The SADC Industrialisation Strategy

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SADC INDUSTRIALIZATION STRATEGY AND ROADMAP

2015 - 2063

Approved by Summit in Harare on 29 April 2015
Background

• Takes its cue from AU’s agenda 2063 and the Regional Indicative Strategic Development Plan (RISDP)

• Industrialisation Strategy and Roadmap – early 2014 – Adopted April 2015

• Summit tasked the secretariat to develop a Costed Action Plan

• Finally adopted March 2017
SADC Industrial strategy: Core tenets

• Seeks to engender major economic and technological transformation
• The Strategy is anchored on three pillars, Industrialization as champion of economic and technological transformation, Competitiveness, and Regional Integration.
• Identifies infrastructure, finance and skills development as key binding constraints to industrialization.
• It identifies agro-processing, mineral beneficiation and pharmaceuticals as priority growth paths.
Key interventions up to 2020/$60m indicative cost: 22 Projects

- Value-chain strategies and implementation
- Initiation of the IUMP – upgrading programme
- Cluster development programme
- Strengthening regional private sector structures
- Strengthening and prioritising industry skills programmes
- ID and facilitate critical regional centres of excellence
- Prioritisation & sequencing of critical trade facilitation measures along priority corridors
Main questions in developing the Action Plan

- Challenge of working with a diverse gaggle of consultants
- The need to move up and diversify into new VC’s rather than just increased participation in GVC’s
- Importance of focusing on and building regional VC’s
- Insufficient focus on industrial policy tools – introduction of an IP “toolbox”
- Questions of member state vs role of the secretariat
- Roles and responsibilities of member states vs the secretariat in the implementation
- No reference to the 4th Industrial Revolution
- High number of projects & programmes (50)
Key operational challenges

- Political will and buy-in by member-states
- Capacity to implement by both the member states and with the secretariat.
- Ability of member states to influence other key departments in the interest of IP progress
- Limitations of donor funding
- Lack of a coherent and engaged private sector
- Timing – and ability to achieve quick wins
- Member state self-interest & tension between trade liberalisation and defence of national positions
- Not getting stuck in research
Key Success Factors

• Political will to put industrialisation as the highest priority amongst member states
• Ability to build capacity within member states & the new SADC industrial directorate
• Regional integration – will it provide the impulse to create the economies of scale required (SA’s hegemony?)
• Ability to influence key enabling factors: Infra-structure; skills; critical institutions etc.
• Openness to engaging with and responding to the needs of the private sector (concept of “active IP” and “embeddedness”)
• Ability to focus on quick-wins – but long term vision
2017 SADC Summit - SA

“Strengthening capacity to partner with the private sector in developing industry and regional value-chains”
Thank you.

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