

**Address by**

**Honourable Jose B. Vasconcelos  
Minister of Oil  
Republic of Angola**

**at the**

**SADC Consultative Conference**

**Gaborone**

**Botswana**

28 October 2002

Honourable Ana De Lauro Dias, Chairperson of the SADC Council of Ministers, Your Excellencies, Ambassadors and Members of the Diplomatic Corps, Distinguished Representatives from Cooperating Partner Countries, Private Sector Partners, Ladies and Gentlemen

At this very significant juncture in the life of our organization, it is indeed my pleasure to address you on the SADC Restructuring Exercise and the Central Role of Regional Integration in Combating Poverty.

As you know, our Organisation, indeed our Community of Southern African States, have embarked on a developmental path as directed by our Heads of State and Governments, which will galvanise the advantages that economic integration will bring to bear. These advantages will be the locomotives for economic growth that in turn, will alleviate poverty which is our No 1 priority as leaders in the Region. Along this path of integration and of building our strengths and opportunities by working together, we shall develop efficiency and effective economic partnerships as vehicles for the enhancement of the standard of living and quality of life for our peoples in the Region.

However, before getting more enmeshed in my own excitement about this development venture that we all believe in and have embarked upon, let me at the outset highlight the main focal points of my presentation, which will be a short overview of the rationale for the SADC Restructuring Exercise, followed by a description of the main decisions for the Restructuring Exercise and the status of the implementation of these decisions. Thereafter, I shall turn the focus on Regional Integration and Poverty Alleviation.

Before I highlight the reasons for the SADC Restructuring exercise, it needs to be said that the previous institutional structure of SADC along the lines of sectors hosted by Member States, has served the organization well. However, some problems were encountered that have constrained more efficient performance of the sectors to efficiently foster regional integration. Some of these problems were related to the inadequate provision of resources by Member States and others were related to complexities in communication and co-ordination. In some instances duplication of efforts and resources occurred, which was the result of a lack of a coherent and streamlined institutional framework, which prompted a review of the implementation capacity and co-ordination mechanisms of SADC and its Member States in line with the SADC Plan of Action.

Furthermore, SADC has until recently prepared protocols in a number of areas that provide the legal frameworks for co-operation among Member States. But, since these Protocols were designed to be sector-specific, they did not adequately recognize cross-sectoral linkages, synergies and most importantly, they did not ensure that poverty eradication was adequately addressed in all SADC programmes and activities. Nor did some of these protocols mainstream gender as a key element in the process of community building. Therefore, the mentioned linkages and synergies had to be revisited for the effective implementation of the SADC regional programmes.

Having said this, you will now appreciate the main decisions of our leadership with regard to the restructuring of the Organisation, which were taken at the Extraordinary Summit in Windhoek, Namibia, in March 2001. To begin with, the SADC Heads of State and Government decided that the Summit should at least meet twice per year. Furthermore, the SADC Council of Ministers were to meet at least four times per year instead of twice a year as in the past to, among others, oversee the functioning of the organization and the development and implementation of the policies and programmes of SADC.

With regard to the SADC sectors, Summit decided to group them into four clusters. This clustering is based on the synergies between provisions in protocols, and on rationalising between sectors, taking into account cooperation prospects. The coordination of the work of the clusters would be conducted from the Secretariat, in four Directorates, with the functions of strategic planning, gender mainstreaming and policy rationalization being centralized. The four Directorates are:

- 1) Trade, Industry, Finance and Investment;
- 2) Infrastructure and Services;
- 3) Food, Agriculture and Natural Resources; and
- 4) Social and Human Development and Special Programmes.

It was further decided to establish an Integrated Committee of Ministers to ensure proper policy guidance (in the four core areas of integration, that is, the Directorates), and to coordinate and harmonise cross-sectoral activities in the process of overseeing the activities of the Directorates. Moreover, the Integrated Committee of Ministers has to monitor and control the implementation of the Regional Indicative Strategic Development Plan (RISDP), which would encompass the strategic direction for all activities of the Community, and which would operationalise the SADC Common Agenda, as contained in the Treaty.

In terms of facilitating the execution of policy decisions taken at Council and Summit level, the Restructured SADC furthermore provides an important management tool, that of empowering the Troika system to take decisions if and when needed, with regard to the operationalisation of policy.

For the national level, the decision of Summit was to institute SADC National Committees that would meet regularly according to the four SADC Directorates. In addition to implementing and monitoring SADC Programmes at national level, these Committees also have the responsibility of ensuring broad and inclusive consultations to prepare inputs required by the Secretariat.

Chairperson,  
Ladies and Gentlemen,

Having cited the main decisions on the Restructuring of SADC it should become clear that, in fact, the acceleration of regional integration has been the main idea behind the restructuring of the Organisation. Or put in other words, the Restructured Organisation is meant to accelerate regional integration.

What are the advantages of the new restructured framework? In the first instance, there would be more regular and effective focused communication and a backbone of built-in structured networking opportunities. What is also clear, is that our leadership wants Member States to share expertise and capacity among different sectors. I am sure that this opportunity, on the one hand, will sharpen our developmental focus even more in a sea of different waves of demands and opportunities, as we are taken out of our technical comfort zones. But on the other hand, we will learn the direction of other waves, or other fields of developmental expertise, and it may happen that we become a force to be reckoned with from the Southern part of Africa if we melt into a tide of developmental strength, or even of resistance when our development agenda is threatened.

So, what have we accomplished so far with regard to the Restructuring Exercise? Thankfully we can state that we have indeed implemented a number of major tasks that are in our Action Plan for Restructuring. Three Directorates, that is those for Trade, Industry, Finance and Investment, for Food, Agriculture and National Resources, and for Social and Human Development and Special Programmes, were established. The Study on the Auditing of Assets, Programmes and Projects of SADC Institutions and Sector Coordinating Units was completed in August, 2002, and a new formula for Member States' contribution was adopted in February, 2002. SADC National Committees have been put in place in most Member States. Work on legal instruments also progressed well. The consolidated version of the Amended 1992 Treaty has been printed, while Consequential amendments to the Sectoral Protocols have also been finalised. However, we are behind schedule on undertaking some key studies, particularly the formulation of the Regional Indicative Strategic Development Plan (RISDP) and the Study on the Implementation of the New Structure (also referred to as the Job Evaluation Exercise). These were supposed to be completed in November 2002 and September 2002, respectively. These studies will now be completed in the first quarter of 2003. In practice, we will have to further empower the Troika system and the Secretariat to take decisions on administrative or routine and technical issues at their appropriate levels and get on with the business rather than refer everything to Council. I note this to communicate to our cooperating partners that we are all experiencing the learning curve as the Restructuring Process unfolds and that we are also open to your inputs from your experiences at this Consultative Conference.

Chairperson,  
Ladies and Gentlemen,

Having outlined the type of integration structure and vehicles that we will now employ in SADC which will produce high "torque" in terms of communication and cross-fertilisation opportunities, I wish to then turn your attention to the Central Role of Regional Integration in Combating Poverty. We should first be clear on what type of regional integration are we talking about here, and on the type of poverty that is meant here. I would like to firstly say that the defining factor for operationalisation in both the concept of regional integration and the concept of poverty, would be that of human development.

I wish to be very clear here: To us in SADC, regional integration should be a means to human development, and not merely to increased trade. Of course, our trade aims should not be narrow, and we should be ambitious especially with regard to adding value to our products ourselves. But we should also be broad in our definition of the envisaged opportunities for human development and in the expansion of the developmental choices of our peoples in the Region. In the SADC Treaty, the areas of cooperation specified, and the sectors selected for cooperation, also later elaborated in the SADC Protocols, clearly holds the banner for human development of all our peoples in the Region, high.

I am convinced that with close cooperation among sub-sectors in the different Directorates, and through the way these were structured, in other words by the decisions about which sectors should resort under which Directorate, we are germinating or cradling the fruits of human development already. We also do not lack the political will and provisions that deepened economic integration would require from us.

We all know that, while mainlining poverty alleviation, the mainstreaming of gender would provide the wheels for the SADC vehicle on its main road to human development. Promoting gender equality and empowering women would have three major influences on poverty reduction, as it was highlighted again at the recent World Summit for Sustainable Development: Firstly, it would increase productivity, because economic output rises as more females as educated, and educated females are much more productive than their uneducated counterparts. Secondly, maternal health will be promoted, including women's decisions about their fertility. Thirdly, we know that educated women do a better job caring for children, which in turn is an investment into the human resources for the future, not to mention the higher chances for the child's survival.

Why do we emphasise human development as the end result for regional integration so strongly? This is the other side of the coin in question, that of poverty alleviation, that I wish to be very clear about as well. As you know, poverty is usually conceptualized along the lines of income poverty and/or human poverty. Income poverty refers to the inability to afford an adequate standard of consumption, in other words to struggle for the basic means of survival.

For a long time, poverty was accepted to mean low or inadequate income. However, realizing that low income did not necessarily result in an overall low standard of living, attention was later drawn to the broader concept of human poverty that refers to deprivation in basic dimensions necessary for human life. These dimensions are a long and healthy life, and knowledge and economic provisioning. Deprivation of a long and healthy life is measured by the percentage of newly born children not expected to survive to an age of 40 years, while deprivation in knowledge is measured by illiteracy, and deprivation in economic provisioning by the percentage of people lacking access to health services and safe water, as well as by the number of children who are moderately or severely underweight. This is the approach followed by UNDP in its human development reports.

I wish to unequivocally state that the type of integration that we have put in motion through our restructured Organisation to operationalise our SADC Common Agenda, an integration that would be wide in the sense that we would achieve human development in the end by widened human development choices for all peoples in the region, that this type of integration would simultaneously address the alleviation of human poverty, as I have defined earlier. Having the alleviation of human poverty as main focus, would provide opportunities for human enrichment and further growth. These opportunities, Ladies and Gentlemen, would keep the spark and the engine of human development and poverty alleviation in motion.

I, therefore, agree with the former President of the World Bank, Mr James Wolfensohn, that actions to tackle poverty should be launched on three fronts. Firstly, by promoting opportunities for the poor to build their assets such as education and land. Through our formal cooperation arrangements among SADC Member States, and the way these will be accelerated and expanded through the restructured SADC, I am sure that we shall create opportunities in self realization for our peoples in the Region. The second attack on poverty should, as Mr Wolfensohn noted, facilitate empowerment of the poor by making institutions responsive to their needs. The restructured SADC will, as directed by Summit, indeed respond to the empowerment needs of the poor, as stipulated as a distinct SADC objective, and I quote: "To ensure that poverty eradication is addressed in all SADC activities and programmes". The last and most challenging attack on poverty would be the enhancing of the security of the poor, in other words, to reduce their vulnerability to ill health, economic shocks, crop failure, natural disaster, violence, etc. I am convinced that accelerated regional integration as envisaged by our joint strengths and efforts, would contribute to enhancing the security of the poor in our Member States. We would dismally fail in our efforts to strengthen each other if we allow prolonged human suffering of our people in this Region.

Already here at this Conference, we shall create the sparks for human development, and certainly utilize this opportunity to exchange views on human growth and economic development opportunities. We should think in terms of platforms to where the villagers or defined communities could offer their goods, skills and experiences to be transformed in economic value, from where they will leave with heads held high. Only then will they feel empowered to reach out to other communities in order to further contribute to national and regional integration.

Chairperson,  
Ladies and Gentlemen,

The joint efforts of SADC Member States and integrated regional responses to alleviate poverty face major contemporary challenges. Firstly, as alluded to earlier, the challenge of gender inequality needs to be faced as matter of urgency. We all know the concerns with regard to the exclusion of females from educational and skills development opportunities, leading to early pregnancies, early motherhood and economic dependence.

The second challenge that would threaten to slow down regional integration, economic development and poverty alleviation in the Region, is that of external debt. It is estimated that the SADC region has a huge external debt burden amounting to more than US\$79 billion. Six SADC Member States have been listed as highly indebted low-income countries. A marked decline in resource flows in the form of both foreign direct investment and official development assistance has further worsened the situation, probably as a way of not wanting to lend more to a client that can hardly pay back his current debt. According to the 1999 ECA Economic Report, foreign direct investment and bilateral credit to SubSaharan Africa, which includes SADC, fell from 5 percent in the 1970s-early 80s to 3.5 percent in the 1990s.

It is clear from the above that colossal debt servicing obligations divert a huge amount of resources from investment in both directly productive sectors and human development sectors such as food security, education, health care, social welfare and child care, also in the SADC Region.

Lastly, as you are aware, the challenge of HIV/AIDS further continues to seriously undermine our developmental efforts and the integration agenda. In fact, the drastic decline in life expectancy recorded in our region is largely attributed to this scourge. Its devastating impact is being felt at ail levels. Our scarce human capital is being depleted; our public health resources are under enormous strain. with the cost of caring for one HIV/AIDS patient being as much as educating 10 primary school pupils; profit margins of firms and farms are shrinking as health care expenses and funeral costs escalate; the number of orphans is growing at an alarming rate with the loss of breadwinners through the deadly disease.

The above-mentioned challenges, among others, are to be thoroughly addressed in the Regional Indicative Strategic Development Plan (RISDP), which will, in addition, foster the conditions necessary for alleviating poverty in the Region.

Finally, I wish to thank you, the international cooperating partners for your presence and interest in our Organisation. As you may have experienced, we speak from our hearts and we are open for your cognitive inputs and yes, also for your emotional outputs. We believe we have the structure to produce the conditions for deeper and wider economic integration. We further believe that these benefits and fruits of integration will contribute to the alleviation of human poverty.

I wish you all fruitful deliberations in the process of hammering out the details of poverty alleviation platforms pertaining to the functions of the new four Directorates, but also with regard to any unnoticed opportunities. We rely on you all to make this Consultative Conference a memorable one.