



United Nations  
Economic Commission for Africa

ECA/SA/ICSOE/XXVI/2020/8

Distr.: General

5 January 2021

Original: English

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**Economic Commission for Africa  
Subregional Office for Southern Africa**

**Intergovernmental Committee of Senior Officials  
and Experts for Southern Africa**

Twenty-sixth session

Online, 28 and 29 October 2020

**Report of the Intergovernmental Committee  
of Senior Officials and Experts for Southern Africa  
on the work of its twenty-sixth session**



A.21-00007



## **I. Opening of the session**

### **A. Introduction**

1. The twenty-sixth session of the Intergovernmental Committee of Senior Officials and Experts for Southern Africa, was chaired by the Government of Lesotho and held online on 28 and 29 October 2020 under the theme “Policies and strategies towards effective private-sector-led growth and job creation in Southern Africa”.

### **B. Attendance**

2. Delegates from the following Southern African member States, representing ministries of agriculture, commerce, economic development, finance, foreign affairs, and industry and trade, participated in the session: Angola, Botswana, Eswatini, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Zambia and Zimbabwe.

3. Participants in the session included representatives of academic and research institutions; the private sector and private-sector umbrella organizations; regional economic communities; women trader organizations; freight organizations; print and digital media houses; civil society organizations; non-governmental organizations; and regional and international development partners, including United Nations bodies and the African Development Bank. Experts and independent consultants on private-sector development, industrialization, small and medium-sized enterprises, regional integration, and trade in goods and services also participated in the online meeting.

### **C. Opening statements**

4. The Minister of Finance of Lesotho, Thabo Sophonea, delivered the key note address to open the meeting, following welcoming remarks by the Director of the Subregional Office for Southern Africa of the Economic Commission for Africa, Sizo Mhlanga; the United Nations Resident Coordinator in Lesotho, Salvator Niyonzima; Senior Policy Officer of the Southern Africa Regional Office of the African Union (representing the African Union), Myranda Lutempo; the Director for Industry and Agriculture of the Common Market for Eastern and Southern Africa (COMESA) (representing the Secretary-General of COMESA), Providence Mavubi; Promotional Officer of the Ministry of Commerce, Industry and Trade of Eswatini (representing Eswatini as Chair of the Bureau of the twenty-fifth session of the Intergovernmental Committee), Sibonginkhosi Christopher Mavuso.

## **II. Election of the Bureau and adoption of the agenda**

5. The following countries were elected by the Committee to form the new Bureau:

Chair:	Lesotho
Vice-Chair:	Malawi
Rapporteur:	South Africa

6. The Intergovernmental Committee adopted the following agenda for its twenty-sixth session:

- (a) Opening session.
- (b) Election of the Bureau and adoption of the agenda and programme of work.

- (c) Presentation by the special guest to the 26th ICSOE on “Impact of COVID-19 on national socioeconomic development patterns and implementing strategies for building back better: experiences from Zimbabwe” – Honourable Prof. Mthuli Ncube, Minister of Finance and Economic Development.
- (d) Presentation of statutory reports by ECA:
  - (i) Economic and social conditions in Southern Africa
  - (ii) Programme performance of ECA in Southern Africa
  - (iii) The implementation of regional and international agendas and other special initiatives in Southern Africa: progress and status of the African Continental Free Trade Area (AfCFTA) in Southern Africa.
- (e) Presentation of thematic report on “Policies and strategies towards effective private sector- led growth and job creation in Southern Africa”.
- (f) Panel discussion on “Addressing the constraints to private-sector growth in Southern Africa for economic growth and job creation”.
- (g) Panel discussion on “Supporting COVID-19 responses in Southern Africa for building back better and faster: the experience of development partners”.
- (h) Presentation of the recommendations and outcomes of the ad hoc expert group meeting: “The AfCFTA and trade in services: opportunities and strategies for Southern Africa”.
- (i) Presentation on “Supporting Southern African countries to simultaneously adopt and integrate both the 2030 Agenda for Sustainable Development and Agenda 2063 through the Integrated Planning and Reporting Toolkit (IPRT)”.
- (j) Panel discussion on: “Boosting the capacity of the private sector to exploit the opportunities from the AfCFTA.”
- (k) Any other business.
- (l) Date and venue of the 27th ICSOE.
- (m) Consideration and adoption of the outcome statement of the 26th ICSOE.
- (n) Closing session.

### **III. Account of the proceedings**

#### **A. Presentation by the special guest to the twenty-sixth session**

7. The Minister of Finance and Economic Development of Zimbabwe, Mthuli Ncube, delivered a presentation entitled “Impact of COVID-19 on national socioeconomic development patterns and implementing strategies for building back better and faster: experiences from Zimbabwe.”

#### **B. Presentation of reports**

8. The Intergovernmental Committee considered three statutory reports submitted by the secretariat on: (a) Economic and social conditions in Southern Africa in 2019 and 2020 and prospects for 2021; (b) Programme performance of the Subregional Office for Southern Africa of ECA; and (c) Progress in the implementation of regional and international agendas and other special initiatives in the subregion, focusing on progress and the status of AfCFTA.

9. The findings of the thematic study on “Policies and strategies towards effective private sector-led growth and job creation in Southern Africa” were presented and discussed by the Intergovernmental Committee. In addition, the Committee also reviewed and approved the recommendations of the ad hoc expert group that met online on 20 October 2020 under the theme “The AfCFTA and trade in services: opportunities and strategies for Southern Africa”.

10. The Intergovernmental Committee endorsed the report on the programme performance of the Subregional Office for Southern Africa for 2020 and the work programme for 2021.

#### **IV. Observations**

11. The Intergovernmental Committee made several observations on the basis of the presentations by the secretariat and the ensuing discussions and panel discussions.

#### **12. On economic and social conditions in the region in the face of the pandemic, options and strategies for building back faster and better and bouncing beyond, the Committee:**

(a) Observed that the COVID-19 pandemic had devastated the already struggling economies of Southern Africa and reversed progress made on social and economic parameters;

(b) Broached the adverse impact of the pandemic on sectoral progress, industrialization, tourism, trade and investment;

(c) Expressed dismay at the slow pace of reforms in agriculture, information and communications technology, mining, energy and transportation undertaken to ensure food security, enhance productivity, promote economic growth and diversification, and develop national and regional value chains;

(d) Noted with concern the deepening fiscal and debt crises among member States and how the emerging debt spiral was diverting resources from socioeconomic imperatives, including programmes on the Sustainable Development Goals, thus leading to a reversal of the gains already attained;

(e) Expressed alarm at the deteriorating macroeconomic fundamentals, driven partly by structurally slow growth, low business confidence, waning investments flows, the poor policy environment and the COVID-19 pandemic, which had severed regional and international supply chains;

(f) Praised the regional, continental and global solidarity demonstrated in dealing with the pandemic and its impacts;

(g) Echoed and supported member States’ resolve to work together to address future health and environmental catastrophes and other global socioeconomic shocks;

(h) Observed that there was limited preparedness for pandemics among member States and constrained fiscal space (i.e., lack of resource buffers) to respond to the pandemic;

(i) Bemoaned the unacceptable sharp rise in the incidence of gender-based violence and child abuse, amplified by COVID-19-induced lockdowns;

(j) Voiced collective displeasure at the alleged misappropriation of funds meant to

address the impact of COVID-19 on health and livelihoods, and called upon member States to institute mechanisms to recover looted resources and redirect them to appropriate uses while prosecuting the guilty;

(k) Emphasized the importance of a well-capacitated and capitalized private sector, including micro, small and medium-sized enterprises, as an anchor for recovery, building back better and bouncing beyond COVID-19;

(l) Underscored the need to integrate climate change issues into overall national and regional socioeconomic development plans, as an anchor to prepare for challenges emerging from droughts, floods and other weather-induced calamities;

(m) Observed that, on several indicators, there is a general paucity of data that are needed to facilitate informed planning and decision-making at national and regional levels;

(n) Noted with satisfaction the proactive steps that member States had taken and continued to take to arrest the spread of the pandemic, and the resources deployed to mitigate its adverse impact on lives and livelihoods.

### **13. On policies and strategies for private sector-led growth and job creation, the Committee:**

(a) Underscored the importance of a well-capacitated private sector in leading economic recovery and growth through the creation of sustainable and decent jobs;

(b) Observed that there were serious challenges facing the private sector, relating to finance, energy, transport, markets and technical standards, as well as other technical and operational challenges, that undermine production and overall competitiveness;

(c) Highlighted the various national and regional business opportunities that the private sector could exploit profitably, but bemoaned the inability of the regional private sector, including micro, small and medium-sized enterprises, to take the lead in exploiting those opportunities;

(d) Observed the rising levels of informality in member States and the challenges of indecent work often associated with the informal sector, and, therefore, the need to improve the operation of that sector;

(e) Underscored the importance of regional industrial frameworks in anchoring the creation of a conducive environment for the private sector to flourish, but lamented the slow pace of implementation at the national level due to a lack of political will;

(f) Highlighted the immense opportunities in agriculture and mining value chains and in the growing services sector, especially in the light of AfCFTA;

(g) Underscored the importance of upgrading skills in anchoring value addition and the development of value chains, and emphasized the importance of a regional approach to skills development.

### **14. On progress regarding the African Continental Free Trade Area in Southern Africa and on strategies for trade in services, the Committee:**

(a) Underscored the importance of member States urgently ratifying the Agreement Establishing the African Continental Free Trade Area (AfCFTA Agreement), depositing instruments of ratification, and developing appropriate national strategies in order to enjoy the benefits as State parties once trading under the Agreement commences in January 2021;

(b) Identified investment in critical infrastructure to accelerate both foreign and domestic investment flows as being key for private-sector growth;

(c) Highlighted the need to facilitate the establishment of a platform for sharing experiences in the implementation of the AfCFTA Agreement in the region so that member States can learn from each other;

(d) Emphasized the capacity challenges faced by the private sector, including micro, small and medium-sized enterprises, in exploiting the immense opportunities from liberalized trade under AfCFTA;

(e) Stressed the need to promote competitiveness, efficiency and value-addition in the services sector at the national level, and then to expand these to the regional level;

(f) Stressed the need to harmonize policies, legal and regulatory frameworks in the services sector at the regional level to facilitate cross-border investments in the services sector;

(g) Bemoaned the lack of data for informed measurement of the contribution of services and trade in services in both national and regional economies;

(h) Lamented the lack of harmonized policies across member States in the region to harness digital technologies to improve competitiveness in the services sector and unleash trade in hitherto non-tradable services such as education and health through remote means;

(i) Noted the limited technical expertise in the services sector in the region as a major drawback to accelerated growth of the sector;

(j) Observed that the disruptions in trade due to lockdowns, the closure of borders and the suspension of transportation emphasized the need for member States to diversify the economies and strengthen sectors that have relied mostly on imports from outside the region, such as the health sector;

(k) Underscored that COVID-19 provided an opportunity for member States to invest in digital technologies for both production and services, and to reform public services by embracing and increasing the utilization of digital technology.

## **V. Recommendations**

15. The Committee proffered recommendations on: (a) strengthening and/or stabilizing the national and regional macroeconomic environment; (b) creating a platform for the implementation of the AfCFTA Agreement in Southern Africa; (c) enhancing the role of the private sector, including micro, small and medium-sized enterprises; and (d) building back better and faster and bouncing back beyond COVID-19.

**16. On strengthening and/or stabilizing the national and regional macroeconomic environment, member States should:**

- (a) Work assiduously to reduce public debt, spend judiciously on priority areas, and monitor emerging or potential inflationary pressures from such spending decisions;
- (b) Restructure existing resource envelopes away from previously planned capital spending, where possible, before considering borrowing;
- (c) Entrench an investor-friendly environment through policy certainty (especially sectoral policies related to investment); macroeconomic stability; and good governance, including zero tolerance for actual or potential instances of corruption;
- (d) Implement sectoral reforms to boost national and regional productive capacities, ensure food security, create jobs and support faster economic growth;
- (e) Actively foster social inclusion, including through: promoting better education and health outcomes; creating employment, especially for youth and women, by supporting relevant sectors that are labour-intensive and encouraging entrepreneurship; and ensuring zero tolerance for gender-based violence and child abuse;
- (f) Introduce potent and responsive gender and youth-inclusive strategies as anchors for industrialization for growth and job creation in the region;
- (g) Address factors responsible for the reduction in the contribution of agricultural and manufacturing sectors to members States' economies;
- (h) Facilitate the development of value chains within the region to stimulate local demand and insulate economies from challenges emanating from the international economy;
- (i) Adopt a strong political commitment, guided by a regulatory framework where all member States of the Southern African Development Community (SADC) engage collaboratively to actualize the regional development agenda work, going beyond the signing and ratification of protocols and agreements.

**17. On creating a platform for the implementation of the AfCFTA Agreement in Southern Africa and regional industrialization, member States should:**

- (a) Expeditiously ratify the AfCFTA Agreement and develop implementation strategies in a fully consultative manner to ensure that all pertinent issues and challenges in opening up to external markets are factored into national AfCFTA strategies;
- (b) Harmonize policy, legal and regulatory frameworks in the services sector to facilitate the movement of services entrepreneurs across the region to exploit opportunities.

**18. On creating a platform for the implementation of the AfCFTA Agreement in Southern Africa, and on accelerating regional industrialization, regional economic communities should:**

- (a) Develop regional AfCFTA strategies to guide the national strategies and facilitate the evolution of a harmonized approach to AfCFTA across the region;
- (b) Support member States to harmonize policies, legal and regulatory frameworks in the services sector to facilitate cross-border movement of services;

(c) Create a platform where member States can showcase their services sectors to stimulate collaboration and enhance competitiveness through improved product and service quality.

**19. On supporting growth and sustainability of the private sector, member States should:**

(a) Introduce mechanisms for collaboration between small and large enterprises, including mandatory requirements for business linkages among those enterprises, to provide learning opportunities as well as enable the smaller enterprises to participate in large contracts;

(b) Invest in both soft and hard infrastructure to provide a conducive environment for the growth and sustainability of the private sector, including ensuring the creation of an appropriate and supportive environment for micro, small and medium-sized enterprises;

(c) Adopt an ecosystem-development approach, encompassing information and incentives support, along with investments and implementation support, to micro, small and medium-sized enterprises in strategic economic sectors, for inclusive, innovative, sustainable and resilient development outcomes;

(d) Invest in programmes to develop and sustain the entrepreneurial and business skills of micro, small and medium-sized enterprises, including through frameworks such as innovation hubs, special economic zones and industrial parks.

**20. On building back better and faster and bouncing back beyond COVID-19, member States should:**

(a) Introduce well-targeted interventions to deal decisively with COVID-19's health and socioeconomic impacts to save lives and livelihoods, while eliminating wastage and extirpating corruption;

(b) Strengthen the financial management system to ensure that the financial and material resources that are mobilized are prudently used and that leakages are eliminated;

(c) Create a sustainable framework for collaboration between industry and academic institutions to support productive research towards developing solutions to the challenges of COVID-19;

(d) Proactively seek debt restructuring with creditors and agree on terms that would not undermine countries' ability to deal with COVID-19's impacts and other urgent social requirements;

(e) Develop partnerships at the regional level to manufacture the products required by the health sector, including those needed to deal with COVID-19 and other such pandemics;

(f) Introduce policies and strategies to address and forestall the occurrence of similar pandemics in the future, to minimize the adverse impacts associated with economic lockdowns and other restrictions on business operations;

(g) Target specific high-growth economic sectors, where the private sector is very active, in building back faster and better to facilitate a rapid bounce back;

(h) Develop mechanisms and strategies to unlock domestic financing towards initiatives to build back better, including those involving the local private sector, and integrate this into economic and fiscal policy frameworks.

**21. On supporting building back better and faster, and bouncing back beyond COVID-19, development partners should:**

(a) Support the efforts of member States in building back better (including in social programmes) and bouncing back beyond the pandemic episode, especially by using concessionary funding to avoid increasing levels of indebtedness;

(b) Continuously share experiences with various member States in supporting socioeconomic recovery efforts, including by providing direct support to enterprises and the informal sector;

(c) Mobilize debtor nations for debt forgiveness and support the development, growth and resuscitation of high-impact industries as anchors for post-COVID-19 recovery.

**22. On supporting building back better and faster and bouncing back beyond COVID-19, regional economic communities should:**

(a) Support programmes and strategies towards a regional approach to addressing the impact of future pandemics, including through policy harmonization and the adoption of a coordinated approach to production and procurement of the required medicines and equipment;

(b) Implement and accelerate initiatives towards a regional approach to value chain development, under which the specific nodes for the participation of micro, small and medium-sized enterprises can be identified and supported through local content policies, and thus allow those enterprises to benefit from AfCFTA, to promote the evolution of more regional leading companies.

## **VI. Way forward**

23. The Intergovernmental Committee endorsed the recommendations of the ad hoc expert group during its meeting under the theme “The African Continental Free Trade Area (AfCFTA) and trade in services: opportunities and strategies for Southern Africa” (see annex).

24. The Intergovernmental Committee underscored:

(a) The need to expedite implementation of the recommendations of the ad hoc expert group towards addressing the challenges in the services sector in the region, to enable member States to optimize benefits from AfCFTA in both goods and services;

(b) That the Subregional Office for Southern Africa should continue to urge regional member States to ratify the AfCFTA Agreement and also to provide technical support for the development of national strategies in preparation for trading as State parties, once trade commences under the Agreement;

(c) That the Subregional Office for Southern Africa should work closely with member States, regional economic communities, intergovernmental organizations and other stakeholders to support member States in building back better and faster and bouncing back beyond COVID-19;

(d) That the recommendations of the studies on the private sector and the services sector be submitted to the appropriate stakeholders, including the secretariats of SADC and COMESA, for implementation;

(e) The urgent need for the secretariat to follow up on the offer by Malawi to host the twenty-seventh session of the Intergovernmental Committee so that the requisite preparations can commence early.

**Vote of thanks**

25. The delegates to and participants in the twenty-sixth session of the Intergovernmental Committee of Senior Officials and Experts for Southern Africa expressed appreciation to the leadership of Lesotho in steering the deliberations and crafting recommendations, and to the secretariat for diligently organizing the successful virtual meeting of the Intergovernmental Committee.

## Annex

### **Report of the ad-hoc expert group on its meeting under the theme “The African Continental Free Trade Area (AfCFTA) and trade in services: opportunities and strategies for Southern Africa”**

#### **I. Opening of the session**

##### **A. Introduction**

1. The Subregional Office for Southern Africa of the Economic Commission for Africa organized a meeting of an ad hoc expert group under the theme “The African Continental Free Trade Area (AfCFTA) and trade in services: opportunities and strategies for Southern Africa”. The meeting was held online on Tuesday, 20 October 2020.
2. The purpose of the meeting was to discuss the status of trade-in-services negotiations under AfCFTA and the challenges and opportunities for developing tradable services sectors in the Southern African region through a review of the findings and recommendations of a study commissioned by the Subregional Office for Southern Africa entitled “The African Continental Free Trade Area and trade in services: opportunities and strategies for Southern Africa”.

##### **B. Attendance**

3. The meeting was attended by over 30 experts in trade, trade in services and regional integration, along with AfCFTA chief negotiators from the following public and private institutions: the secretariat of the Southern African Development Community (SADC); the secretariat of the Common Market for Eastern and Southern Africa (COMESA); the secretariat of the East African Community (EAC); the Economic Development Board of Mauritius; the “tralac” trade law centre; the Directorate of Trade at the Ministry of Foreign Affairs, Regional Integration and International Trade of Mauritius; the Directorate of Trade at the Ministry of Industry and Commerce of Mozambique; the Department of Trade and Industry at the African Union Commission; the Directorate of Trade at the Ministry of Trade and Industry of Lesotho; the Directorate of Trade at the Ministry of Commerce, Trade and Industry of Zambia; the International Trade Centre; the United Nations Conference on Trade and Development; the International Organization for Migration; Laval University; the Foundation for Studies and Research on International Development; the University of Zambia; the University of Ibadan; the Graduate Institute of International and Development Studies; the University of the Witwatersrand; International Economics Consulting Limited; the ECA Subregional Office for Eastern Africa; the ECA Regional Integration and Trade Division; the ECA Africa Trade Policy Centre; and the Subregional Office for Southern Africa.

##### **C. Opening remarks**

4. Welcoming marks were delivered by the Director of the Subregional Office for Southern Africa, Sizo Mhlanga. An opening statement was made by the Director for micro, small and medium-sized enterprises at the Ministry of Commerce, Trade and Industry of Eswatini, Mluleki S. Dlamini, who chaired both the ad hoc expert group meeting and the twenty-fifth session of the Intergovernmental Committee of Senior Officials and Experts for Southern Africa.

## **II. Adoption of the agenda**

5. The agenda was adopted as follows:
  1. Opening session.
  2. Session 1– Overview of the services and tradable services sectors in Southern Africa: characteristics, strengths, weaknesses, case stories and lessons learned.
  3. Session 2– Trade in services under the African Continental Free Trade Area: the state of play in Southern Africa.
  4. Session 3– The African Continental Free Trade Area and trade in services: opportunities and strategies for Southern Africa and experiences from other regions.
  5. Closing session.

## **III. Account of proceedings**

6. The experts reviewed the findings and recommendations of the study commissioned by the Subregional Office for Southern Africa, focusing on how Southern Africa could address challenges in the services sector and leverage attendant opportunities to develop competitive, efficient, formal and high value-added services sectors that could boost trade in services in the region and support the industrialization process, promote decent job creation and the achievement of the Sustainable Development Goals. The review was complemented by presentations and interventions by discussants and other invited experts.

## **IV. Recommendations**

7. **To strengthen the context, content, structure, flow and recommendations of the study, the experts recommended the following:**
  - (a) Inclusion of an analysis on the impact of COVID-19 on trade in services in Southern Africa and fleshing out its implications for regional and domestic trade in services, especially for transport, tourism, and information and communications technologies (ICT);
  - (b) Analysis of mode 3 in services trade, mainly foreign direct investment (FDI), and the related impacts and implications;
  - (c) Introduction of references to Africa-specific studies on services trade (situation of the services sector on the continent);
  - (d) Provision of more anecdotal and case examples of trade in services in the region, with an analysis of successes, failures and lessons learned;
  - (e) Addressing informality in the services sector and its implications for policies and strategies to develop tradable services in the region;
  - (f) A deeper and more extensive analysis of the weaknesses and strengths of the services sector in the region;
  - (g) An elaboration of the regulatory barriers to trade in services and the regulatory

reforms needed across the region to anchor regional development of the sector;

(h) Addressing the issue of multiple, ongoing, parallel negotiations and its implications for the development of trade in services in Southern Africa;

(i) Strengthening the discussion on digitalization, its potential for unlocking new sectors (e.g., financial technology) and digital trade in services;

(j) Addressing the impact of and need for the mutual recognition of qualifications across member States;

(k) Expanding on opportunities available to Southern Africa (which sectors/subsectors/entry points in services value chains and sectors offer scope for cross-border trade);

(l) Strengthening the narrative on the increasing production, use and sale of services in manufacturing and services value chains and the attendant implications;

(m) Strengthening policy recommendations based on discussions and presentations at the meeting;

(n) Providing suggestions on how to better align trade-in-services provisions across AfCFTA, SADC and COMESA in a harmonized and coherent manner.

8. The experts recommended actions by member States, regional economic communities and other stakeholders to address the challenges and capture the opportunities of the services sector.

9. **Member States should:**

(a) Develop and implement strategies to facilitate the liberalization of the services sector;

(b) Strengthen capacities at the national level to measure the contribution of services and trade in services as part of national and regional statistics;

(c) Promote access of services companies to trade finance, as opposed to only goods companies;

(d) Facilitate public procurement contracts for firms in the services sector, akin to the goods sector;

(e) Attract FDI to the services sector, not just the goods sector, also as part of promoting the availability of foreign finance;

(f) Prioritize development in infrastructure services, given the critical role of infrastructure in anchoring competitiveness in trade in both goods and services;

(g) Harness digital technologies to improve competitiveness in the services sector and unleash trade in hitherto non-tradable services (e.g., education and health) through remote means;

(h) Promote digital skills development and facilitate a digital entrepreneurship support system as part of leveraging digitalization to support services development;

- (i) Protect trademarks, copyrights and patents, and develop an intellectual property rights system at the national and continental levels;
- (j) Create an elaborate ecosystem for e-commerce/digital trade, including policies, regulations, legislation and protocols for data transfer and protection;
- (k) Promote diversification within services subsectors through well targeted strategies;
- (l) Develop a comprehensive broadband strategy, matched by a review of the legal and regulatory ICT environment and a strengthening of the cyber-security framework;
- (m) Address regulatory barriers to trade in services that tend to be higher than barriers to trade in goods;
- (n) Reduce regulatory complexity by updating regulations to eliminate disruptive modes of doing business;
- (o) Promote inter-central bank cooperation to establish and improve payments clearance mechanisms, for example through pan-African initiatives such as the Pan-African Payment and Settlement System;
- (p) Liberalize intra-African financial flows for payments for digital trade;
- (q) Give small players and start-ups a voice in industry and development entities;
- (r) Ratify the Agreement Establishing the African Continental Free Trade Area to ensure that countries enjoy the benefits of State parties.

**10. Regional economic communities should:**

- (a) Promote the harmonization of policy and regulatory frameworks in the services sector to eliminate country-level differences to facilitate the regional development of the services sector;
- (b) Harmonize negotiations and agreements in cases where regional member States belong to several regional economic communities (for example, there are negotiations at four levels for some member States – SADC, COMESA, tripartite<sup>1</sup> and AfCFTA – and sometimes the offers and agreements differ or are even contradictory);
- (c) Improve the regulatory environment in the services sector to ensure that proper and clear regulations exist to facilitate negotiations;
- (d) Facilitate the free movement of persons and skilled professionals in the subregion;
- (e) Promote regional clustering of services firms to facilitate the evolution of economies of scale;
- (f) Develop hubs as providers of regional services for the whole subregion and continent;
- (g) Promote the development of Africa-centric intellectual property hubs;

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<sup>1</sup> Among COMESA, EAC and SADC.

- (h) Develop and utilize settlement platforms for transactions;
- (i) Develop region-wide databases on the services sector to facilitate proper policy making and strategy development;
- (j) Create a platform where member States can share best practices in the services sector as well as competitively sell their services;
- (k) Adopt cooperative approaches through greater dialogue and sharing of information among the trade and (labour) migration communities, the private sector and along corridors between countries of origin and destination.

## **V. Way forward**

11. The experts recommended that the report be revised based on these recommendations and be shared within the next three weeks for a two-week final review period. The Subregional Office for Southern Africa will finalize the report after it has been cleared by the experts during the post-meeting review.

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