

**SPEECH BY H.E. JAKAYA MRISHO KIKWETE, FORMER
PRESIDENT OF THE UNITED REPUBLIC OF TANZANIA DURING
THE PUBLIC LECTURE AT THE UNIVERSITY OF SWAZILAND ON
THE 23TH AUGUST, 2016**

Right Honourable Dr. B. S. Dlamini of the Kingdom of Swaziland,

*HRH Prince Hlangusemphi, Minister for Economic Planning and
Development of the Kingdom of Swaziland*

Honorable Ministers,

Dr. Stergomena Lawrence Tax, Executive Secretary of SADC,

*Prof. Cisco M. Magagula, Vice Chancellor of the University of
Swaziland,*

Excellences,

Ambassadors and High Commissioners

Honorable Members of Parliament,

Invited Guests,

Ladies and Gentlemen,

Allow me to begin by expressing my sincere appreciation and gratitude to His Majesty King Mswati III for inviting me to speak at this prestigious University of Swaziland. I also thank His Majesty for the warm reception and gracious hospitality. This is typical of His Majesty and the people of this great Kingdom.

In the same vein, I wish to thank Dr. Stergomena Lawrence Tax, the Executive Secretary of SADC and Professor Cisco Magagula, Vice

Chancellor of the University of Swaziland for the excellent arrangements of this event. Besides faculty and students of this university, it brings together policy makers, decision makers, the private sector, members of civil society and to deliberate on this critically important subject matter for our region and our respective countries. I believe the views, thoughts and insights generated here today will inform policy and decision makers in on the steps we take going forward to upscale integration in the SADC region.

Let me hasten to say that I commend the organizers for the decision to hold these discussions. It is now 36 years and 24 years, respectively, since the establishment of the Southern African Development Coordination Conference (SADCC) and its successor, the Southern African Development Community (SADC). Both organizations had among its core objectives economic cooperation and integration of the Southern African region. It is opportune time, therefore, to look back and see how much ground has been covered and what needs to be done going forward in pursuit of this noble objective.

Ladies and Gentlemen,

The Southern African Development Coordination Conference was the brain child of the Frontline States Organization established in 1975 to assist and spearhead the struggle for political liberation of Southern Africa. Specifically, it was against South African colonialism in Namibia, white minority rule in Zimbabwe and the apartheid regime in South Africa. At the beginning, the Frontline States

comprised of 5 countries of Angola, Botswana, Mozambique, Tanzania and Zambia. Later in 1980, Zimbabwe joined after getting her independence and so did Namibia on attaining independence in March 1990. Mwalimu Julius Kambarage Nyerere, then President of the United Republic of Tanzania was its founding Chair. When he retired from the Presidency in 1985, President Kenneth Kaunda of Zambia took over the Chairmanship of the Organization. When President Kaunda left office in 1991, President Robert Mugabe of Zimbabwe became its Chairman.

Ladies and Gentlemen,

In the course of performing their duties and functions, the Frontline States leaders realized that some strategic countries in Southern Africa faced some incumbrances which impeded them from committing fully and from contributing to the fullest in the struggle. This was because of pervasive dependence on apartheid South Africa. The export base was controlled by South African companies in these countries. For Example, South Africa was the largest labor market for Lesotho, Malawi, Swaziland, Zimbabwe and Mozambique. Botswana, Lesotho and Swaziland were part of the Rand Monetary Agreement. Transport routes for **six** landlocked countries of Botswana, Lesotho, Malawi, Swaziland, Zambia and Zimbabwe pass through South Africa. Unfortunately, there were only North to South and no West to East routes. The list is long for the shortage of time let me mention these.

These dependent countries faced reprisals from the apartheid regime if they supported the liberation struggle. There was the possibility of sanctions or even harsher forms of punishment. Indeed, it did happen. From time to time restrictions were imposed on labor from Zimbabwe, Malawi and Mozambique. There were repeated boarder closures and restrictions against Swaziland, Zimbabwe, Lesotho and Botswana. There were frequent cuts in electricity supply to Mozambique and Lesotho. In 1980, South Africa boycotted ports of Mozambique. The apartheid regime supported armed rebellions in Angola and Mozambique. Transport networks, tea plantations and oil installations were sabotaged. Over and above that direct military aggression were perpetrated against countries that supported the liberation struggle in the region.

Ladies and Gentlemen,

In view of all this, the Frontline States' leaders directed their Foreign Ministers to deliberate on the situation and propose ways of counteracting it. The Ministers met in May 1979 in Gaborone, Botswana and decided to ask their counterparts responsible for economic development to work on the economic aspects of the matter and come up with pertinent proposals. The economic Ministers met in July 1979 in Arusha, Tanzania and their proposal culminated in the Lusaka Summit of 1st April, 1980. At that Summit, the Heads of State of the **six** Frontline States of Angola, Botswana, Mozambique, Tanzania, Zambia and Zimbabwe plus Malawi, Lesotho and Swaziland signed the famous

Lusaka Declaration Towards Economic Liberation. It is this Declaration which established the Southern Africa Development Coordination Conference (SADCC).

Sir Tseretse Khama, then President of the Republic of Botswana became its founding Chairman. When he passed on 13th July, 1980 Sir Ketumile Masire, who succeeded him as President assumed the Chairmanship. At the Summit in Maseru, Lesotho in 1994, President Nelson Mandela of the Republic of South Africa was appointed Chairman for **three** years. After that, the SADC Chairmanship become rotational on annual basis.

Ladies and Gentlemen;

The **nine** SADCC member states aspired to build on their political cooperation to act in concert for coordinated social-economic development of the region as a means of reducing over dependence on apartheid South Africa. They appreciated that individually their countries were small and weak but collectively and in view of the abundance of human, agricultural, natural and other resources they possessed, the region could become a formidable economic powerhouse. Collectively the region can overcome the dependence challenge and promote equitable sustainable economic growth and integration.

In this regard, the principal objectives of the SADCC were **four** fold:

- a) Reduce dependence particularly but not only on apartheid South Africa;
- b) Forging links to create genuine and equitable regional integration;
- c) Mobilization of resources to promote the implementation of national, interstate and regional policies; and
- d) Concerted actions to secure international support within the framework strategy for economic liberation.

Institutions of leadership, management and follow up for the SADCC were created. The adopted implementation strategy was for each member state to be assigned a sector to coordinate or a project(s) or programme(s) to develop on behalf of the region. In most cases it was based on the characteristics of each country and its strength and resources. Indeed, member states demonstrated very high levels of commitment and devotion in implementing their responsibilities. There were ups and downs, in implementation of the programmes and projects but, at the end of the first decade, the SADCC had been able to register some achievements in pursuit of its objectives.

Ladies and gentlemen;

People could fly from one capital to another without having to pass through apartheid South Africa. About **63 percent** of all trade was going through ports of SADCC member states. The port of Beira was cheaper by **USD 400 per tonne** than the port of Durban. Fortunately,

favourable weather conditions improved agricultural production by **30 percent** in 1988 easing the food insecurity situation. Also, terms of trade for primary commodities improved after a long time. Policy reforms by member states reduced inflation and improved competitiveness of SADCC countries. **Eight** countries out of the **nine** showed positive GDP growth rates. Things looked prospective despite the enormity of challenges.

Donors not following up their pledges with funds and demanding too much preparatory work was one of the major constraining factor. Member states complained about it. On their part, donors complained of projects and programs not being prepared well and lacking in regionalism. At some point, this almost created an impulse but through frank discussions matters were smoothen out and the momentum was regained.

Ladies and Gentlemen;

In March 1990, Namibia became independent and joined both the Frontline States and SADCC. The SADCC membership became **10** and that of the Frontline States became **six**. After the release of Nelson Mandela from prison in February 1990 and the talks between the ANC and the apartheid regime, then speculations began to circulate that new political dispensations could possibly unfold in South Africa. A new South Africa under black majority rule was likely going to happen. The leaders of SADCC, both at the political and secretariat level, took the

speculations seriously. They felt that undertaking strategic thinking was a matter of essence in order to position the organization properly if things turn out to be true.

The overarching question that demanded quick response was about how to handle a black majority ruled South Africa for an organization that came into existence under the philosophy of not working with South Africa and not being dependent on South Africa. At the end of intense deliberations, it was concluded that the SADCC had to work with apartheid-free South Africa. It was decided that the SADCC should be restructured accordingly to accommodate the impending situation. This exercise was undertaken and was successfully concluded. On 17th August, 1992 in Windhoek, Namibia when Heads of State and Governments of the **ten** SADCC member states signed the Declaration and Treaty Establishing the Southern African Development Community. The countries were Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe.

Ladies and Gentlemen;

Indeed, in 1994 the people of South Africa held their first elections on the basis of universal suffrage where no-body was denied the right to vote because of his or her race. And the same year, the new South Africa applied and was accepted to join the Southern African Development Community as the **11th** member. Soon thereafter, South Africa began to participate in all organs and activities of SADC. As a

matter of fact, they were also assigned sectors to coordinate. In 1995, Mauritius became the 12th member whereas in 1996 the DRC and Seychelles became the 13th and 14th members respectively. In 2005 Madagascar joined as the 15th and the last member state to date.

Ladies and Gentlemen;

The Windhoek Treaty establishing SADC sets out the main objective of SADC as *“to achieve development and economic growth; maintain peace and security, alleviate poverty; enhance standards and quality of life of the people of Southern Africa; and support the socially disadvantaged through regional integration”*. And, these objectives are to be achieved through increased regional integration built on democratic principles and equitable and sustainable development.

In the course of implementing the Treaty, a number of difficulties and constraints were encountered mainly related to the transition from coordinating Conference into a Community. A lot of debate ensued as a result. One matter that generated a lot of discussion was the perception that the new organization cared more about economic cooperation at the expense of political cooperation. This was seen as not being healthy. Some even went to the extent of demanding the revival of the Frontline States which had existed side by side with SADCC. The former was the political entity and the latter was the economic wing. It was this discussion which culminated into the

establishment of the Organ on Politics, Defense and Security Cooperation.

Ladies and Gentlemen;

There were also discussions around the way SADC operated. Dissatisfaction was expressed against the system of member states being assigned to coordinate sectors or projects and programmes. It was seen as not the most efficient way of pursuing and implementing the objectives of the organization. It was decided that this should be changed and that task be performed by the Secretariat. These and other issues necessitated major reforms of SADC which were effected at Windhoek Summit of 9th March, 2001. The Treaty was amended and a number of new things and institutions were introduced. Among them were for example:

- a) The Organ for Politics, Defense and Security Cooperation;
- b) The Troika;
- c) Sectoral and Cluster Ministerial Committees;
- d) SADC National Committees.

Also, the 21 sectors being coordinated by member states were grouped into clusters under four Directorates at the Secretariat. For brevity of time I have given these few examples but there were more.

RISDP and SIPO

Ladies and Gentlemen;

The Southern African Development Community is guided by **two** strategic plans. One is on economic matters and the other is on political matters. The former is called the Regional Indicative Strategic Development Plan (RISDP) and the latter is called the Strategic Indicative Plan for the Organ (SIPO). SIPO is the implementation framework of the Organ on Politics, Defense and Security Cooperation. The core objectives of the SIPO is to create a peaceful and stable political and security environment in the region so as to enable the overarching objectives of SADCC of promoting socio-economic development, eradication of poverty and regional integration are realized.

The Organ has proved to be a very useful institution for pro maintaining and promoting peace, security and political stability in the region. The region has generally been politically stable but from time to time trouble spots arise here and then. Thanks, in many ways, to the wonderful job done by the Organ such problems were being resolved or continue to be managed well. The good thing is the Organ has been quick to act whenever a problem arose in member states. In this regard, I am confident that the existing political and security challenges in Eastern DRC, the Kingdom of Lesotho and elsewhere in the region will be resolved successfully.

It has been the practice that the country chairing the Organ has been leading SADC Election Observers during elections in member

states. The advice from these Missions have helped improve elections management and advance democracy in the region. The SADC Early Warning Mechanism has been a very useful tool enabling the Organ to perform its duties successfully. My humble appeal is that everything must be done to ensure that it is always kept in tip top condition.

RISDP

Ladies and Gentlemen;

After the restructuring of SADC as per decision of the Windhoek Summit in March 2001 especially that of vesting on the Secretariat the work that was being done by member states, a new modus operandi of guiding the implementation of the core objectives of SADC was needed. The conception of the Regional Indicative Strategic Development Plan was the appropriate answer. As you may recall on 14th August 2011 at the Summit in Malawi, the Heads of State and Government amended the Treaty to establish the RISDP.

The RISDP is a comprehensive development and implementation framework guiding SADC's socio-economic development, poverty eradication and regional integration agenda. In economic terms, the RISDP is in economic SADC's **15-year** long term perspective plan (2005-2020) divided into **three** medium term plans of **five years** each. There are **12** priority intervention areas some of which are sectoral and some cross sectoral. The RISDP provides the milestones

and targets for each priority areas which is critical for the realization of SADC objectives.

In all priority intervention areas there is or are policies, projects, programmes and initiatives that are at different stages and levels of implementation. Allow me to mention a few of them, there is for example the Regional Agriculture Policy developed recently to provide a policy framework for agricultural development and food security. There is an Industrialization Strategy and Roadmap approved by the April, 2015 Extra-Ordinary Summit of Heads of State and Government. It was directed that this should be given priority in the implementation of revised Regional Indicative Development Plan (2015-2020).

Ladies and Gentlemen;

In line with the SADC Vision 2017, the region is implementing a Regional Infrastructure Development Master Plan (RIDMP). This is a 15 year plan which guides and scales up development of key infrastructure including energy, water, transport, meteorology and information and communication technology. The Masterplan is being implemented in **three five year** intervals: short term (2012-2017), medium term (2017-2023) and long term (2022-2027).

The ultimate aim is to have an integrated regional power grid that produces enough electricity for all member states. Also regional transport networks, ICT networks, meteorology systems and water supply schemes that adequately cater for the needs of the region. It is

heart-warming, indeed, to note that SADC is according, due priority to infrastructure development. It is critical for supporting and sustaining regional economic development, trade, investment, agriculture and eradication of poverty. There is no development and effective integration without good infrastructure: reliable electricity, good roads, efficient railways, telecommunications and water.

Ladies and Gentlemen;

Indeed, a lot has been done and a lot of benefits have accrued to the SADC region and individual member states through the implementation of the RISDP and SIPO. But, a lot more needs to be done because SADC has not yet fully attained the goals and objectives for its establishment. Going forward we must continue to implement the policies, targets, programs and projects under the RISDP and SIPO. We need to give due attention to deepening economic integration for that will strengthen the efforts being expended under the two strategic plans of SADC and other initiatives and undertakings.

Upscaling Integration

Ladies and Gentlemen;

With regard to integration first and foremost I would like to talk about regional cooperation and regional integration. They are two different concepts although somehow related. In regional cooperation, countries agree to cooperate in certain things like transnational crime, agriculture, education, health infrastructure etc. In regional integration

countries agree to weave or tie their economies together. There are distinct stages being followed and there are universal. Normally it starts with trade when countries agree to remove tariffs and non-tariff barriers for goods produced in one-member state when traded in another. This is what is called Preferential Trade Area (PTA) or Free Trade Area. Under such arrangements, also usually countries agree on what is called rule of origin so that countries don't cheat.

The next stage is the Customs Union when partner states of the Preferential or Free Trade Area agree to erect a Common External Tariff for goods produced in other countries entering their market. Some regional integration endeavours, have decided that their integration entry point would be the Customs Union. They do so in order to scale up the process but also in order to avoid diversion of trade and investments to the country that has lower external tariffs. No partner should be left to unduly disadvantage the others.

The Common Market is the next stage. After removal of tariff and non-tariff barriers and erecting a common external tariff partner states embark on allowing free movement of labour, capital and services. People will be able to move freely from one country to another, settle and seek employment or establish a business activity without discrimination or restriction because of his nationality. Also the same can happen to capital and services.

The next stage is the Monetary Union where countries attain macro-economic convergence, common monetary and fiscal policies, liberalize capital and current accounts transactions. In some arrangements having a common currency is part of this stage while others make it a distinct phase. Those who separate it consider this as the final stage in the economic integration agenda. In some regional integration arrangements, there is also the aspiration for political integration as it is the case with the East African Community and the European Union.

Ladies and Gentlemen;

In my view the Upscaling Regional Integration in SADC is about increasing the pace of implementing the stages of integration. Fortunately, all of the stages have been defined in SADC integration agenda. For example, the Free Trade Area was envisaged to be established by 2008, the Custom Union by 2013, the Common Market by 2015, the Monetary Union by 2016 and Single Currency by 2018. This is 2016, and when we take stock about where we are it is evident we are far behind. We are still at the Free Trade Area stage launched at the 28th Summit by 12 out of 15 member states of SADC. It means therefore that we are way behind schedule as far as elaborated by the Regional Indicative Strategic Development Plan Implementation Framework. What do we do under the circumstances? I am of the view that we must keep the roadmap but develop a new calendar which is more realistic to our circumstances.

Ladies and Gentlemen;

From my knowledge and experience with the East African Community this is not an easy task. It is complex and it attracts a lot of fears some of which are not even warranted. For example, when we were negotiating the EAC Customs Union one of the biggest fears was deindustrialization of the small economies and loss of revenue by governments. We introduced the principle of asymmetry or variable geometry where goods from Kenya, which had a relatively stronger economy paid duties for **five** years whereas those of Tanzania and Uganda entered the East African market at **zero** tariff. With regard to the fear of loss of government revenues, contingency plans were made to assist those governments that would be affected. On the contrary it did not happen and the plans were not necessary.

The Common Market stage generated a lot of debate around fears of one country being inundated on the burden of migrants. Also, there were fears about the loss of jobs. We agreed that there will be no automatic migration. Member States immigration laws and procedures will be paramount. Same with jobs, a roadmap has been agreed with regards to opening up the job market in each member state for all East Africans. Each country will determine which jobs be open to all East Africans. We also agreed on a time frame for full opening up. The same procedure was adopted with regard to the movement of capital. All that I am saying is that it needs a lot of careful thinking and planning in

navigating through the integration process. If that is not done we will be doomed to fail.

Let me emphasize that regional integration is desirable and we cannot walk away from it. It is true even today as our founding fathers realized it when they established the SADCC that individually our countries are small and weak but collectively we can become a bigger market and a stronger entity. When we pull our abundant resources and capability together we can be a formidable economic powerhouse for the benefit of all of us.

In essence what we have been doing has been more on the regional cooperation side than on integration. We have now to take on the path of regional integration in earnest. It is not easy because there will be sacrifices to be made some will even affect our sovereignty. But we have no choice but make the sacrifice for ultimately, the benefits are bigger. That is why even the stronger and developed economies are busy pursuing integration arrangements.

Ladies and Gentlemen;

It would be a remiss of me if I did not recognize and commend the SADC, COMESA and EAC organizations on the historic and bold decision to create one huge Free Trade Area from Cape to Cairo. I was part of the decision when it was made at the joint Summit of the Heads of State and Government of the **three** regional groupings in Kampala, Uganda. The Summit was originally convened to discuss harmonization,

rationalization of some areas of difficulties and work out modalities of resolving them. I happen to be among those favoured the idea of merging our three Free Trade Areas into one. The issue of harmonization, rationalization and difficulties that bother and preoccupy us will be best resolved once and for all. Also the problem of overlapping membership will have been resolved. This action is in line with lofty ideals of building blocks towards African Common Market and political unity of Africa espoused by the OAU and African Union.

Ladies and gentlemen;

I have spoken at length yet I have not been able to talk about everything about SADC, its objectives and achievements. As far as initiating discussion on upscaling regional integration in the SADC region I think it is quite adequate.

I thank you for your kind attention.