



SADC's key theme for 1997 seeks to enhance productivity in region

by Munetsi Madakufamba

AS THE liberalisation of both domestic and global markets continues to dominate the world economy, SADC is faced with the challenge of vastly improving its productivity to ensure sustainable development.

Realising the need to turn southern Africa into a major economic player and develop an edge over other competitors, SADC has chosen the theme: "Productivity: Key to Sustainable Development in SADC" for this year's Annual Consultative Conference (ACC).

The major objective of the conference, which runs from 9 - 10 February in Windhoek, is to sensitise the community about the significance of productivity as well as initiating steps towards the establishment of a productivity movement in southern Africa through dialogue with all key stakeholders.

Productivity can be looked at from different angles ranging from workplace performance, sectoral, national to international. It can also take in social, economic or political considerations. As

a result, experts in different fields and at different levels of the economy produce varying definitions of the concept of productivity.

Whatever the definition, the process of enhancing productivity should result in

cost reduction and quality improvement in order to develop a competitive edge over others, both at the domestic, regional and international levels.

The theme document for the ACC, which was prepared by the Botswana National Productivity Centre (BNPC), covers, among others, the conceptual framework of productivity, its trends in SADC, and improvement approaches and schemes adopted elsewhere.

For the purposes of SADC, the document says "productivity is defined as



Ministry of Information - Zimbabwe

PRODUCTIVITY: It doesn't just depend on the labour force

the ratio between goods and services produced within a national economy, economic sector, industry or individual organisation, on the one hand, and the resources used to produce them on the other hand". Precisely, the process of productivity is the vehicle by which the basic resources of labour, capital, materials, and energy are converted into output of a specific quality that satisfies the demands of consumers.

The document identifies effectiveness and efficiency as two key components that are necessary and sufficient for high productivity. The former is important especially in a changing world and is concerned with how well the commodities produced do indeed meet human needs, and goes beyond the commercial markets to how government departments provide services to the people. Effectiveness is thus output-oriented and about whether producers are "doing the right things".

Efficiency is an input issue -- how well internal processes are carried out -- and

SADC LAUNCHES NEWSLETTER

This is the first issue of SADC Today, a newsletter produced by the Southern African Research and Documentation Centre (SARDC) on behalf of the SADC Secretariat. The bimonthly newsletter will give factual and current analysis of SADC activities, events, policies and programmes. The wide circulation of this information within and outside the region should improve the base of knowledge about SADC and broaden public awareness and appreciation of its objectives and activities, thereby enhancing regional community-building efforts.

SADC TODAY

Southern African Development Community
Vol. 1 No.1, February 1997

SADC TODAY is produced by the Southern African Research and Documentation Centre (SARDC) six times a year on behalf of the SADC Secretariat in Gaborone, Botswana. Its contents do not necessarily reflect the official positions and opinions of the SADC Secretariat or SARDC. Materials from this Newsletter may be reproduced freely by the media and others with attribution to SADC TODAY.

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SADC on the Internet

An electronic exhibition, *Made in SADC*, will be held at the ACC to introduce the regional grouping's presence on the Internet. It will be hosted from an "Internet Cafe" environment. Delegates will access information on each of the SADC member states, the Secretariat and Corporate sponsors. *Made in SADC* is a permanent interactive website designed to promote the SADC region as an economic grouping. Visitors will be able to access further sites in the 18 SADC sectors. The website will also publish the conference daily minutes.

The state of regional integration

This is a summary of a report by the SADC Executive Secretary, Dr Kaire Mbuende, on the State of Integration in the region.

SADC has made remarkable progress in spearheading the integration agenda based on its principles and objectives as laid down in the 1992 Windhoek Treaty and the 1993 Framework and Strategy for Building the Community.

In taking SADC's decision of the 1992 Summit to go for integration, the region committed itself to a process in which the formulation of common policies, the development of rules and regulations, and the application of such policies to the functioning of an integrated region are vested in regional collective decision making systems and regional institutions.

One of SADC's major achievements over the period was the successful involvement of all stakeholders through convening of Community Building Workshops and Seminars both at the national and regional levels. The 1996 Annual Consultative Conference was an important one for the region as it allowed for the first time active private sector participation. The civil society, professional organisations, non-governmental organisations, youths and trade unions have also been incorporated with a view to build a popular constituency.

Although the SADC Programme of Action was conceived at the time of the old SADCC, the Conference, and not with a view to serving the integration objective, Sectors have undertaken steps to adjust their agenda to the new situation.

The protocols signed by Summit in August 1996 are a milestone in the integration agenda. The challenge now lies in their ratification and implementation.

In the electricity sub-sector, the Southern African Power Pool, which allows for trade in electricity across

borders, stands as a classical example of the benefits of integration.

Successful building and rehabilitation of road and rail links, especially along the corridors leading to the ports of Dar es Salaam, Beira and Maputo have boasted regional traffic flows.

The region is currently in the process of developing a Mining Protocol and a Mining Development Strategy. Mining is the mainstay of many SADC economies and a principal foreign exchange earner for the region taken as a whole.

However, industry and trade, which



SADC Executive Secretary

stands as an area where the lack of progress to integrate, so far has prevented SADC from tapping important potential gains. Trade is often looked upon as the most important single area for integration -- in fact, the liberalisation of regional trade flows is sometimes taken as synonymous with integration per se.

The eventual implementation of the Trade Protocol will contribute towards regional integration in many ways. It should provide for further liberalisation of intra-regional trade in goods and services on the basis of fair, equitable and mutually beneficial trade arrangements, with a view to the eventual establishment of a Free Trade Area for southern Africa.

Council recently approved the establishment of the Regional Tourism Organization of Southern Africa (RETOSA) designed to enhance the participation of the private sector in tourism development. The promotion of intra-regional tourism is also receiving

increasing attention.

Despite the progress made so far in the process of integration, some problems have been encountered on the way and it is important to analyze them objectively in order to address them in the future.

The main problem is generally the slow pace as a result of long negotiation periods. However, this should be expected to some extent and should not be seen as necessarily negative. In the long run SADC is certainly better off with consensus agreements achieved after protracted negotiations than with early results which are not faithfully implemented.

Nonetheless, negotiating officials should be more willing to compromise for the sake of individual countries' overriding national interests in regional integration.

It is indeed imperative that member states carry out a cost-benefit analysis prior to participating in the negotiations to avoid members requesting for technical studies which, besides being time consuming, are not a substitute of the former.

The absence, in the Windhoek Treaty and the 1993 Framework and Strategy document, of a time frame within which the objectives of SADC should be achieved has proved to be the major reason for lack of deadlines to guide the region's protocol negotiations.

As a way forward, there is need to consolidate the achievements of the past few years and still endeavour to shift the SADC integration agenda to a higher gear. Attitudes, procedures and approaches that have proven to be obstacles to regional integration should be quickly identified and rectified.

The aim is to faithfully pursue the objectives of SADC's integration mission, as agreed upon in the SADC Treaty. For this to happen, SADC must be creative enough to overcome those elements inherited from the "Conference" which do not serve the integration agenda.

There is also need to debate and agree on whether the current pace of transition from the "Conference" to the Community is satisfactory. □

Trade Protocol set to erase economic boundaries between nations

The SADC Trade Protocol, which was signed on 25 August 1996 in Maseru, is a major breakthrough in the process of making the region a Free Trade area.

The protocol should ensure that all firms in the region would produce for a market of more than 150 million consumers, competing on equal terms, small and big alike.

"It is our sincere belief that regional free trade will increase intra-SADC commerce, accelerate economic growth, create jobs and raise the standard of living of the citizens of the region," noted SADC Executive Secretary Kaire

Mbuende at a recent trade and investment summit held in Harare.

However, individual companies in the respective member states should also brace for the competition that comes with a free market system, as there will be little or no government protection.

"When the common market is established, there will be no tariff or non-tariff barriers between member states," says Zimbabwean Minister of Industry and Commerce, Nathan Shamuyarira. He also says companies will compete on the basis of efficiency within the broad framework of a SADC market.

In fact, survival in this scenario will

depend on emphasis on high productivity, the efficiency of production. It is through efficiency that a company is able to produce quality goods and services at the minimum possible cost and thus charge a viable price.

South African President Nelson Mandela also thinks highly about the protocol and he says for his country, "... integrated development of the region is a priority of the highest order and the goal is to build SADC into a formidable force of development."

He says a free trade agreement is one way of doing that and, once achieved, it would "enhance the member countries' collective and individual standing in a world characterised by fierce competition for limited resources." □

Protocols signed at the Maseru Summit

Summit noted, with satisfaction, the following progress in the implementation of the Community Building Programme:

10.1 All member states signed the following four Protocols, except Angola which did not sign the Protocols on Trade and Transport, Communications and Meteorology, to allow internal processes to be completed:

a) **Combating Illicit Drug Trafficking**

The Protocol provides a policy framework that allows the SADC region to cooperate in ensuring that the region does not become a producer, consumer, exporter and distributor of illicit drugs, and a conduit for illicit drugs destined for international markets. To achieve this the protocol provides for cooperation among law enforcement agencies and the judiciary systems of the region.

b) **Energy**

The Protocol provides for the harmonisation and integration of national and regional energy policies, strategies and programmes on matters of common interest, based on equality, balance and mutual benefit. The Protocol provides for cooperation in the development of energy pooling to ensure security and reliability of supply and reduction of costs. Provision is made for cooperation in the development and utilisation of energy in the sub-sectors of wood fuel, petroleum, natural gas, electricity, coal, new and renewable energy sources, energy efficiency and other cross-cutting themes of interest to the region.

c) **Transport, Communications and Meteorology**

The Protocol provides for the establishment and integration of transport, communication and meteorology systems

which would ensure the development of efficient, cost effective and fully integrated infrastructure and operations which best meet the needs of customers, and promote economic and social development while being environmentally and economically sound and sustainable. The Protocol also provides for the engagement of all stakeholders in the development, utilisation and maintenance of strategic infrastructure within an environment promotive of efficiency.

d) **Trade**

The SADC Trade Protocol provides for the further liberalisation of intra-regional trade in goods and services on the basis of fair, equitable and mutually beneficial trade arrangements, with a view to the eventual establishment of a Free Trade Area. The Trade Protocol provides for the phased reduction and eventual elimination of import duties and other charges of equivalent effect on goods originating in member States. Non-tariff barriers are also expected to be eliminated completely over time. The ultimate objective of the Trade Protocol is to create an integrated regional market in order to boost economic development, diversification and the industrialisation of the region through the realisation of enhanced economies of scale.

10.2 With respect to the issue of illicit drug trafficking, Summit expressed alarm at the growing menace posed by drug trafficking and called for stiff sentences to be imposed on traffickers and for strong measures to control this scourge. In this regard Summit welcomed the conclusion of a regional protocol that will assist the region in eliminating the scourge of drugs destined to the rest of the world.

SADC attends first World Trade Organisation conference

by Munetsi Madakufamba

SADC Trade Ministers and the Secretariat recently attended the inaugural ministerial conference of the World Trade Organisation (WTO) held in Singapore from 9 - 13 December 1996.

The WTO, which has the biennial ministerial conference as its highest authority, is the legal and institutional foundation of the General Agreement on Tariffs and Trade (GATT) as updated and signed on 15 April 1994 in Marrakesh, Morocco, taking into account negotiations in the Uruguay Round.

It provides the principal contractual obligations determining how governments frame and implement domestic trade legislation and regulations. It is also a platform on which trade relations among countries evolve through collective debate, negotiation and adjudication, and has a membership of 128 governments with 30 others, including Angola, currently in the process of acceding to the WTO.

The purpose of the Singapore Ministerial Meeting was, among others to:

- assess the implementation of member states commitments under the WTO Agreements;
- review of the ongoing negotiations and work programme;
- examine developments in world trade; and address the challenges of an evolving world economy.

SADC, whose members attended the conference as one regional grouping, issued a joint statement that was presented by Tanzania, in its capacity as the Coordinator of the SADC Industry and Trade Sector.

The joint statement, which made reference to the SADC Trade Protocol, took note of the complementary role played by preferential trade arrangements in creating a secure environment conducive to trade expansion in favour of the beneficiaries.

The statement underscored the need to retain existing preferential trading arrangements, in particular the Lome

Convention, as these were crucial in catering for SADC trade and development needs, as well as those of many other developing nations.

"The SADC position on the introduction of new issues (non-trade matters) was that it would amount to the imposition of rules by the strong upon the weak with a potentially harmful impact on the developing countries," said Mbuende.

SADC countries are wary of having trade related investment measures on the WTO agenda as they view them as a complex matter that is likely to prove contentious in its implementation.

"Those issues that are, *prima facie*, non-trade related, need not, in principle, be discussed in WTO. The United Nations Conference on Trade and Development (UNCTAD) is the proper forum for discussion and negotiation on foreign investment policies within the development context," said Zimbabwe President Robert Mugabe in a speech to mark the official opening of a Trade and Investment Summit held in Harare prior to the Singapore meeting.

Zimbabwe was elected vice-chairman of the World Trade Organisation at the Singapore meeting. It becomes one of the three vice-chairmen, the others being South Korea and Guatemala.

Developing countries are also reluctant to sanction non-trade related issues as some of them, especially those on multilateral investment would allow established international companies to compete on equal terms with small and infant firms with no government intervention to the detriment of the latter firm.

Other non-trade issues that developing countries took a stand against at the meeting include government procurement which the SADC Trade Ministers said was premature to be addressed under the WTO framework. □

EU/SA trade talks

The EU-induced negotiations for a Free Trade Area with South Africa have stalled after South Africa requested some more time to consider regional implications. The trade negotiations would eventually cover 80-90 percent of their respective exports, phased in over 10 years.

SADC member states, particularly Botswana, Lesotho, Namibia and Swaziland, members of the South African dominated Southern African Customs Union (SACU), had expressed concern at the negotiations, which were seen as having the potential to adversely affect their existing trade agreements with South Africa. South Africa has promised not to enter into any agreement that would be detrimental to its neighbours. □

A time for regional consultations

In Singapore, SADC Member States and the Secretariat also had the opportunity to hold consultations with two regional groupings, namely, the Southern Common Market in the Americas (MERCOSUR) and the Association of South-East Asian Nations (ASEAN).

The main purpose of the SADC/MERCOSUR meeting was to establish formal contacts. Both sides agreed to forge close links in areas of information exchange, investment and trade promotion.

Similarly, the meeting with ASEAN was meant to exchange views and to strengthen relations between the two regions. The two sides agreed to exchange information on each other's activities and looked forward to meaningful and fruitful cooperation in the future.

The SADC Secretariat will be following-up on some of the major recommendations of the two meetings, as well as possible areas of cooperation.

The SADC Secretariat will be following-up some of the major recommendations of the two meetings, and chief among them, identification of possible areas of cooperation as well as presenting a programme of cooperation for consideration by Ministers.

Water in Southern Africa

Water in Southern Africa is published by SADC, IUCN and SARDC under the *Communicating the Environment Programme (CEP)*, pp238, 1996. Review by Virginia Muwanigwa.

A new book, *Water in Southern Africa*, to be launched at this year's SADC Annual Consultative Conference in Namibia in February, provides an overview of water issues in southern Africa.

"In southern Africa, as elsewhere, sustainable development begins with water," states the Foreword by the Executive Secretary, Dr Kaire Mbuende.

The book pinpoints how the biodiversity of the region depends on water which pervades every economic sector of the community.

It seeks to inform, motivate and empower people in the region at various levels of decision-making on the need to sustainably utilize this finite resource in particular and natural resources in general.

Water in Southern Africa is in three parts: the first sets the scene with background information on the region and its people and their relationship with water; the second highlights the utilisation and management of water resources in the region; and the third chapter, the result of a related workshop, analyses the region's strengths and weaknesses in water management, opportunities and problems.

The book's eight chapters are on people, climate, environment, management, aquatic resources, pollution, regional cooperation and trends.

Pollution is highlighted as a major

threat to the availability of potable water which has outpaced the capacity of wetlands to act as sinks of waste.

The book recognizes that in southern Africa, women are the main managers of environmental resources and "are in frequent and direct contact with land, water and forest resources." A challenge is posed to the region "to transform women from mere water-carriers into planners and managers of water-supply systems".

The effect of poverty on water management, or the lack of it, is also highlighted especially as it relates to population growth, a trend that has stifled the environment's ability to provide adequately for its most threatened people.

The water issues within the book are presented without national boundaries - very much symbolic of the pattern the water itself follows.

The book has a human face, avoiding technical language, while retaining scientific accuracy, and is the product of a regional process involving contributors from all SADC countries. The use of maps, tables, photographs, vignettes and other illustrations also serves to make that text more accessible.

CEP is funded by BMZ and production of the water book by SIDA. □

SADC urged to enhance social development

by Patience Zonge

At a regional conference held in Swaziland early last year, SADC countries were urged to put in place institutional frameworks for the enhancement of social development.

The conference which was officiated by the SADC Human Resources Development Sector drew participants from various sectors in the SADC countries and addressed the crucial developmental issues of population and development; health; social welfare; housing and gender issues.

Recognising the importance of the Beijing 12 critical areas of concern, the conference called for a framework within which to address gender issues and specifically called for the formation of a Gender Sector or Desk which would be in the SADC secretariat and would ensure that all other sectors become gender sensitive. On health there was a call for more coordination in surveillance, control systems and strategies in the region, and a call was made for a Health Sector which would better coordinate regional cooperation.

The conference noted the rapid population growth and lack of comprehensive policies and suggested information exchange, training, formation of a regional data bank and harmonisation of population concepts. A Population and Development Desk was urged. The issue of refugees was also addressed and good governance was seen as a pro-active step to ensure that nobody ever needs to become a refugee.

Common regional challenges in housing were identified with a call being made for the formation of a regional housing fund. A Housing Desk was also recommended. On social welfare, various strategies were proposed which included harmonisation of legislation and the formulation of social welfare policies and creating a link between social security, development and job creation. A Social Welfare Sector or a Social Development Sector was suggested.

Recommendations were made on policy measures and strategies for addressing priority areas, with key stakeholders and the roles they can play in tackling these developmental issues identified, so too the institutional frameworks necessary for facilitating regional cooperation.

SADC unites against AIDS

SADC countries have agreed to work together to combat the HIV/AIDS pandemic which hinders the social and economic development of the region and causes enormous human suffering.

At a SADC/EU Conference on HIV/AIDS in Southern Africa held in Malawi late last year, participants agreed that "collaboration on HIV/AIDS is a regional priority which requires the highest political commitment within the region and support of the region's main development partners."

The conference was attended by senior officials from the SADC, EU, selected non-governmental organisations and the private sector in southern Africa.

The conference called for continued dialogue at the regional level to ensure policy coherence and political commitment. However, some participants felt that the conference was not truly representative and that the agenda was drafted without proper consultation. □

Council of Ministers to ponder gender issues

by Barbara Lopi

SADC has allocated a two-hour session to consider gender issues during the Council of Ministers' meeting scheduled to take place prior to the Annual Consultative Conference in Windhoek.

The move, in response to representations from National Women's Machineries (NWM) and regional non-governmental organisations (NGOs) over the lack of a systematic gender approach in the activities of SADC, will enable the Council of Ministers meeting to consider the draft sub-regional plan of action on gender.

The draft plan of action is one of the outputs of the Regional Task Force which was created in November 1996 in Gaborone, Botswana, at a southern African sub-regional workshop to map out strategies for advancing gender equality in the region. It identifies the following four issues as priority areas of

concern for the region:

- Strengthening institutional mechanisms;
- Power sharing and decision-making;
- Economic policies and access to structures and resources and;
- Promoting women's rights.

The task force is composed of two representatives from each member state, one from the government and the other from the NGO sector, and has the mandate to coordinate gender issues and to follow-up post-Beijing activities at the regional level.

During the two-hour session, key notes on why gender is an important issue for SADC will be highlighted by representatives of the Regional Task Force who will also present the council of minister's meeting with specific recommendations on closer co-operation between SADC countries in gender issues.

To ensure that gender issues are

effectively presented at this meeting, the Gender and Youth Affairs Division of the Commonwealth Secretariat organised a workshop of senior officials and NGO's representatives from the region, ahead of the Council of Ministers meeting to prepare their input.

The idea for a strong input to be made in the Council of Ministers meeting was identified by SADC members at the Fifth Commonwealth meeting of ministers responsible for Women's Affairs in Trinidad and Tobago last November.

SADC executive secretary Dr Kaire Mbuende expressed confidence that his organisation will positively consider recommendations from the Regional Task force to enhance development in the region.

In his address at the colloquium to commemorate UNIFEM's 20th anniversary in November 1996, in Harare, Zimbabwe, Mbuende noted that the contribution of women to the development in the region is pivotal as they constitute a larger percentage of labour for food production.

He added that progress made by southern Africa in infrastructure development, and the creation of political stability will not be meaningful and sustainable if women who constitute the largest segment of the population are not fully involved and do not benefit from these developments.

In another development Mbuende disclosed that SADC was currently working with some of its cooperating partners and stakeholders to develop a regional programme on Small and Medium Scale Enterprises (SMES) as one way of promoting the economic integration and empowerment of women.

"Progress in this area will greatly redress the current situation in some countries in the region whereby most women are engaged in petty trade, especially street vending, and other informal activities which are characterised by underemployment and low incomes," he said.

Priority actions in this regard will include the exchange of information and experiences on how to address some of the common constraints being faced by the sector. □

SADC gender programme

The SADC gender programme an initiative of the United Nations Women's Fund, is a five-year project necessitated after studies revealed a need for SADC personnel to obtain practical skills for incorporating gender concerns in their policies, projects and programmes.

With financial assistance from the Canadian International Development Authority (CIDA), the programme aims to increase the extent to which Gender and Development dimensions are incorporated into development policies, planning and programming in the SADC region.

The programme is implementing the following strategic activities:

- **Projects Fund** - which entails the provision of financial and technical support for the development, design and implementation of pilot project addressing women's participation

in development sectors.

- **Gender Analysis Training** - for the SADC sector coordinators, sector contact points, policy planners and women's national machineries
- **Programme and Project reviews** - to strengthen gender analysis skills gained by various SADC personnel.
- **Gender Training for Sector Specific Consultants** - to provide expertise on gender related issues
- **National and Regional Seminars** - for the discussion on women's effective participation in influencing decision-making.

The programme hopes among other things to enhance participation by women in decision-making spheres within the SADC region including an improvement in the status of women and their role in development.

A partnership between UNIFEM and CIDA

Collaboration of labour, management and government necessary

Continued from page 1

is influenced by the level of technology, utilisation of labour and capital, the level of wastage of materials, the quality of supervision, and management processes being employed, says the document. Thus the essence of this component is about "doing things right".

"Unless proper attention is given to both effectiveness and efficiency the prospects for productivity growth are not good," notes the theme document.

It also recognizes that real productivity growth, which can be measured as the gross domestic product (GDP) per capita, is disappointingly low in the region, having increased at an annual rate of 1.3 percent between 1985 and 1995. While SADC economies registered a two percent growth rate over the same period, population grew by about three percent, resulting in deteriorating living standards (GDP per capita).

The document says productivity is a decisive factor in the success of SADC's integration agenda as well as its future in the post-GATT era as the production of goods and services will now transcend national boundaries. It warns that nations that do not participate in the global technological revolution and continue to rely on export of primary products risk global marginalisation.

The theme of this year underscores the link between productivity and sustainable development. This is vital because productivity, while it seeks to enhance wealth creation to improve people's living standards, such a development strategy should not compromise the ability of future generations to meet their own needs.

Recognizing the importance of productivity several years ago, in the region, the then Southern African Development Conference (SADCC) held its 10th anniversary ACC in Lusaka in 1990 under the theme, "SADCC: The Second Decade - Enterprise, Skills and Productivity."

This theme was chosen against a background of "low agricultural production and productivity, high

population growth rates; declining levels and low efficiency of investment, with industrial capacity utilization as low as 25 percent in many cases; poor export performance; the debt burden and serious environmental degradation."

Although efforts have been made to counter this gloomy scenario, more still needs to be done especially in terms of reducing national debts, speeding the removal of trade impediments and reaching out to as many stakeholders as possible in the search to entrench acceptable levels of productivity.

In as much as member states must do more to ensure sustained and self-generating economic development, labour unions and other pressure groups must be geared to enhance these efforts.

Both the private and public sectors should cooperate in harmonising labour laws in order to reduce the frequency of

adverse consequences for productivity.

In the industrialised world, the issue of productivity is spearheaded by autonomous National Productivity Centres or regional associations of such centres. Notable examples include the Japan Productivity Centre for Socio-Economic Development, Swedish Productivity Centre and European Association of National Productivity Centres.

Although Africa can be said to be lagging behind in productivity awareness campaigns, SADC in particular is a step ahead as BNPC and South Africa's National Productivity Institute are notable examples of national centres that have already established themselves in that area.

The formation of a regional productivity organisation, as envisaged in this year's theme document, would certainly be another giant step in the right direction.

Botswana's BNPC was established as a long-term government strategy to work with private sector and trade unions in promoting productivity to enhance, among others, the creation of employment opportunities and international competitiveness. It provides

management guidance and consultancy services through workshops and seminars. Its main target groups are key officials in both private and public sectors, as well as workers and students.

The experience that BNPC has acquired over the few but successful years it has been operational is important for neighbouring countries which are planning or in the process of forming similar centres.

The need to raise awareness on productivity is of utmost importance especially in SADC where the task to reduce poverty remains one of the region's fundamental challenges.

Although some economies are still recovering from the region's worst devastating drought of 1992/93, a number of them have registered modest growth rates in gross domestic product (GDP) over the years, and another boom in the agricultural sector looks promising this year based on good rains that most of the region has so far received.

"Policies will also be implemented to release the innovative potential and entrepreneurship of the peoples of the region..."

SADC Windhoek Treaty, 1992

strikes that rocked the region last year.

There is need to update labour laws, some of which were wholly inherited from the colonial era, to bring them in line with the new economic order and to enhance employee motivation through not only good packages but conducive working conditions.

This will be in line with the SADC Windhoek Treaty of 1992 which states that: "Policies will also be implemented to release the innovative potential and entrepreneurship of the peoples of the region, and to encourage self-application and a strong work ethic to ensure that maximum productive employment and utilisation of resources in the region are promoted."

There is also need, to instil or improve bargaining skills between the different actors as the progression of most of the strikes has highlighted the restricting lack of this much needed expertise. Confrontation has in most cases been resorted to instead of dialogue, with

However, growth in GDP has not been accompanied by growth in employment levels as the effects of economic liberalisation continue to force many onto the streets. Inflationary pressures have also continued to undermine the potential of a number of countries in the region.

Against such a background, unemployment and, with it, poverty alleviation, remain the region's "Achilles heel".

Unfortunately, the issue of spearheading productivity, however complex, is not one that can be wished away. Several factors in SADC, ranging from gender relations, rural development, youth development, the AIDS spectre, job creation and in general, improved human social development, call for urgent measures before any real productivity can be broached.

Recognition that there is a need to recognise the contribution that women make in the economy and the need to empower them has already been made in the different SADC countries and at the Secretariat level.

However, action has not been so forthcoming in transforming the dispensation to fully integrate women. As a result, women, especially in rural areas, although having the capacity to become highly productive, have either been marginalised and forced to engage in time-consuming and unrecognised labour such as walking long distances to carry water or firewood for cooking.

More concerted development in rural areas would ensure that potable water is available within reasonable distance of any household while rural electrification would reduce the need to carry firewood for endless hours of walking. The time saved would be better utilised engaging in profitable work such as farming or other income-generating projects.

To many women in southern Africa who continue to be marginalized due to socio-economic, political, cultural and legal discrimination under patriarchal structures which all countries still adhere to, social integration promises not only equality with men, but full recognition of their contribution and more space to explore their full productivity.



AGRICULTURE: Backbone to SADC's economic growth and future

It is said that the youth are the hope for the future. But the youth, if not fully equipped with the right training and qualifications, are more likely to become a liability in the communities instead.

In South Africa, for instance, there are what are termed "the lost generation", youths who actively resisted apartheid through school boycotts and other demonstrations.

In the new dispensation, however, the militancy of these youths, has no place and there is need to reach out to them through appropriate programmes to integrate them into the mainstream development plans and enable them to engage in productive work.

The type of education provided is another factor in whether productivity levels will increase in the region. The Windhoek Treaty acknowledges that "the

region lacks an adequate scientific and technological base, and is substantially dependent on imported expertise and technology".

High priority, as agreed in the Treaty, should therefore be placed in developing national and regional

policies to establish a stronger scientific and technological base, in cooperation with the business sector and other stakeholders.

AIDS is yet another hindrance to achieving high productivity levels in the region. Although the infection rate is high, the actual restriction for productivity is mainly due to biases and the stigma still attached to the epidemic, more than a decade after it

came into being.

Information is being touted increasingly as the "key to mobilising the political will and public support for policy implementation" and "must now be seen as a crucial strategic resource for socio-economic development and regional cooperation." SADC may choose very innovative themes and ways of achieving progress, but as long as its nationals remain ignorant of these aspirations, the effort is wasted.

The information highway, the interconnection of existing information and communication media and E-mail links are revolutionising communication in SADC. This revolution has the potential to either widen the North-South gap or to close it and SADC should take advantage by providing its own information about the region to the world.

Similarly, the call for higher economic growth, which ideally is the ultimate goal of productivity improvement, cannot be over-espoused without a corresponding advocacy for sustainable use of natural resources, especially in the wake of widespread environmental degradation.

That the SADC region can achieve high levels of productivity is also evidenced by its relatively stable political environment. The Windhoek Treaty states that: "A new southern Africa, concerned with peace and development, must find a more abiding basis for continuing political solidarity and cooperation, in order to guarantee mutual peace and security in the region; and to free resources from military to productive development activities." □

"The information revolution has the potential to widen the North-South gap or to close it.."

Productivity: A journey, not a destination

by Sue Peters

Productivity means that you have to go out there and create employment for others. How do we do it?

Well, historically, especially in the SADC countries, we've always been over-protected by government. You can leave university with some form of qualification, and you always know you are well-secured to get a job in any government institution. Even if you're a doctor or a lawyer, you always have a job, at a government hospital or at the Magistrate's Courts. Government has always "mothered" us.

But events have changed. Government has already changed their attitude. They are turning the parastatals into public companies, or into private companies. Gone are the days when we could say we've got "mother government". Today the world is a "hands-on" world.

We used to cry so much when government started deregulating laws; when they said, we are retrenching, and when companies started retrenching. Then government said, look, there is money there for small-to-medium businesses. We didn't know how to start. Many people wanted a big lump sum of money, after that they lost direction. But we have sobered up. We are more serious.

I've seen Zimbabweans going into stock-marketing. I've seen young men, predominantly indigenous people, buying mining companies, setting up banks.

Women today are producing artifacts, they're making dresses. They're starting to produce these from their second bedrooms at home, or from their garages. They're employing their families, friends and sisters, if I may put it that way. But they are starting carefully, and they're growing. Now they're moving out of those garages and their second bedrooms, and they're setting up factories.

They are demanding factory shells, and government is accommodating them. Government is buying land near the cities, subdividing that land into small factory holdings, and people are moving out of their garages into those factories.

Productivity and success are the same story; philosophically, they say that success is a journey, it's not a destination.

We have to continue travelling on that journey, we have to pass what we're doing now on to our children. And our children will pass it on to the next generation and it carries on and on and on.

Look at today, things are changing. There has been a trend to say, *Education for all by the year 2000. Health for all by the year 2000.* That is not going to take place. Government cannot afford it; government has been accommodating us for a long time. But now we are going to say, *Jobs for all by the year 2020!*

How do we do it? I think the entire SADC region has got to network. Both men and women. Gone are the days when you could say, oh we cannot work with women,



P. Johnson

VIEW FROM THE PRIVATE SECTOR

we cannot go into partnership with men. I think today we have got to identify role models, men and women, black and white, Asians of this region who have made it. And try and form, not companies, but corporate companies, so that these people who are so knowledgeable can set up big companies and then we can see how we can grow from there. Let's talk of all people of the SADC countries. How can we produce?

There's so much potential. We are branching into tourism, agriculture, mining, banking, into all sorts of things. Aren't we proud that we've got our own people now who have started private airlines? Government has given the opportunity to compete with parastatals, and I believe some more competition is coming, another airline.

We want to compete now as the SADC countries. We want to identify who has done it in South Africa, to set up an airline; who has done it in Tanzania, in Uganda, in Namibia. Not only airlines, but in tourism. We want to network with those people.

If someone wants to start, they have to be a bit bold. I was quite bold and

daring. I had made some savings after I had done my accounting work for seven years in a company, and I started off with a small business. At that time it was unknown that one can go to the bank and borrow some money.

So once you start going into a small business, your customers will make suggestions to you, if you ignore them you'll never stay in business. If you listen to them, you'll grow with your clients. But you have got to step out of your house, and do something. This is what I did.

Another point is hard work, and supervision. It takes determination, positive attitudes. Communicating with people, learn from their ideas.

I am colour-blind. This is something people should throw away. It doesn't matter whether you are Asian, white or black, when it comes to success. You must make friends across the board, of all backgrounds.

After political independence in the SADC countries, I think what follows next is economic independence. And the major thing is training. It had a lot of impact to train people to be employed in government, but today we've got to put emphasis on training people so they can be employed in companies. We have got to give people the general attitude of service, production, quality; and management training is of utmost importance. It's not the piece of paper from university that can make them earn a salary, it's the experience, which is something we've got to impart into their minds.

So the sky is the limit in this part of the world. But we just have to take a step forward. We just have to throw away those complexes, have high self-esteem, and get out there and start businesses. That's productivity. □

Sue Peters was Businesswoman of the Year in 1987/88 in Zimbabwe, and Marketing Woman of the Year in 1992. She is a qualified accountant and property owner, who runs a number of businesses, including a restaurant, market garden and tourist complex, and employs 400 people in hair and beauty care in Zimbabwe and Botswana. This column is from an interview with Sue Peters for SADC Today.

Angola prepares for peace at last

Angola expects to swear in a government of national unity soon, in the last phase of the peace process marking the transition from 35 years of war. It is the last country in the region still involved in such a transition, a legacy of apartheid and the cold war; and the continuing conflict has hampered its advance toward economic growth and sustainable development.

The Angolan government announced a timetable in late December for the incorporation of Unita into military and political state structures. This followed a declaration by Unita that "it has completed its demilitarisation by quartering all its military personnel and handing over all its military equipment." The declaration was later discussed by the joint commission and publicly confirmed by the Special Representative of the UN Secretary-General.

The government responded that, as a result of this, it considers the first phase of implementation of the peace process completed, which comprised the demilitarization of Unita.

Eleven Unita generals have taken up their duties in the National Armed Forces and over 100 high-ranking officers have also been sworn in, while 18,000 Unita soldiers have been selected for inclusion in the national forces.

This should enable the UN Angola Verification Mission (UNAVEM III) to wind up peacekeeping activities by its February deadline, and consider the need and substance of a continuing presence.

SADC-EU co-operation

The second ministerial conference between the European Union (EU) and SADC took place in Windhoek, Namibia last year with both parties reconfirming their commitment to closer cooperation.

"As we stand at the threshold of the 21st century, I know that in cooperation, we will be able to slay the dragon of poverty and inequity that has, for too long, undermined the hopes and aspirations of our people," said Prime Minister Hage Geingob of Namibia at the official opening.

The meeting was a follow-up to the Berlin Conference in 1994 which marked a turning point in SADC/EU relations.

Acknowledging that southern Africa had continued to consolidate democracy under relative peace and stability, the Windhoek conference highlighted demobilisation and the reintegration of ex-combatants as deserving more attention.

An area in which the conference placed great emphasis was that of anti-personnel landmines. It was mutually agreed to combat and end the indiscriminate use of these weapons and work to find solutions internationally to end their use.

The EU committed itself to implementing a moratorium on the export of all anti-personnel landmines to all destinations while SADC urged a worldwide mobilisation of support for demining efforts in affected countries.

The conference also agreed to increase trade and investment between the two regions. SADC Executive Secretary, Dr Kaire Mbuende, urged the EU to replace development assistance to SADC with "direct foreign investment into productive activities" as democracy, peace and stability would be difficult to consolidate under the existing disparities.

Trio plan tourism

The governments of Mozambique, South Africa and Swaziland have proposed a joint tourism project, stretching from the Lubombo River to the Indian Ocean. The initiative hopes to capitalise on the eco-tourism of South Africa's Kwazulu-Natal province, eastern Swaziland and southern Mozambique. South African officials say part of the plan is to improve access to tourist destinations. This would include a new coastal road linking Maputo to Durban and improvements to the existing road through Swaziland to Maputo.

Bumper harvest

Southern Africa is set to experience another bumper harvest during the current agricultural season. The good rains being experienced by most SADC countries have assured the region of a grain and cereal surplus. However, localized drought means that some parts of the region are still facing severe water shortages.

Mozambique privatisation

Several hundred state businesses are to be sold in 1997 in Mozambique's privatisation programme. According to Industry, Trade and Tourism Minister Oldemiro Baloi, 300 to 400 businesses would be privatised this year, bringing to an end the programme which began in 1989. About 700 companies had already been sold off, Baloi said, adding that 90 percent of the privatised firms had been sold to Mozambicans.

Great Lakes Crisis

The problems of the Great Lakes region are inter-linked and there is need to understand them before efforts to address them are made, the former Tanzanian president, Julius Nyerere has said.

"What happens in Burundi will also affect Rwanda and Zaire... Africa should understand that and help the region using this kind of understanding," he said.

Nyerere said in the case of Burundi, the international sanctions were failing to produce the desired result. However, they "at last helped in the sense they had created an environment to open dialogue."

Tanzanians told to up output

Tanzanian President Benjamin Mkapa has urged Tanzanians to increase agricultural and industrial production to end poverty and substitute imports.

In his New Year message to the nation, Mkapa said he did not see why Tanzania should not prosper with such a large amount of arable land and potential for industrial development.

"There is no reason for lagging behind our neighbours in agricultural production, when our land is better and much bigger than theirs and we have plenty of water and bigger population," Mkapa said.

The president said Tanzania was also behind in industrial production and pointed out that if the country was not careful, it would turn into a bazaar of foreign-made merchandise.

"We must not accept being turned into a nation of traders rather than producers. Our country is blessed with abundant natural resources and vast land that could be used to produce many things," he said. □

Southern Africa had a good year in sports

Last year was an eventful and exciting sporting year for southern Africa, which saw the region displaying some of its sporting talent, much to the delight of the region's nationals. Sportscaster Lovemore Banda reports.

Olympic Games

1996 was a leap year, and therefore a year for the Olympic Games, hosted in Atlanta, Georgia, USA. South Africa were 26th in the medals list, the best placing from the region, with five medals -- three gold, one silver and one bronze. Penelope Heyns won the women's 100- and 200-metre breast-stroke events, giving South Africa their first gold medals on return to the international sporting family following the demise of apartheid. The "Golden Penny" equalled the Olympic record of 2 minutes: 25, 41-seconds in her longer event.

The Rainbow Nation then had to wait until Day 16 of the games for its third gold medal and that came in style, with Josia Thugwane trotting from the obscurity of being a junior mine employee back home into the glare of international publicity.

Namibia's Frankie Fredericks did the region proud, confirming his status as the "nearly man". The Texas-based athlete, who completed the first ever men's 200- and 400-metres Olympic double, slashed his own world record in the shorter event to 19.32 seconds in the Olympic final, putting him far ahead of his contemporaries. He collected Namibia's only medals -- two silvers -- which placed the country in creditable 45th place.

Zambia was three places below with one silver from Samuel Matete in the men's 400-metre hurdles, and Mozambique another two places down with one bronze. That came from the women's 800-metres. The "Maputo Express", as Maria Mutola is widely known, was expected, at home and abroad, to collect gold, certainly in the

800 metres, but Mutola complained of flu and did not compete in the longer event.

However, she won the popularity stakes in the region, at the Sixth All-Africa Games held the previous year in Zimbabwe, when many other African superstars were criticized for not turning up for what should be the continental equivalent of the Olympics.

Soccer

Having claimed the World Rugby Championship on home ground, South Africa hosted the continental soccer championship, the 20th African Cup of Nations, at the beginning of 1996. President Mandela swapped Francois Pienaar's Number 6 Jersey which he had won at the rugby final, for Neil Tovey's Number 9 top at the soccer final. Again, the Madiba magic worked, and South Africa dismissed a youthful Tunisia 2-0 in the final.

The banners went up at the Soccer City, Johannesburg's First National Bank Stadium, proclaiming that, having taken the continental soccer title, South Africa was now after the world soccer title, the World Cup, in France in 1998.

Other

Zimbabwe ended the year by humiliating England at its own game. The grand master nation, the home of cricket, was soundly defeated by a team they had opposed for entry to international status. In one-day cricket tests in the last days of December, Zimbabwe won three one-day tests, drew two full tests and won two others.

South Africa, one of the top international cricketing nations, defeated another international giant, India, 2-0 in January. And a "cinderella" of world cricket, Kenya, brought down another giant, West Indies, last year.

Southern Africa has produced some of the top international golfers, with a promising crop of young golfers coming up in the ranks. Zimbabwe's Nick Price was first in the Order of Merit for over a year -- top golfer in the world -- based

on the number of points in international ranking. South Africa's Ernie Els is currently near the top of international ranking, with Zimbabwe's Nick McNulty close behind. □

African Bid for Olympics 2004

by Caiphas Chimhete

South Africa is bidding for the Olympic Games in 2004, a bid that has been described as strong, given the infrastructure in Cape Town, the international stature of President Mandela and the fact that to be truly world games, the Olympics should also come to Africa.

But the level of violence in South Africa may compromise the bid, and much will also depend on the ability of Madiba's successor to carry the torch after he steps down as President.

The campaign to host the Olympics, the world's largest sporting event, has already gathered momentum both at home and away. Although South Africa, as prospective host, is taking the lead, the government is making a strong bid for support from the rest of the continent.

"The 2004 Olympics must be an African Olympics. And we must trust that they will signal a decision by the world community that this century must be an African century," stresses Deputy President, Thabo Mbeki.

The Chairman of the Olympic Bid Committee, Chris Ball, says hosting the games will provide a significant boost for development, not in Cape Town alone, but for the whole of South Africa and the Southern African region.

However, the Chairman of the International Olympic Committee's evaluation commission says the race to host the 2004 Olympics is "far from over". The commission spent three months travelling around the world evaluating the bids for the other 10 cities around the world in competition with Cape Town. The winner will be announced in September.



MARIA MUTOLA: Maputo Express

SADC begins 1997 with new leadership to guide the organisation as it faces challenges leading up to the 20th century. Following are brief profiles of these leaders and the retiring Chairman and his deputy. Profiles by Patience Zonge and Tinashe Madava.

Nelson Mandela

*President of South Africa
SADC Chairman*



Elected chairman of SADC in August last year was South Africa's President Nelson Mandela, whose life is dominated by his tireless fight for over 50 years to eradicate apartheid. During 27 years in prison, Mandela became the world's most celebrated political prisoner.

Born 18 July 1918 at Qunu near Umtata, he completed his BA in 1941 and studied for a law degree at the University of Witwatersrand. He was admitted to the bar in 1952 and together with Oliver Tambo opened the first black law firm in Johannesburg.

Mandela was instrumental in founding the ANC Youth League in 1944. When the ANC launched its Campaign for the Defiance of Unjust Laws in 1952, Mandela organised resistance to discriminatory legislation. This led to his arrest, and a series of restrictions and prohibitions, culminating in his sentencing to life imprisonment at the Rivonia Trial of 1963.

Mandela was unconditionally released from prison on 11 February 1990. He became President of the ANC in 1991. On 10 May 1994, Mandela was inaugurated President of South Africa's Government of National Unity, and he promised his people change — but no easy freedom ride.

Mandela has received numerous international awards, among them the Nobel Peace Prize.

Joaquim Chissano

*President of Mozambique
SADC Vice Chairman*



Elected vice-chairman of SADC at last year's summit, Joaquim Chissano has dedicated his life to his country and its

struggle for peace and development.

Born on 22 October 1939 in Malehice in the Chibuto district of Gaza province, Chissano attended schools in Mozambique before he went to Portugal in 1960 to continue his studies at university. He slipped out of Portugal in 1961 to join the liberation war.

With other youths, he created the Mozambican Students National Union and was elected president.

He joined Frelimo in 1962 and was appointed secretary to the first president of the party, Eduardo Chivambo Mondlane.

In 1966, Chissano became security chief of Frelimo, working at its headquarters in Dar es Salaam and in the liberated zones of Mozambique. In 1974, he became prime minister of the transitional government which led Mozambique to independence in June 1975.

The following month he became foreign minister, a post he held until assuming the presidency.

Elected president of Frelimo and Mozambique on 3 November 1986, Chissano inherited a country shattered by civil war and the death of its charismatic leader, Samora Machel, in a plane crash on 19 October 1986.

Chissano signed a peace accord with the rebel Renamo in 1992 and implemented a programme of reconciliation and reconstruction. He was elected President of Mozambique again in 1994 in the country's first multi-party elections.

Sir Ketumile Masire

*President of Botswana
Past Chairman of SADC*



The outgoing chairman of SADC, Sir Ketumile Masire was born on 23 July 1925 at Kanye in the Southern district of Botswana. He trained as a teacher (1949) at Tiger Kloof in South Africa. He started the Seepapitso Secondary School in Kanye, in 1950.

Masire took up farming in 1956 and journalism in 1958. He later became the director of the *African Echo* and he was editor of the Botswana Democratic Party newspaper from 1962 to 1967.

When the country gained independence in 1966, Ketumile Masire was elected Member of Parliament for Kanye-South.

He was appointed vice-president and minister of finance and development planning. Much of the financial discipline and prudent economic management that led to Botswana's economic success is generally attributed to his leadership qualities.

Ketumile Masire has been president of Botswana since 1980 and was knighted by Queen Elizabeth II of Britain in 1991.

He took over as chairman of SADC soon after its inception in 1980, after the death of his predecessor, Botswana's First President, Sir Seretse Khama, who was a founding father of SADC and leading proponent of regional political and economic development.

King Mswati III

*Past Vice Chairman
of SADC*



The outgoing vice-chairman of SADC is His Majesty King Mswati III of Swaziland, who has ruled his country for over a decade. He was born in Manzini on 19 April 1968 as Prince Makhosetive, to King Sobhuza II and Queen Ntombi Twala, and was brought up in the traditional Swazi way. He was first educated at the newly established Royal School at the Lozitha Royal Residence, and upon the death of his father in 1982 was selected to succeed to the throne. The next year he continued his education at Sherborne School, Dorset, in Britain.

Later that year, he was formally presented to the nation before he went back to complete his schooling in Britain. He was enthroned on 25 April 1986, in a ceremony attended by several southern African leaders, and he assumed executive powers three years later, on 19 April 1989, his 21st birthday. The all-night ceremony preceding his coronation was blessed with a bright sunrise, a good omen signifying a long reign.

He has begun to modernize the country's traditional political system, and has skilfully balanced demands for political reform and the concerns of traditionalists opposed to democratization. The parliamentary elections on 11 October 1993 were conducted by secret ballot for the first time since 1972, a recommendation of the committee established by King Mswati to reform the country's political system.

■ ENERGY

The activities of the energy sector were mainly centred on the process of building the community and strengthening cooperation among member states.

In July 1996, the SADC Energy Ministers Meeting approved a document titled, "A Framework for an Energy Policy and Strategy" as the basis for the development of future policy and strategy. This instrument will facilitate, identify and define priority areas of cooperation and will contribute to the achievement of community goals.

In August 1996, the member states signed the Energy Protocol which provides for the harmonisation and integration of national and regional energy policies, strategies and programmes for mutual benefit.

Energy is of paramount importance for the region for domestic and industrial purposes. SADC generates electricity, the second most important sources of commercial energy in the region from primary sources such as hydro, coal, fuel-oil and gas. Electricity contributes between 5 to 26 percent of total energy demand in member states.

The demand for electricity in the SADC is expected to grow at 4 to 4.5 percent per year. Higher growth rates are expected in Angola and Mozambique over the next few years due to the economic boost expected after the war.

■ CULTURE AND INFORMATION

During 1996, the sector continued to take measures to strengthen the capacity of the coordinating unit and to put in place an overall policy framework for guiding current and future activities. A number of priority activities were implemented.

Resources were mobilised for undertaking a study for formulating policies, strategies and priorities of the sector, and the study report was expected soon.

On culture, various priority activities were implemented in the area of cultural industries, copyrights and neighbouring rights and arts and cultural festival. Legal instruments for the protection of intellectual property rights and for the promotion of cultural industries were developed and are under discussion.

On physical education and sports, priority activities and constraints in the

implementation of the programme of cooperation between SADC and SCISA Zone VI were identified, and a draft Outline of SADC Framework for Sports Development and Plan of Action was formulated.

Regarding information, attention was given to the promotion of information flow in member states and to the creation of a conducive environment for a pluralistic media through formulation of media policies and enactment on enabling legislation, and remedial measures were recommended for addressing identified constraints in these areas.

A proposal was made on a mechanism for conferring a SADC Media Award. Attention continued to be given to the issue of the sustainability of the Nordic/SADC Journalism Centre and options are being considered.

■ MINING

During the past year, the demand for minerals produced by SADC was high and this had a positive impact on the price of minerals. Although the metal and minerals price index fell by 4.6 percent during the last quarter of 1995, it rose 20.1 percent during 1995 compared to 1994.

There was increased activity in mineral exploration and mining development due to the efforts made by member states in improving the investment environment through economic liberalisation policies and introduction of competitive tax regime.

The Mining Sector programme, which comprises of 27 projects and whose implementation is in the hands of various subcommittees, is estimated a cost of US\$27.25 million. Five projects were completed during the past year.

The performance of major minerals such as coal, copper diamonds, gold, nickel and zinc was satisfactory. Large quantities of the minerals were exported to North America, Asia, China, Chile and Brazil.

However, despite positive development the region's average contribution to the world mineral supply was on the decline, mainly due to lack of new investment.

■ FINANCE AND INVESTMENT

The Finance and Investment Sector Coordinating Unit (FISCU) was established in August 1995 and operates

from within the South African Ministry of Finance.

The main responsibilities of the sector are to promote the establishment of an enabling environment for investment as well as provision of a framework for regional cooperation in the area of finance. The sector also seeks to encourage macro-economic stability through adoption of harmonious fiscal and monetary policies across the region.

The Committee of Central Banks (CCB) compiles the data used to assess economic performance and available statistics show that most of the countries have generally done well. However, performance comparisons for all member countries proved difficult partly due to different levels of development across the region and also because SADC countries do not use the same parameters to define such concepts as inflation.

Inflationary pressures, have continued to undermine recovery in a number of countries. Although monetary policy decisions remain a prerogative of individual central banks, regional considerations are increasingly being taken into account and promoted through regular meetings of the CCB.

■ INDUSTRY AND TRADE

The region has made significant progress in implementing measures aimed at creating an enabling trade and investment environment. Emerging capital markets, tax reforms, the implementation of various forms of investment incentives and trade liberalisation measures are some of the fundamental economic improvements that have taken place across the region.

The Secretariat collaborated with the sector coordinator, Tanzania, in implementing various programmes that include finalising work on the SADC Trade Protocol, publication of the SADC Trade Strategy, and updating the Trade Directory as well as information on investment policies and mechanisms of member countries.

The Trade Protocol was signed by the Summit in August 1996 and further technical work is underway before it can become operational. An impact study on the removal of tariffs and non-tariff barriers has been completed. A SADC Trade Negotiating Forum was established and held its first two meetings in Dar es Salaam and Pretoria in May and June.

The main constraints of the sector remain inadequate funding to run its projects as well as scanty and unreliable statistical data. There are also plans to restructure the Coordinating Unit into an autonomous government institution to make it more effective.

■ HUMAN RESOURCES DEVELOPMENT

The SADC human resources development (HRD) sector based in Swaziland has designed and implemented various training projects such as the SADC Road Traffic and Transportation Project, the SADC Customs Training Project and the Project on Training SADC staff.

Other projects to be implemented include the Intra-Regional Skills Development Programme, Establishment of Regional Centres of Specialisation and Strengthening the Capacity for Education Planning.

The HRD sector is now able to fully service the human resources development needs of SADC Secretariat and its Co-ordinating Sector and Commissions following the approval by Swaziland for the funding and subsequent recruitment of three additional professional posts.

■ TOURISM

The SADC region is endowed with a wide range of natural attractions, most prominent of which are wildlife, mountain ranges, wilderness, scenery, beaches and islands and natural wonders.

The Tourism Sector paid particular attention a co-ordinated development of the tourism industry. The sector also undertook market research studies in the main markets of Western Europe, North America, Scandinavia, the Pacific as well as the SADC region.

However, organization within the sector has not been conducive to its optimal performance. This was primarily caused by the minimal contacts between the public sector as the facilitator and the private sector as the implementor. This necessitated the formation of the Regional Tourism Organization of Southern Africa (RETOSA) within the SADC framework. RETOSA will enhance the role of the private sector in tourism development.

■ EMPLOYMENT AND LABOUR

During 1996, the sector continued in its efforts to address employment generation

issues and the adoption of regional labour market strategies and policies.

The sector convened its first Annual Meeting focusing on the consideration of reference terms, implementation of the international labour standards, compliance with reporting obligation in the implementation of International Labour Standards in Export Processing Zones in the region, Regional Draft Code of Conduct on HIV/AIDS and Employment, Child Labour in SADC, Comprehensive Workers Social Charter and Occupational Safety and Health.

The terms of reference of the sector were considered and recommended for approval by the Council in August, and an institutional framework for the sector was recommended.

The sector noted the economic problems faced by member states, and observed that the lack of information on measures taken by member states in addressing employment and labour relation.

To carry out its mandates, the sector will streamline the unit structure, and has initiated the process of mobilising resources and technical assistance to implement its workplan, largely from the International Labour Organisation.

■ TRANSPORT AND COMMUNICATIONS

The Southern Africa Transport and Communications Commission (SATCC) carried out measures to enhance progress towards the attainment of common policies and strategies which facilitates the development of viable and sustainable transport, communications and meteorology systems in the region.

The Protocol on Transport, Communications and Meteorology was signed by all SADC member states except Angola in 1996.

During the year under review, SATCC addressed problems of organisational and structural weaknesses of the sector through organising seminars for exchange of experience.

This sector had 174 main projects as of July 1996 with a total cost of US\$6.5 billion. Although the implementation of projects has facilitated establishment of a basic network to support economic and general operations of the region, more needs to be done to create an effective infrastructure to support regional economic development and integration.

Among the notable shortfalls are limited involvement of the private sector, weak links in existing regional networks and lack of harmonised policy. The programme does not take full account of the expansion required to cater for new reconstruction and development objectives.

A transport and communications intergration study is underway to develop promotional strategies.

■ FOOD, AGRICULTURE AND NATURAL RESOURCES

The overall sector of Food, Agriculture and Natural resources (FANR), is composed of eight sectors, namely Agricultural Research and Training, Food Security, Livestock Production and Animal Diseases Control, Environment and Land Management, Inland Fisheries, Marine Fisheries, Forestry and Wildlife.

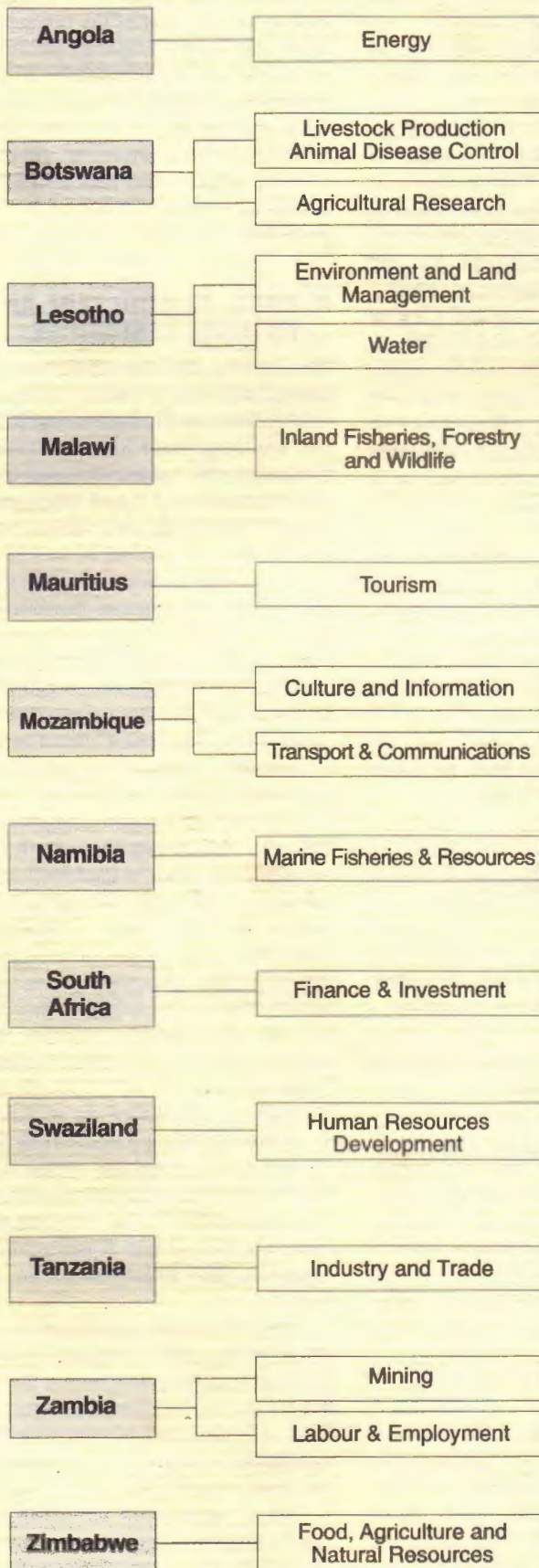
The FANR sector undertook a rationalisation exercise to get its structures in line with the concept of community building, and made recommendations which have been approved in principle by the Council of Ministers. Agriculture is the backbone of most SADC states and about 80 percent of the region's population is dependent on this sector.

The major challenge facing the FANR sector is to stop the current trends of declining per capita in food production. It has a new agenda for integration which seeks to encourage meaningful participation of all stakeholders, especially farmer groups and communities through empowerment and capacity building as well as harmonising policies within member states to facilitate community building.

Although the other six sectors have their coordinating units in different countries, individual projects are implemented not only by the country under which the sector falls. The project on Aquaculture for Local Communities, for example, is implemented in seven countries.

The sectors on Agricultural Research and Training, and Livestock Production and Animal Diseases Control fall under Botswana; Inland Fisheries, Forestry and Wildlife is in Malawi; Marine Fisheries and Resources in Namibia; and Lesotho has Environment and Land Management.

All these sectors have registered significant progress in implementing projects although availability of financial resources are often a major impediment.



Sectoral responsibilities

The chart shows country sectoral responsibilities as they stand after the Maseru Summit. Each of the 12 SADC member states has one or more sectors that it coordinates.

The Council of Ministers agreed that the sector on Food, Agriculture and Natural Resources (FANR) was too big and cumbersome to coordinate centrally and therefore decided that it be transformed from being a Sector Coordinating Unit to a Sector Development Unit. This was done with a view to take care of cross-cutting issues such as policy harmonization, food security, non-duplication of programmes and information flows.

Food security was a cross-cutting issue and will cease to operate as a sector. Rather, it will be subsumed under the overall coordination structure of the sector development unit.

The FANR sector will now be split into independent sectors on Livestock Production and Animal Disease Control, Forestry, Inland Fisheries, Marine Fisheries, Agricultural Research, and Crop Production, all coordinated as shown on the chart.

A new sector on water was allocated for coordination by Lesotho, and tourism, which hitherto had been coordinated by the same country, was transferred to Mauritius.

Environment and Land Management, which is also in Lesotho, will be transformed to monitor and evaluate all regional programmes (not only FANR) for their environmental impact.

Agricultural and Natural Resources Research and Training Commission will be transformed from a commission to a sector coordinating unit. Its functions will include the overall research coordination for the FANR cluster of sectors.

Finance and Investment previously the responsibility of the Industry and Trade Sector in Tanzania was shifted to South Africa in 1995.

Two new sectors on Crop Production and Health have been created. However, allocation of these sectors has been put on hold until the study on rationalisation of the SADC Programme of Action is finalised. It is this rationalisation process that will determine the allocation of these sectors.