMESA to which more than half of the SADC member states belong would if it goes as planned, become a CU. SACU member states are already in the oldest existing customs union in the region. Hence, Swaziland that belongs to SACU has to make a choice whether to join the COMESA CU or stay with SACU.

### **2.3. Belongingness to RECs**

Among others four factors strongly influence the decision to join a REC:

- a) Economic opportunities,
- b) Historical traditional, cultural and political ties,
- c) Geographic configuration, and
- d) Financial benefits

The SADC region has a population of some 248 million which is a reasonable market for intra SADC trade. However, the absence of Angola, DRC and Seychelles from the FTA reduces the FTA market to about 170 million people. These are potential customers, but the per capita income differs significantly between the countries. Hence, besides the population size the purchasing power matters. Botswana, Mauritius, Namibia and South Africa are leading in terms of per capita income but are in part plagued by a skewed income distribution. Still, they pose attractive markets for other countries with a lower per capita income. On the other hand, some SADC countries are growing strongly and attract investment from other SADC member countries. Hence countries might opt to stay in SADC because of the economic opportunities in the region.

COMESA has a larger market of over 389 million people compared to SADC with some 248 million, but it lacks some economic advantages especially with the countries below the Sahara desert. COMESA is not converged in terms of macroeconomic issues and the transport infrastructure between in particular North Africa on the one hand and East and Southern Africa on the other needs to

be improved. Cultural, traditional and political relationships between COMESA members are also not as strong as those in the SADC or the SACU. The EAC has advantages of geographic configuration and historic ties dating back to the old EAC, but has a relatively small economy with Kenya being the dominant economic power. However, EAC attracted the interest of Rwanda and Burundi that joined in 2007.

Swaziland, a SADC member state is on a cross road as it is a member of SACU and COMESA which intends to attain its CU status in December of 2008. Therefore, Swaziland would have to decide before the end of 2008 whether or not it will stay in SACU or surrender its SACU membership for COMESA. Applying three of the influential factors listed above to Swaziland there is high likelihood that Swaziland may chose to stay in SACU due to its economic benefits, geographic configuration and financial benefits (transfers from the SACU Common Revenue Pool. But there are difficult decisions to make.

Hence, a harmonised membership framework is needed for at least the larger and more advanced RECs in the region to which both COMESA and SADC member states may be party without endangering their memberships in their respective CUs. This is acknowledged by COMESA, EAC, and SADC that have started negotiations on a Common External Tariff and other relevant issues such as Rules of Origin. At the end of a tripartite summit in Kampala / Uganda representatives of the three blocs agreed to expedite the establishment of the largest African FTA and to develop a roadmap for its establishment within the next six months. The FTA would comprise of 26 countries – half of Africa’s nations – with more than 527 million people. An FTA amongst the three blocs will avoid the painstaking and politically sensitive decision of members belonging to various blocs of choosing one REC. However, experience not only with the SADC FTA has shown that ambitious schedules often falter, since regional integration takes time<sup>2</sup>. The alternative approach could have been to address various issues pertaining to regional integration, such as harmonised CET, Rules of Origin, border and customs procedures, standards, etc. on an issue-by-issue basis. Removing non-tariff trade barriers often proves to be a more trade facilitation tool than reducing or removing tariffs. Hence a shift in focus toward cooperation on these issues could probably prove more fruitful and bear better results than aiming at another FTA of quite diverse economies.

On a broader picture, applying the factors listed above on the situation in SACU, it is highly likely that SACU member states may remain and continue to belong to SACU because of its strong economic ties with South Africa and the financial

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<sup>2</sup> See also Kruger, P. (2008) Comments on the SADC-EAC-COMESA Tripartite Summit

benefits derived from SACU's Revenue Sharing Formula. There is also better economic convergence in SACU compared to the rest of SADC.

The overlapping memberships in various RECs are complicated by the EPA negotiations between the ACP countries and the EU. However, the EPA negotiations also highlighted diverse interests among the SADC member countries and even among SACU member countries. While some countries within the SADC EPA configuration agreed to an initial Interim EPA with the EU, Namibia raised concerns about certain issues and signed a separate Interim EPA at the last minute in December 2007. If it had not signed an IEPA, Namibia would have lost its preferential access to the EU market for beef and grapes, among others. South Africa has not signed an EPA since it is trading with the EU on the basis of the Trade and Development Cooperation Agreement. Negotiations between the countries and the EU are ongoing. A decision by the Heads of State and Government of the Africa, Caribbean and Pacific Group of States (ACP) at the Sixth Summit in Accra, Ghana which took place on the 2-3<sup>rd</sup> October 2008, was taken to instruct the Council of Ministers to pursue the possibility of creating an ACP FTA. This shows the significance placed on FTA and particularly the need to avoid fragmentation of member states in this grouping. However, the fragmentation took place even within SACU, a long-established Custom Union, and hence the creation of an ambitious ACP FTA or COMESA-EAC-SADC FTA might not be the panacea to fragmentation.

#### **2.4. Summary**

Overlapping memberships poses a challenge to regional integration since it can cause delays in the implementation of protocols because member countries could try keeping options open. Harmonising frameworks for deeper regional integration through addressing issues on a case-by-case basis is therefore a way forward that might yield sooner results than to create a larger FTA consisting of all COMESA, EAC and SADC member countries or even through creating one single Custom Union amongst these countries. As the EPA negotiations have demonstrated that countries even with a long history of cooperation find it difficult to agree on common positions, but are often guided by particular interests. This makes the establishment of larger groupings more challenging.

### **3. PROGRESS TOWARDS MACRO-ECONOMIC CONVERGENCE**

This section discusses the current status of macro-economic convergence in the SADC region and attempts to provide an outlook for the near future.

The ex-post SADC period which is benchmarked on the 2001 meeting of the SADC Committee of Ministers of Finance and Investments continues to provide a platform for convergence targets. These targets serves as macroeconomic

requirements which SADC member states have to comply with in order to move to higher levels of regional integration.

**Table 1 SADC's macroeconomic convergence yardstick**

	<b>Target in 2008</b>	<b>Target in 2012</b>	<b>Target in 2018</b>
Inflation	Single digit	≤ 5%	≤ 3%
Budget deficit as a % of GDP	5%	3%	1%
External debt as % of GDP	< 60% of GDP	< 60% of GDP	< 60% of GDP
Current account as % of GDP	≤ 9% of GDP	≤ 9% of GDP	≤ 9% of GDP
Real growth rate	≥ 7%	≥ 7%	≥ 7%
Import cover of foreign currency reserves in months	≥ 3 months	≥ 6 months	≥ 6 months

Adapted from the Committee of Central Bank Governors in SADC (2007); SADC (2003b); Knedlik and Povel (2007)

All countries with double-digit inflation rates in 2005 managed to reduce inflation in 2006 and most of them achieved the target of single-digit inflation in 2007 with the exception of Zimbabwe. However, countries with already low inflation rates witnessed an increase, but could keep inflation below 10% in 2007. Overall, in 2007 three countries missed the single-digit target envisaged for 2008, but these countries managed to reduce inflation substantially compared to 2005. The outlook for most countries for 2008 is, however, gloomy. High food and energy prices have led to rising inflation rates, making it unlikely that most countries will meet the target in 2008. The drastic decline in oil prices towards the end of 2008 could improve the situation see a reversed trend in 2009.

Most countries improved their fiscal balance considerably over the past years. Budget deficits were reduced or even turned into surpluses as in the case of Angola and Namibia. It is unlikely that the trend will persist in 2008 and 2009 due to the slowdown of the world economy in the aftermath of the financial turmoil. Declining raw material prices in the second half of 2008 due to lower demand will result in reduced economic activities and hence less tax revenue for governments in particular in countries dependent on the export of commodities. On the other hand, governments might face increased expenses due to rising prices. These factors will put pressure on the fiscal balance. Likewise, all countries but Swaziland brought down the level of public debts. But this trend might be reversed in 2008 and 2009 due to a less favourable fiscal balance. However, all countries moved very close towards the targets set for 2008 and there is a high probability that most of them could achieve them.

There is no clear trend among the member countries' performance concerning the current account deficit. While some countries improved their position by

reducing their deficits or increasing the surplus other countries show opposite trends. Declining commodity prices combined with increased prices for food and energy imports will in all likelihood result in more than two countries missing the 9% target in 2008.

The ambitious target of a 7% growth rate was met by countries that started from a low basis such as Malawi, Mozambique and Tanzania as well as by oil-rich Angola benefiting from oil prices reaching record levels. In line with world-wide trends most countries will reduce their growth forecast for 2008 and 2009 making it unlikely that any of the country except Angola will reach the 7% target for 2008, despite a drastic decline in oil prices during the end of the third quarter and beginning of the fourth quarter 2008.

The analysis shows that most countries have improved on their macro-economic indicators, which is to a certain degree based on home-grown efforts, but also influenced by the performance of the world economy. The slowdown of economic growth elsewhere in the world will impact on the convergence criteria and it is likely that fewer countries than anticipated before will meet the convergence criteria in 2008 and 2009. However, there is room for improving the macro-economic environment in member states. Improving the infrastructure, removing non-tariff barriers to trade, ease bureaucratic procedures for investment for instance can all support a more conducive business environment in the countries and subsequently contribute to economic growth and support macroeconomic convergence.

The current financial crisis around the world has furthermore demonstrated the importance of regional and international concerted efforts to - in this case- address liquidity problems. However, even within the EU that has a long history of regional cooperation, national interests and approaches often took priority over regional efforts. There is still need within SADC to build institutions and create platforms that could assist in containing macroeconomic shocks in the region. This is vital for providing a stable macro-economic framework in the region.

Table 2 SADC member states macroeconomic status

Member states	Inflation rate			Budget surplus/deficit as % of GDP			Public debt as % of GDP			Current account deficit as % of GDP			Real growth rate		
	2005	2006	2007	2005	2006	2007	2005	2006	2007	2005	2006	2007	2005	2006	2007
Angola	18.5	12.2	11.8	7.3	-3.4	13.3	37.8	25.5	23.5	15.7	16.4	n.a	20.6	19.5	20.9
Botswana	8.6	11.6	7.1	1.2	8.1	n.a	4.4	3.8	n.a	15.7	20.9	17.1	9.2	-0.8	6.1
DRC	21.3	18.2	9.9	-1.2	-0.7	-1	158.7	133	116.1	-4.4	-7.5	-7.7	6.5	5.1	6.3
Lesotho	3.5	6	7.9	2	13.3	10.3	50.3	49.9	47.1	-6.8	4.3	13.3	4	6.2	5.1
Madagascar	18.4	10.8	10.3	-10.3	-10.3	-2.8	87	30	30.3	-10.9	-8.8	-14.1	4.6	4.9	6.2
Malawi	15.4	13.9	8	-1.2	-1.5	-2.8	105.4	28.5	24.6	-34	-31.2	-0.6	2.3	8.5	7.9
Mauritius	4.9	8.9	9.8	-5	-5.3	-3.8	58.3	57.9	59.1	-5.2	-9.5	-5.1	2.2	5	5.4
Mozambique	6.4	13.2	8.2	-3.5	-1	-2.9	70	47.7	45	-11.09	-8	-8.3	6.2	8.5	7.3
Namibia	2.2	5.1	6.7	-1.1	2.1	1.1	33.6	31.4	22.1	7.1	18.3	14.8	4.2	4.6	3.8
South Africa	3.9	4.6	7.1	-0.8	0.04	0.6	36.6	33.3	31.8	-3.8	-6.4	-7.3	5.1	5	5.1
Swaziland	4.8	5.3	8.1	-1.8	-2.1	-0.5	16.9	17.1	17.4	0.26	1.8	3.9	2.3	2.8	2.8
Tanzania	4.4	6.2	7	5	-5.5	-3.6	63.8	50	42.4	-6.9	-10.9	-11.1	6.7	6.2	7.1
Zambia	15.9	8.2	10.7	-2.6	-1.9	-0.2	64.5	25.8	36.2	-11.8	-1.2	-2.5	5.2	5.8	5.7
Zimbabwe	585.8	1,282	6,621	-3.5	-5.5	1.8	110.2	76.2	67.5	-12	-7.9	-8.5	-3.8	-1.8	-6.2

Source: SADC Central Banks (2007)

#### **4. STRUCTURAL CHALLENGES WITH THE SADC SECRETARIAT**

The SADC Secretariat remains a focal point for the entire SADC region in terms of facilitating the process of economic integration. The activities of the secretariat are also vital to the future envisaged activities through expected monitoring which it should be doing in order to pin-down programmes that requires urgent attention or those that have lagged behind schedules. This section discusses structural challenges at the Secretariat, the SNCs and the involvement of the private sector in the SADC activities.

##### **4.1. The SADC Secretariat**

The SADC Secretariat serves as a focal point for all SADC member states. The Secretariat coordinates SADC activities and is a custodian that oversees the implementation of programmes and activities to advance regional integration. However, its operations are being held back by several constraints namely, inadequate budget allocation, lack of influential authority, and inadequate human capital. The Secretariat requires a budget allocation which is adjustable to modern realities in terms of financial packages for staff of the secretariat to be at par with those at other continental organisations such the African Union (AU) and COMESA.

Several initiatives were started over the years to increase the secretariats capacity and realign its structure with priorities set out in the RISDP. Between 2006 and 2007 three institutional assessments were undertaken advising the secretariat on the institutional structure, its vision and mission, leadership and result orientation, strategy and policy formulation, processes and systems as well as staff and HR management<sup>3</sup>. Subsequent to the findings of these assessments the Council of Ministers decided in November 2007 to abolish the Integrated Committee of Ministers since it was not working effectively. Instead, six ministerial clusters were created for:

- Trade, Industry, Finance and Investment
- Infrastructure and Services
- Food, Agriculture, Natural Resources and Environment
- Social, Human Development and Special Programmes
- Organ of Politics, defence and Security Cooperation; and
- Cross-cutting issues related to Science & Technology and Gender.

The clusters are tasked among others with providing policy guidance to the directorates and reviewing the progress made.

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<sup>3</sup> See Müller-Glodde, H. and Giuffrida, L. (forthcoming), Make SADC work

The restructuring process furthermore included a new organisational structure for SADC. The second Deputy Executive Secretary replaces the previous Chief Director. The deputies are now responsible for the areas of regional integration as well as Finance and Administration respectively. It is expected that the new structure improves the line of authority as well as coordination<sup>4</sup>. Following the restructuring exercise it was realised that serious efforts are needed in order to increase human and managerial capacities and competencies, which resulted in the “SADC Secretarial Capacity Development Framework” that was presented at the SADC International Consultative Conference in April 2008. The comprehensive programme includes the development of key result areas, performance management & appraisal systems, human resource development, etc.

The implementation of the framework would address the skills shortage at the SADC Secretariat that were in previous years mentioned for delays in project implementation as well as for outsourcing of work to consultants. However, one needs to be aware of the fact that human capacity building is a long-term project that would not yield measurable results immediately. The programme would need to be supported by an adequate remuneration structure and recruitment procedures that attracts experienced and skilled personal.

Besides the internal structure of the SADC Secretariat and hence its efficiency and effectiveness it appears that the Secretariat would need more external power to ensure a more speedy ratification and implementation process of agree upon protocols. The SADC Tribunal could be empowered to put pressure on member countries that delay the process of implementation and hence the process of deeper regional integration.

#### **4.2. Operating the SADC National Committees**

The SADC National Committees (SNCs) are important structures in all member states. When the decision to implement the SNCs was approved in 2003, it has been expected that these institutional structures operate in a manner that is inclusive with regard to concerns of citizens of member states. The SNCs report to Ministries of Foreign Affairs and these committees are supposed to collaborate closely with local focal points which are Ministries of Trade and Industry or Commerce as they are commonly known in some other member states. This study found that out of four member states visited only Mozambique has a permanent SNC structure which has offices in all of its provinces. An element of representation is an imperative feature of the SNCs.

However, representation in all the provinces alone as it is in Mozambique is not enough to drive the much needed and wholly-banded decision making process. The weakness here is that established provincial committees

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<sup>4</sup> Ibidem.

apparently do not draw on existing business associations and other civil society organisations. The idea could work better when business society including civil society finds room to operate in these structures in order to spearhead the interests of the masses which these organisations represent and especially on how these masses could participate and benefit from the process of regional economic integration.

The study found that in Namibia, South Africa and Tanzania SNC structures emulate an ad-hoc style of convocation and thus lack popularity. This disjoint in the machineries of the SNCs would likely slow progress of integration. There is therefore, a need to establish permanent SNC structures at least on a national level but depending on the size of the country it could be opportune to establish regional or provincial committees. However, these structures would require funding that could be sourced from the national budget or the Secretariat. In order to increase ownership it is recommended that member countries commit themselves to financing the SNC to at least a sizeable portion.

#### **4.3. Private sector involvement**

The involvement of the private sector is important since it will be the main beneficiary of new or better business opportunities due to regional integration. However, the private sector – and civil society as well – is apparently not always strongly involved in issues of regional integration. This could be caused by the often ad-hoc nature of SNCs that meet shortly before relevant SADC events and fell dormant afterwards. For private sector representatives it is challenging to plan and work like this and be available on a short notice without proper presentation. It is therefore not surprising that the study found that what is referred to as private sector involvement is often limited to updates by government officials to the private sector. The private sector feels not being strongly consulted and involved in the decision-making process. In some cases consultation does take place such as in South Africa.

However, the private sector is not a homogenous bloc and often pursues opposite agendas. Export associations usually have different interests from that of producers for the local markets. Some industries see regional integration and trade liberalisation as opportunities to access other markets, while others fear increased competition. Hence it is often difficult to reach a common position within the private sector. Furthermore, some countries are characterised by a strong presence of parastatals as opposed to private companies that in turn have a stronger influence on government decisions. However, this does not call for fewer consultations rather for more in order to understand each others positions and find common ground over time. The same applies of course also to consultations between the private and public sector.

## **5. OUTSTANDING ISSUES ON THE SADC FREE TRADE AREA**

### **5.1. Introduction**

Section 5 deals with so-called behind the border issues that are coming to the fore since most SADC countries have complied with the tariff reduction schedule. Furthermore, this section discusses selected trade enablers which once addressed would give impetus to the processes of deepening regional economic integration. There is also a summary at the end of this section.

### **5.2. Preceding events**

Prior to the year 2000, the SADC made an arrangement at which the process of tariff reduction would take the asymmetric format. This suggested that developed SADC member states which in this case refers to SACU group, would front-load tariff reduction. Developing states would follow and lastly will be less developed ones which include the DRC and Mozambique. From as early as 2001, SACU SADC member states front loaded the tariff reduction and some of the SADC member states followed the toil. This asymmetrical approach to the process of tariff phase-down was adopted on the basis of economic differential of member states. Except for Malawi all SADC countries that are part of the SADC FTA complied with the schedule at the launch of the SADC FTA in August 2008. Angola, DRC and Seychelles are not yet part of the FTA.

On the political front, a challenge before the official declaration of the SADC FTA was the desire to have a regional position on the economic and political situation in Zimbabwe. This led to the intermediation process whose mandate was to ensure a peaceful and stable transition in the leadership realm in that SADC member state. However, the situation was not fully resolved at the launch of the ASADC FTA.

### **5.3. Non Tariff Barriers**

It is argued that measurements to NTBs parallel those measurements to service barriers. Though this may be the case, services barriers are more complicated and the complexity lies in the manner in which services are supplied.

By now, Non-Tariff Barriers (NTB) among member states should be eliminated for trade to advance. In the SADC region NTBs which are common seem to be in part product-based and in part introduced for a short period of time such as certain seasons only. However, other NTBs are still pervasive.

**Table 3 Common Non-Tariff Barriers in the SADC region**

<b>Non-Tariff Barrier</b>	<b>Primary reason</b>	<b>Suggested remedy</b>	<b>Current status</b>
Un-acceptance of SADC Certificate of Origin (CoO)	No notification of change of verifying signatures	Efficient communication between national authority and the SADC Secretariat	
Changes in road and border tolls	To generate revenue in a short-term	Adherence to the SADC protocols and agreements by national authorities	Common
Temporal bans on selected products	Industry protection, vested interest and health protection	At times these actions are not justifiable and requires a dispute resolution mechanism	When required on SPS reasons
No acceptance of certificates and trade documents	If documents are in order the refusal could be due to corrupt practices at border posts	Improve border administration and avail anti-corruption apparatus at border posts	
Visa requirements	Lack of harmonisation and revenue seeking	Need to deepen the SADC regional integration process	Required in some SADC member states.
No acceptance of national standards	Inability for verification at national level, lack of regional accreditation processes	Increasing national investment in standards authorities and to harmonise standards at the regional level	Status quo is maintained due to poor standardisation in the region.
Poor collection and dissemination of trade data	Inadequate human capital and lack of computerised systems	The use of the SADC CoO is still difficult to quantify	Common in some non-SACU SADC member states
Pre-shipment inspection, control on prices, foreign currency, state marketing and import licensing.	To prevent under pricing on invoices.	Removal of the entire practice	Most of the member states no longer practice it.

Source: Imani Development Austral Pty Ltd (2004); and authors' additions



According to the table above it is expected that by adhering to SADC set standards of protocols and other agreements, most of these NTBs should not apply. Some other NTBs such as price controls, foreign currency controls, state marketing and import licensing which were all common in the past have now been done away with in most of the member states, except for a number of agricultural products. However, the main challenge remains at border posts. This has to do with the delays in time spent before one can finally be allowed to cross and the frequency of adjustments of border charges as well as lack of uniform customs documents.

#### **5.4. Rules of Origin**

Rules of Origin (RoO) are vital for any Free Trade Agreement or Customs Union since they outline the conditions under which a product qualifies as a local or regional – as part of an FTA – product and hence benefits from a removal of import tariff barriers<sup>5</sup>.

However, RoO will serve as a trade barrier, if they are complex and difficult to understand. In this case procedures of verification should be understood and simplified. The system of verification of the status of origin could also be abused by authorities that seek to protect national markets. While SADC and COMESA started from similar Rules of Origin, demands by SADC member states for specific clauses protecting domestic industries have resulted in quite cumbersome procedures. Instead of converging of the two blocs that would finally ease at least compatibility if not a merger, they have diverged over time. Matters are complicated further with the signing of Interim EPAs between the EU and groups of ACP countries. While the EU strives to apply RoO that are in line with trade arrangements with other countries, this reduces the policy space for developing countries that like to see their specific needs addressed. Concerning SADC, the EU trades with South Africa under the TDCA, while with other SADC member countries under IEPA or EBA etc.

One issue that arises when it comes to RoO is that of cumulation, meaning that more than one country to jointly comply with the RoO. For instance, a country A within the SADC region could source processed inputs from South Africa and produce finished goods that are exported to the EU and benefit from preferential access if the value added in South Africa and country A meet the RoO requirement of the EU. While cumulation is allowed for countries that have signed an EPA, provisions for the cumulation with South Africa include a number of exclusions. This reduces the benefits to other SADC countries from sourcing or selling inputs from or to South Africa, the most advanced economy in the region.

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<sup>5</sup> See for instance Naumann, E. 2008

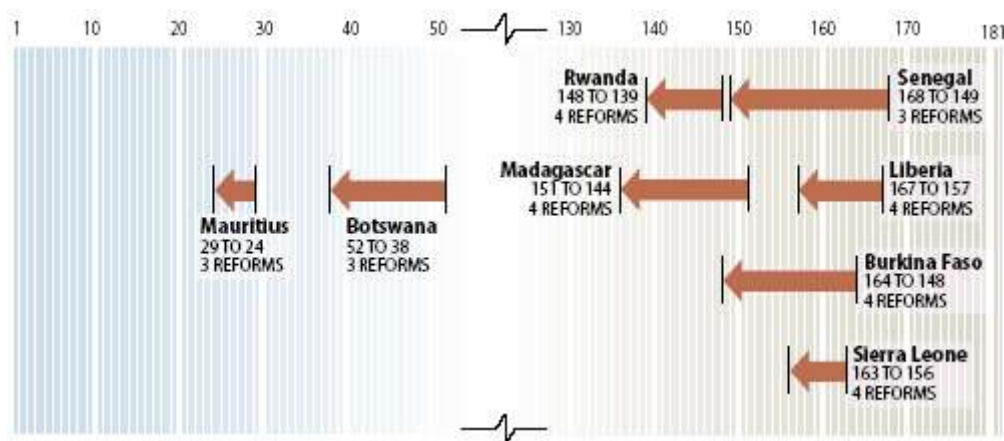
In order for RoO not to introduce trade barriers but to facilitate to create trade through outsourcing of production lines to countries with comparative advantages, RoO have to be harmonised.

## 5.5. Behind the border trade enablers

### 5.5.1. Doing business in the SADC

This part is based on the 'Doing Business' report which is a publication of the World Bank. Ranking states in terms of the ease to do business is imperative in stimulating economic reforms. This process is more essential especially for states that belong to RECs with mandates to advance economic integration. This is equally true for states that belong to the SADC. Ranking on the ease to do business do not tell the entire economic story but sheds light on the government's eagerness in creating favourable regulatory framework for operating business undertakings. In the 2007/2008 assessment, the criteria on which states are assessed include: starting a business, dealing with construction permits, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business.

**Figure 2 African reformers' ranking on the ease of doing business in 2008/2009**



Adapted from Doing Business database (2009)

In Figure 2 African states that lead the ladder of reformers are Mauritius which was ranked 29<sup>th</sup> in 2007/2008 and now at 24. Botswana has made good strides by ranking 38 from 52 in 2007/2008. Madagascar and Rwanda have also made some great improvements in the ease to do business in 2009 compared to the previous year. As for other SADC member states, their performances in the doing business database of 2009 appears below.

**Table 4 Trends in 'Ease of Doing Business' Ranking of SADC Countries**

Member state	2007/2008	2008/2009
Angola	169	169 ↓
Botswana	52	38 ↑
Lesotho	119	123 ↓
Malawi	131	134 ↓
Madagascar	151	144 ↑
Mauritius	29	24 ↑
Mozambique	139	141 ↓
Namibia	48	51 ↓
Seychelles	93	104 ↓
South Africa	35	32 ↑
Swaziland	100	108 ↓
Tanzania	124	127 ↓
Zambia	101	100 ↑
Zimbabwe	154	158 ↓

Authors' compilation using data from the World Bank on doing business 2009

Note: The arrow ↑ means there is an improvement in the ease to do business whereas ↓ represents a decline in the ease to do business.

Table 4 indicates that few SADC member states have improved their domestic business environment using 2007/2008 ranking as a benchmark namely Botswana, Madagascar, Mauritius, South Africa and Zambia. All other SADC member states declined in their ranking. The declining rankings are not attractive to the judgement of foreign direct investors. With the desire to advance economic integration in the region, the ability to attract foreign investors is important. Economic growth calls for the presence of local, regional and foreign investors. A decline in the ranking is a signal of the difficulties faced by investors in the domestic economy. A steady improvement which can be sustained for a longer period is health to investors because it instils confidence in the economy and it is easier for the investors to somehow predict likely outcomes in the investment environment and associated policies. The improvement in ranking would furthermore support economic growth and hence macro-economic convergence within the SADC region.

#### 5.5.2. Transport and telecommunications infrastructure

Transportation infrastructure is essential to smooth and speed delivery of cargo from one member state to another or the outside world. Outside the SACU but still in the SADC region lies the main challenge of transport infrastructure. The

condition and absence in other cases of proper road and railway networks hampers the smooth flow of goods. For many years countries in this grouping have failed to invest in their road and railway networks as a result of wars and economic slowdowns. A typical example of historical wars that ravaged road and rail infrastructure and or which prevented rehabilitation of such infrastructure includes countries such as Angola, DRC, and Mozambique. An example of historical and recent economic slowdown is the experience of Zimbabwe. Where road and railway networks exist, the lack of drive to rehabilitate them has led to dilapidation in their conditions.

The current problem with regard to infrastructural development and maintenance is not found in lack of political drive but is in economic resource deficiencies especially the situation with Mozambique and Tanzania given that their national budgets continue to rely more on donor funds. Namibia has modern transport infrastructure but its reliance on SACU revenue pools together with Botswana, Lesotho and Swaziland even though their levels of reliance varies, makes it vulnerable to future revenue sources for its future capital projects unless other sources are found. It has been widely mentioned that SACU revenue from the customs pool would decline in the near future due to trade liberalisation. However, so far rather the contrary was observed because of economic growth that absorbed tariff reductions. Existing transport infrastructure bottleneck affect in particular the North South corridors linking DRC's Katanga province with South African ports. In part roads are not tarred or they are too narrow and not build for the amount of traffic that the high demand for minerals such as copper has induced. Railway infrastructure that could be an alternative to road infrastructure in particular for the transportation of bulk cargo suffers in some areas from a severe lack of maintenance and rehabilitation.

Insufficient transport infrastructure causes costly delays in the transportation of goods and passengers, increases maintenance costs of trucks or hinders market access altogether. The result is that transportation costs within the region often exceed the costs for shipments from overseas. The costs for transporting a container from Dar Es Salaam for instance to Rwanda or Burundi are higher than the costs for the container from China to Dar Es Salaam.

However, efforts are underway to address these bottlenecks and create alternative routes in order to reduce the impact on existing corridors. Namibia, for instance extends its railway network to the Angolan border in order to link the port of Walvis Bay to mining areas in the south of Angola, but also to provide an alternative to road transport for consumer products destined for Angola. It is planned to build a one-stop border post between Angola and Namibia for railway transports; one of the first of its kind within the SADC region.

Expanding the transport infrastructure and maintaining the network is costly. Countries use various means in order to recover the costs, such as road levies that are to be paid at entry points or are levied on petrol. However, the funds are not sufficient to cover the costs of new infrastructure projects. Countries need to tap into other sources, often donor funding. An alternative could be the Development Bank of Southern Africa. But there are technical barriers within the bank that

limits the extent to which the bank could get involved in financing cross border projects.

Another area that needs attention is the telecommunication infrastructure. While regional service providers cover some regions of SADC, in particular East Africa, in other parts roaming profiles and or cross border calls are expensive. More competition is not the immediate panacea, unless the necessary regulatory framework exists that among others regulates interconnection rates in order to avoid that a dominant market player exploits the position<sup>6</sup>. This calls for functional competition authorities in member states. While most countries do have competition policies; in Mozambique a draft exists, competition commissions are often in its infancy. In the era of trade liberalisation and hence easier flow of goods across borders, this is an area where capacity needs to be built to avoid uncompetitive behaviour of market players. Again, high telecommunication costs are a barrier to trade and investment.

### 5.5.3. Trade policy position and preparedness

Industrial policy is imperative in influencing major economic policies of the country due to some interrelationship among national policies which includes trade policy. So far part of Mozambique's service sector has been liberalised and the tariff reduction concessions are on schedule with complete phasing down of tariffs scheduled for 2012. The challenge which Mozambique faces is that of a steady decline in revenues which is estimated at about 5% to 6% due to tariff reductions but the Receiver of Revenue attempts to recoup the shortfall through increased domestic tax collection efficiency. With South Africa being the main trading partner supplying about 66% of Mozambican imports, Mozambique would require South Africa to assist with some incentives so that Mozambican economy may also shape up in terms of trade benefits, and improvement of the much needed skills. The current Mozambican Value Added Tax (VAT) stands at 17% which imported products are levied at.

Most of the SADC member states to a high degree lack the supply of diversified products. This means that common and somehow similar products they sell fail to stimulate intra SADC demand except for those that are needed to maintain food security positions. This lack of diversity of marketable commodities gives South Africa entrepreneurs an opportunity to dominate regional trade due to the advantage of their diversified supplies. As a result both Mozambican and Tanzanian small and medium enterprises fear the magnificent position of the South African economic muscle as the main threat to their survival. Lack of information on the sources of funds and markets beyond their borders of Mozambique and Tanzania is a serious obstacle to their active participation in intra-regional trade. In Mozambique, Namibia and Tanzania there is an absence and in some instances inadequate production lines for locally produced products. The problem with this absence or inadequacy of production capacities manifests

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<sup>6</sup> See for instance Stork, C. and Esselaar, S. 2008

as a serious supply constraint which has some disadvantages of diseconomies of scale.

Currently the SADC lacks a formalised approach that collects resources *from the well to do* member states to utilise the resources on *the less to do* member states in order to uplift their economic positions. The idea is mired by the fact that each SADC member state has its own internal challenges and the main focus is still on the national and very little on the regional level especially when resource allocation is concerned. The SADC Development Fund listed in the RISDP suppose to have come into place in 2005 is behind schedule. Even though this idea of mobilising resources from well to do member states to the less to do ones is good, it nevertheless has some weaknesses of inviting national protests from domestic interest groups.

#### 5.5.4. Customs standards

Intra-SADC trade in goods is vital to the efficiency and full operation of the SADC FTA. In the SADC Trade Protocol, cross-border trade is heralded as an important consideration to the success of the SADC region. Despite this understanding, there are still delays at border posts which are a result of among others the duplication of customs documents. SADC member states use various customs standards. It was found that South Africa uses Customs Automation Entries at the border while Botswana, Malawi and Namibia use ASYCUDA. This incompatibility based on systems of application may not directly be an NTB but could serve as an NTB of some kind. In addition, these customs documents are cumbersome to complete. Having realised the delays at border posts as a barrier to trade, the SADC region has embarked on various initiatives such as the Single Custom Document and the once-off-stop border post projects. The Beitbridge border post (between South Africa and Zimbabwe), Chirundu border post (between Zambia and Zimbabwe) and Komati port (between Mozambique and South Africa) are the first to be piloted. It is hoped that lessons from the projects which are being piloted would assist in enlightening on the better way to manage border procedures to stimulate cross border trade in goods.

Botswana, Namibia and South Africa started a pilot project some years ago for a single customs document on the Trans-Kalahari Highway that links the port of Walvis Bay through Botswana with the Gauteng Province in South Africa. The positive results of the pilot project will lead to the inclusion of other countries.

#### 5.5.5. Product standards

Setting standards of products in the SADC region remains a challenge. Currently in Mozambique there is a system of setting standards called INNOQ. In Tanzania there is also an institution even though it is in its infancy. Namibia has been assisted by South Africa to set-up its institution that sets national standards of products. South Africa has a long established institution called the South African Bureau of Standards. The issue of accrediting institutions of standards is not operational at the secretariat level. As trade in the region advances as a result of the SADC FTA that has come into place, it will be useful to have a regional product standardisation framework which would also assist in advising on

disputes that may arise on discriminatory activities of certain products based on the quality of such products. Product standardisation is also important in that it guarantees and thus assures importers on the quality of products from member states. It is a necessary ingredient to deepen integration through expanding value chains across the region. Certain products lines can be outsourced to other companies in other member countries if the final producer is assured of the quality of the product he will receive in return.

Preferential access to the EU market under Lomé or Everything But Arms has already compelled SADC countries to adopt certain product standards in order to fulfil EU requirements. However, financial and technical assistance is needed to upgrade production facilities and increase skills to comply with these requirements. If more SADC countries work together and harmonise standards it would open room for breaking up production processes and benefit from specialisation. It would reduce production costs and hence make the region more competitive and eventually attractive to investors.

## **6. POLICY SUGGESTIONS**

With the signing of the FTA, member states accept to respond to expected policy harmonisation at a regional level. The path to higher levels of integration suggests the sovereignty aspect to be considered for the effectiveness of the SADC Secretariat. In line with this view, some power sacrifices would be needed in order for the SADC Secretariat to ensure that protocols are implemented. Besides the issue of sovereignty, some concerns such as revenue formula, common external tariff, tariff schedules and NTB would require to be addressed for the region to advance.

With an envisaged customs union, SADC will in the meantime need to deepen its FTA to serve as a launch pad for the customs union. Sector policies should be harmonised in preparation for a customs union. However, the acid test lies in whether or not the SADC will manage to harmonise the trouble of overlapping membership. Harmonising external tariffs and Rules of Origin are priorities in the negotiations with COMESA and EAC followed by the removal of other non-tariff trade barriers. Working on these issues step-by-step will likely reveal more and speedier results than embarking on an expanded FTA between the three blocks.

The study found that many views tell of a 2010 customs union as being an ambitious idea hardly to achieve within the remaining period of time. Hence the focus should shift to deepening regional integration by harmonising standards, procedures and where possible policies.

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**FES study**

## Appendix 1 Interview guideline

*NB: Not all the issues were applicable to all stakeholders*

**The implementation of plans and obstacles thereof:** adherence to agreed principles, actions and functioning of created institutions (e.g. SADC National Committee), tendencies of bureaucratisation. Progress in the removal of **tariffs** and **NTBs**

**Consistency of policy objectives** – internal consistence with regard to national development plans and visions, consistency with other regional plans and objectives (e.g. CMA, SACU, AU/NEPAD, EPAs etc).

- **The progress or otherwise of other inter-state initiatives** in which members states of SADC are participating may strengthen SADC (SADC as a stepping stone to African integration, SACU as a building block for deeper integration within SADC), but it may also direct scarce human and financial resources away from SADC.

**Institutional implementation capacity:** Institution building, Human Resources etc.

**Financing of SADC:** sufficiency for present and planned activities, dependence on International Cooperating Partners (donors), distribution of membership fees. Sufficiency of funding; contributions by governments, donors, others – funding of SADC National Committees.

**Overlapping memberships to Regional Economic Communities and EPAs,** How are **decisions formed** about which grouping to join? Who is involved in the decision making process? What role does **private sector** play? Formal/informal communication channels.

**Relation to the private sector and civil society** (including trade unions, churches, media, NGOs, etc.): **Degree of their knowledge** of and **participation** in the process of RI.

**Legal structures and their adequacy to monitor compliancy with signed protocols.**

**Costs and benefits of the Regional Integration process and the perceptions of these on countries and various interest groups.** This is believed to be a key driving force for the speed and sustainability of regional integration.

**Adequacy of the SADC linear model of integration as a focal point or dealing with intermediaries such harmonisation of customs and excise standards, road authority standards, standardisation of goods in general and legal institutions.**

**The role of the SADC Secretariat in the quest for regional integration.**

Previous Monitoring SADC reports can be downloaded from:

[http://www.foprisa.net/publications/research\\_outputs.htm](http://www.foprisa.net/publications/research_outputs.htm)

Appendix 2 List of interviewees

1. Mrs Cerina Mussa: National Director of International Relations at the Ministry of Commerce and Industry, Maputo
2. Mr Constantino Gode: Economic Advisor at the Ministry of Finance, Maputo
3. Mr Domingos E. Fernandes: Director of SADC and NEPAD affairs at the Ministry of Foreign Affairs, Maputo
4. Mr Lourenco Sambo: Economic Advisor at the Ministry of Planning and Development, Maputo
5. Prof Carlos Castel-Branco: Director of the Institute for Social and Economic Studies, Maputo
6. Ms Migelia Minezesh: President of Association of Mozambican Economists
7. Mr Herminio Sueia: Director General of Mozambican Revenue Authority
8. Mr Anastacio E. Magombe: Director at Mozambican Revenue Authority
9. Mr Hernani Ruface: Head of Division of Regional integration at Mozambican Receiver of Revenue
10. Mr Jim Lafleur: Senior Economic Advisor at Confederation of Business Associations of Mozambique
11. Mr. Dino Foi: Coordinator of Consultative Mechanisms at Confederation of Business Associations of Mozambique
12. Mr Ambassador Herbert E. Mrango: Director for Regional Cooperation at the Ministry of Foreign Affairs and International Cooperation in Tanzania
13. Prof. Robert Mabele: Professor of Economics at University of Dar Es Salaam
14. Mr Daniel Mchemba: Acting Chairperson of the Tanzanian Chamber of Commerce, Industry and Agriculture
15. Ms Magdalene Mkocha: Senior Chamber Development Officer at the Tanzanian Chamber of Commerce, Industry and Agriculture
16. Mr Suweid F. Faraj: Manager of Customs Automated Systems at Tanzania Revenue Authority
17. Mr Narcis A. Lumumba: Customs Officer of Trade Facilitation Unit at Tanzania Revenue Authority
18. Dr Joseph L. Masawe: Director of Economic Policy at Bank of Tanzania
19. Mr Peter L. Kadesha: Deputy Director of Macroeconomic and Financial Programme at Bank of Tanzania -
20. Mr Pillemon L. Luhandja: Chief Secretary at the State House of Tanzania
21. Dr Hamisi H. Mwinyimvua: Personal Assistant to the President (Economic Affairs) at State House of Tanzania

22. Mr. Singi R. Madata: Coordinator of Reforms in the Office of the Chief Secretary at State House of Tanzania
23. Mr. Mtemi L. Nahuyaga: Executive Director of Tanzania Exporters' Association
24. Mr Peter G. O. Lanya: Vice Chairman of Tanzania Exporters' Association
25. Dr. Oswald Mashindano: Senior Research Fellow at the Economic and Social Research Foundation, Tanzania
26. Mr Mshilyeni Belle: Head of International Relations at the South African Reserve Bank
27. Mr Brian Monyake: Senior Economist at the South African Reserve Bank
28. Mr Mmatlou Kalaba: Senior Trade Economist at Trade and Industry Policy Strategies, Pretoria
29. Ms Ximentá Gonzalez-Nunez: Deputy Director at Trade and Operations at Trade and Industry Policy Strategies, Pretoria
30. Mr Mbofhi Tsedu: Researcher at Trade and Industry Policy Strategies, Pretoria
31. Mr Wamkele K. Mene: Director of Trade in Services at the Department of Trade and Industry, Pretoria
32. Mr Joseph Senona: Assistant Director of SADC Unit at the Department of Trade and Industry, Pretoria
33. Ms Varsha Singh: Manager in the Office of the Commissioner for International Relations at the South African Receiver of Revenue
34. Ms Maggie Tladi: Senior Policy Analyst in the Office of the Commissioner for International Relations at the South African Receiver of Revenue
35. Mr Hammed Amusa: Senior Researcher at the Fiscal Policy at the Financial and Fiscal Commission, Midrand
36. Dr Themba Mhlongo: Advisor on Regional Integration at the Southern Africa Trust, Midrand
37. Ms Giulia Pietrangeli: Trade Analyst at the European Delegation to South Africa