



REPUBLIC OF ZAMBIA

MINISTRY OF FINANCE

SPEECH BY HONOURABLE KEITH MUKATA
DEPUTY MINISTER OF FINANCE OF THE REPUBLIC OF ZAMBIA
AT THE OFFICIAL OPENING OF THE SADC DFI MEETING
RADISSON BLU HOTEL, ZAMBIA 13TH JUNE 2013

- **THE CHAIRMAN OF THE SADC DFI NETWORK - AMBASSADOR LEONARD LIPUMBU**
- **THE CHIEF EXECUTIVE OFFICER OF THE SADC DEVELOPMENT FINANCE RESOURCE CENTRE - Mr. Stuart Kufeni**
- **THE MANAGING DIRECTOR, DEVELOPMENT BANK OF ZAMBIA - MR JACOB LUSHINGA**
- **REPRESENTATIVES FROM JICA**
- **SENIOR GOVERNMENT OFFICIALS PRESENT**
- **OFFICIALS FROM THE SADC SECRETARIAT**
- **DISTINGUISHED INVITED GUESTS**
- **LADIES AND GENTLEMEN**

I HAVE THE GREAT PLEASURE AND HONOUR TO WELCOME YOU TO OUR COUNTRY, ZAMBIA, FOR THIS IMPORTANT REGIONAL MEETING OF SADC DEVELOPMENT FINANCE INSTITUTIONS BEING HELD IN LUSAKA.

IT IS NOW ALMOST 10 YEARS SINCE THE LAST MEETING OF SADC DEVELOPMENT FINANCE INSTITUTIONS WAS HELD IN OUR TOURIST CAPITAL, LIVINGSTONE.

WE ARE THEREFORE GRATEFUL THAT SADC DFIS HAVE ONCE AGAIN CHOSEN ZAMBIA AND OUR NATIONAL DEVELOPMENT FINANCE INSTITUTION, THE DEVELOPMENT BANK OF ZAMBIA, TO HOST THIS IMPORTANT AND PRESTIGIOUS EVENT.

DISTINGUISHED GUESTS

THE IMPORTANCE OF THIS EVENT CANNOT BE OVEREMPHASIZED, SINCE THE SUBJECT OF DISCUSSION RELATES TO THE MOBILIZATION AND ALLOCATION OF FINANCIAL RESOURCES TO FUND VITAL NATIONAL AND REGIONAL DEVELOPMENT PROJECTS CRITICAL TO IMPROVING THE WELFARE OF OUR PEOPLE IN THE REGION.

THE CHALLENGES THAT RELATE TO THE FINANCING OF DEVELOPMENT PROJECTS IN INFRASTRUCTURE THAT SUPPORTS TRANSPORTATION, ENERGY DEVELOPMENT AND COMMUNICATION TECHNOLOGY, ARE SIGNIFICANT. THIS IS WORSENEDED BY THE FACT THAT PUBLIC BUDGETS DO NOT ALWAYS HAVE ADEQUATE RESOURCES TO INVEST IN PUBLIC INFRASTRUCTURE AT LEVELS SUFFICIENT TO MEET THE REQUIREMENTS AND EXPECTATIONS OF OUR PEOPLE.

LADIES AND GENTLEMEN

ADDED TO THE NATIONAL LEVEL DEMAND FOR INFRASTRUCTURE DEVELOPMENT, IS THE RECOGNITION THAT ACCELERATED ECONOMIC GROWTH CAN ONLY BE ACHIEVED THROUGH THE EFFECTIVE INTEGRATION OF THE ECONOMIES OF SADC MEMBER STATES.

THIS WILL REQUIRE THE ENHANCEMENT OF TRADE AND INVESTMENT AND THUS IMPOSE A GREATER NEED FOR AN INTEGRATED INFRASTRUCTURE NETWORK TO FACILITATE THESE ACTIVITIES.

AN INTEGRATED REGIONAL INFRASTRUCTURE NETWORK CAN ONLY BE ACHIEVED THROUGH THE JOINT IDENTIFICATION, PREPARATION AND IMPLEMENTATION OF REGIONAL INFRASTRUCTURE PROJECTS, AND THE EFFECTIVE INTEGRATION OF NATIONAL INFRASTRUCTURE DEVELOPMENT PLANS WITH REGIONAL PLANS.

THIS ALSO NECESSITATES COORDINATED RESOURCE MOBILIZATION AND POLICY HARMONIZATION ACROSS THE SADC REGION.

EXAMPLES OF THIS COOPERATION AND COORDINATION INCLUDE THE USE OF THE CORRIDOR CONCEPT IN THE DEVELOPMENT OF ROAD AND RAIL TRANSPORT SYSTEMS SUCH AS THE TAZARA, MTWARA, NACALA, AND WALVIS BAY CORRIDORS.

THE DEVELOPMENT OF ELECTRICITY INTER-CONNECTION SYSTEMS ACROSS COUNTRIES, THE POOLING OF ENERGY RESOURCES AND THE JOINT DEVELOPMENT OF REGIONAL ENERGY GENERATION CAPACITY, ARE ALSO SPECIAL PROJECTS OF GREAT DEVELOPMENTAL SIGNIFICANCE.

IN LIGHT OF THE CONTINUED SHORTFALL IN NECESSARY REGIONAL INFRASTRUCTURE TO SUPPORT THE GROWING DEMANDS OF OUR REGIONAL ECONOMIES, MY GOVERNMENT IS HAPPY TO NOTE INITIATIVES THAT SADC HAS NOW TAKEN TO FAST TRACK THE DEVELOPMENT OF REGIONAL INFRASTRUCTURE. THESE INITIATIVES INCLUDE:

1. THE ESTABLISHMENT OF THE REGIONAL INFRASTRUCTURE DEVELOPMENT MASTER PLAN (RIDMP) WHICH IS NOW COMPLETE AND PROVIDES AN OUTLINE OF PRIORITY REGIONAL PROJECTS THAT WERE IDENTIFIED FOR POSSIBLE INVESTMENT BY DONORS AND OTHER INTERNATIONAL FINANCIERS.

2. THE ESTABLISHMENT OF THE SADC PROJECT PREPARATION DEVELOPMENT FACILITY TO DEVELOP AND PREPARE REGIONAL INFRASTRUCTURE PROJECTS TO BANKABILITY AND ENABLE POTENTIAL INVESTORS TO IDENTIFY INVESTMENT OPPORTUNITIES IN THE PROJECTS.

DISTINGUISHED GUESTS

WITH THE FOREGOING EVOLUTION IN THE DEVELOPMENT FINANCE ARCHITECTURE, IT IS EXPECTED THAT THE RESOURCE ENVELOP FROM STAKEHOLDERS WILL BE ENHANCED IN SUCH A WAY AS TO MAKE A SIGNIFICANT IMPACT ON THE DEVELOPMENT OF INFRASTRUCTURE IN OUR REGION.

HOWEVER, THE SUCCESS OF THESE EFFORTS WILL ALSO REQUIRE OUR NATIONAL DFIS TO PLAY AN EXPANDED DEVELOPMENT ROLE BY INTERFACING WITH REGIONAL DEVELOPMENT FINANCING INSTITUTIONS IN PROJECT IDENTIFICATION ACROSS THE SADC REGION AS WELL AS ACCESSING RESOURCES FOR THEIR NATIONAL PROJECTS. I ENCOURAGE OUR NATIONAL DFIS, THEREFORE, TO EFFECTIVELY PLAY THEIR ROLE AND RISE TO THE CHALLENGE.

IN RECOGNITION OF THE PIVOTAL ROLE THAT DEVELOPMENT FINANCE INSTITUTIONS PLAY, MY GOVERNMENT HAS GIVEN A NEW LEASE OF LIFE TO OUR NATIONAL DEVELOPMENT FINANCE INSTITUTION, THE DEVELOPMENT BANK OF ZAMBIA.

THE DEVELOPMENT BANK OF ZAMBIA HAS BEEN RECAPITALIZED TO ENABLE IT EXPAND ITS LENDING FOR DEVELOPMENT PROJECTS AND TO BE ABLE TO HANDLE A GREATER VOLUME OF PROJECTS.

WE HAVE ALSO ENCOURAGED IMPROVED GOVERNANCE SYSTEMS THROUGH INDEPENDENT PRIVATE SECTOR BOARD MEMBERSHIP.

WE HOPE THAT THROUGH THESE MEASURES, THE DBZ WILL PLAY ITS RIGHTFUL ROLE IN THE DEVELOPMENT OF THIS COUNTRY, AND ALSO BECOME AN IMPORTANT PLAYER IN DEVELOPMENT FINANCE IN THE SADC REGION IN THE LONG-TERM.

DISTINGUISHED GUESTS

I OBSERVE FROM THE PROGRAMME BEFORE YOU THAT DFIS PRESENT WILL BENEFIT FROM THE EXPERTISE WITHIN ZAMBIA AND THE REGION THROUGH THE FORUM DISCUSSION ON RISK MANAGEMENT AND INFRASTRUCTURE DEVELOPMENT.

I HOPE THAT THE DELIBERATIONS WILL GENERALLY PROVIDE USEFUL INSIGHTS ON HOW WE CAN SAFEGUARD INVESTMENT IN INFRASTRUCTURE FROM THE RISKS AND UNCERTAINTIES OF INTERNATIONAL FINANCE, AND REINFORCE OUR PATH TO BETTER INFRASTRUCTURE AND IMPROVED STANDARDS OF LIVING OF OUR PEOPLE.

I ALSO HOPE THAT THE TRAINING WILL IMPROVE THE TECHNICAL SKILLS OF OUR DFIS STAFF FOR A BETTER UNDERSTANDING OF RISKS INHERENT IN PROJECTS, AND MINIMISE THE INCIDENCE OF PROJECT FAILURE THROUGH BETTER RISK MANAGEMENT AND MITIGATION METHODS.

LADIES AND GENTLEMEN,

IT IS MY HOPE THAT THE FULL PROGRAMME THAT YOU PLAN HERE WILL YIELD FULL DIVIDENDS TO YOU AS INDIVIDUAL CHIEF EXECUTIVE OFFICERS, AND THE GENERALITY OF THE DFI INSTITUTIONS THAT YOU REPRESENT.

LADIES AND GENTLEMEN, YOURS IS AN ONEROUS BUT HONOURABLE TASK. IT IS A TASK WHICH CALLS UPON YOU TO BRING YOUR TALENT, EXPERTISE AND EXPERIENCE TO MARSHAL AND ALLOCATE RESOURCES, IMPROVE INFRASTRUCTURE AND GENERALLY SPEARHEAD THE DEVELOPMENT OF OUR REGION.

I AM CONFIDENT THAT YOU WILL FIND YOURSELF EQUAL TO THIS NOBLE TASK FOR THE BENEFIT OF FUTURE GENERATIONS. I CAN THEREFORE ONLY WISH YOU EVERY SUCCESS IN YOUR DELIBERATIONS.

YOU MAY HAVE NOTICED, AS YOU CAME INTO THE COUNTRY, THAT ZAMBIA AND OUR SISTER NATION, ZIMBABWE, WILL LATER THIS YEAR HOST THE UNITED NATIONS WORLD TOURISM ORGANISATION (UNWTO) CONFERENCE. THIS IS IN RECOGNITION THAT OUR REGION AND COUNTRIES HAVE A LOT TO OFFER THE REST OF THE WORLD IN TERMS OF TOURISM.

ALLOW ME, THEREFORE, TO EXTEND AN INVITATION TO YOU TO FIND TIME OUTSIDE OF YOUR MEETINGS, TO EXPLORE OUR GREAT GARDEN CITY OF LUSAKA, WITH ITS JACARANDA TREE-LINED AVENUES, RAPIDLY DEVELOPING CITYSCAPE AND A BUSTLING AND LIVELY POPULATION OF FRIENDLY, CHEERFUL AND HOSPITABLE PEOPLE.

AS WE HAVE WELCOMED OUR FRIENDS IN THE PAST AS PARTNERS IN THE STRUGGLE FOR FREEDOM, LUSAKA WELCOMES YOU AS PARTNERS IN THE CONTINUING STRUGGLE AGAINST POVERTY AND UNDERDEVELOPMENT.

I THEREFORE DECLARE THIS FORUM OPEN.

THANK YOU.