southern african development community development finance resource centre

ANNUAL REPORT

2021

Mission

To support development finance institutions and governments to achieve national and regional development and integration through capacity building, research and advisory services.

Vision

To be a centre of excellence for development finance solutions.

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PROFILE

MANDATE

The Southern African Development Community - Development Finance Resource Centre (SADC-DFRC) is a subsidiary institution of SADC established under the SADC Protocol on Finance and Investment (the FIP). It is collectively 'owned' by the SADC Development Finance Institutions (DFI) Network, also an FIP organisation, with a current membership of forty (40) national DFIs. Through technical and capacity building support, as well as policy research, advocacy and advisory services, our mandate is to promote the effective mobilisation of resources by the financial sector, in particular the DFIs, for investment in key areas with the potential to stimulate sustainable and inclusive growth, generate employment and alleviate poverty, in line with the objectives of SADC under the Revised Regional Indicative Strategic Development Plan (RISDP).

FOCAL AREAS

The Strategic Plan of the DFRC (2019 – 2024) identifies the following key activity areas and sectors:

Capacity Building

- Training/Skills development
- Support to Small, Medium and Micro Enterprise (SMME) Programmes
- Support to Public Private Partnerships (PPP)/ Infrastructure Programmes
- Other Human Resource Development Services

Policy Research and Advisory Services

- Policy, Regulatory and Supervisory Environment for DFIs
- Support Financial Inclusion
- Enabling Environment for SME, Industrial and Infrastructure Development
- Advisory Services, Research and Advocacy on development finance

Sectoral Focus

- Small and Medium-sized Enterprise Development
- Industrial Development
- Infrastructure Development
- Public Private Partnerships
- Agriculture sector

WORKING APPROACH

The DFRC is a lean organisation manned by a small group of professional staff in key strategic areas in line with its mandate. To effectively deliver on the mandate, therefore, the DFRC has adopted a collaborative approach which involves utilisation of strategic development and technical partners in the selected focal areas. In this regard, the DFRC operates as facilitator and catalyst to DFIs, SADC Member States Governments, State – Owned Enterprises (SOEs) and other key development stakeholders.

FINANCING OF ACTIVITIES

The DFI Network members finance the bulk of the administrative budget of the DFRC through annual contributions while programme activities are funded through a cost recovery approach coupled with funding from international cooperating partners (ICPs) or donor sources. Technical and strategic partnerships are also leveraged on to support DFRC programme activities.

REPORTING STRUCTURES

The SADC DFI Sub-Committee, comprising all national DFIs in SADC member countries, is a committee of the SADC Committee of Ministers of Finance and Investment and reports to the Ministers through the Committee of Senior Treasury Officials (STOs). In turn, the Committee of Ministers of Finance and Investment reports to the SADC Council of Ministers through the Integrated Committee of Ministers.

The SADC DFI Network, presently consisting of forty (40) members, all signatories to the establishing memorandum of understanding and are members of the SADC DFI Sub-Committee, has the overall responsibility of the DFRC and supervises it through a Board of Trustees. The Board is appointed by the Network from its membership as constituted under the SADC Protocol on Finance and Investment.

The DFRC has a functional relationship with the SADC Secretariat through the Directorate of Finance, Investment and Customs (FIC) while operational links exist with the other directorates of the SADC Secretariat.

GOVERNANCE STRUCTURE

SHAREHOLDERS:

SADC-DFI Network Members

CHAIRPERSON OF THE SADC DFI NETWORK:

Dr Samuel M Bwalya
Managing Director
Development Bank of Zambia

CHAIRPERSON OF THE BOARD OF TRUSTEES:

Mr Henda Esandju Nicolau da Silva Inglês
Chairman and Chief Executive
Banco de Desenvolvimento de Angola

BOARD OF TRUSTEES:

Eight members, appointed for two-year terms, including two members appointed ex-officio.

AUDIT AND RISK COMMITTEE:

Three members, tenure in line with Board term

CHIEF EXECUTIVE OFFICER:

Mr Stuart Kufeni

BOARD OF TRUSTEES

The Board of Trustees provides leadership and oversight to the DFRC and ensures good corporate governance. It approves all policies of the DFRC and ensures sound financial management of the institution, as well as providing strategic direction to Management. The Board interacts directly with the DFI Network and with the policy levels of SADC Governments.

Mr Henda Esandju Nicolau da Silva Inglês
Board Chairperson

Chairman and Chief Executive Officer
Banco de Deselvolvimento de Angola

Trustee since December 2019

Mr Mohan Vivekanandan
Deputy Board Chair

Group Executive: Client Coverage
Development Bank of Southern Africa

Trustee since December 2020

Dr Samuel Bwalya
Chairman of the SADC DFI Network

Managing Director
Development Bank of Zambia

Trustee since December 2020 (Ex-officio)

Mr Gerald Nsomba
Chair -Audit and Risk Committee

Managing Director
Export Development Fund of Malawi

Trustee since December 2020

Mr Keletsositse Olebile
Chief Executive Officer

Botswana Investment and Trade Centre

Trustee since December 2020

Ms Rhobi Sattima
Acting Managing Director

National Development Corporation – Tanzania

Trustee since December 2020

Mr Benedict Libanda
Chief Executive Officer

Environmental Investment Fund of Namibia

Trustee since December 2020

Mr Sadwick Mtonakutha
Director: Finance, Investment and Customs (FIC) Directorate
SADC Secretariat

Trustee since December 2016 (Ex-officio)

AUDIT AND RISK COMMITTEE

The DFRC Board presently has one committee, the Audit and Risk Committee that assists the Board in carrying out its functions of providing strategic guidance to the institution, in particular, overseeing the financial reporting and disclosure and the internal controls and risk management systems. The Audit and Risk Committee derives its mandate from the Audit and Risk Charter.

The Committee is comprised of the following Board members:

Mr Gerald Nsomba
Chairman

Mr Keletsositse Olebile

Ms Rhobi Sattima

BOARD CHAIRPERSON'S STATEMENT

"The financial year under review has been a very difficult one primarily due to the incidence of the Covid-19 and its devastating effects on the global economy that saw growth shrink by 3.1% in 2020 according to the International Monetary Fund (IMF) projections. Sub Saharan African states were not spared at all, declining 1.7% as governments imposed countervailing measures to stop the spread of the pandemic, including lockdowns and travel restrictions, not to mention budgetary expenditure and monetary quantitative easing measures targeted at ameliorating the adverse effects on the socially and economically vulnerable sections of the economy.

While the DFI Network members could not escape from the pervasive effects of the pandemic which saw their portfolios decline and non-performing loans rise as a result, they found themselves at the centre of efforts to raise resources to cushion not only their clientele but also to support government efforts. These developments impacted the capacity of some DFIs to service their liabilities with some facing severe financial difficulties.

The difficult economic environment threatened the membership of the Network with some considering suspending membership and yet others seeking payment terms on their contributions to the DFRC. This notwithstanding, it is pleasing to note that no DFI members closed shop and that they were able to withstand the negative pressures albeit with operations and profitability below the pre-pandemic levels. Consequently, the membership of the Network for the financial year under review, FY2020/21, was stable at the previous level.

However, as mentioned above, the Covid-related contraction in DFIs business across all sectors had some knock - on effects on the DFRC's cashflows and consequently its programme delivery capacity for the year. As a result, the DFRC had to institute some cost saving measures which the Board had to reluctantly accept as this meant curtailing programmed activities and, in some cases, postponement of important projects. These measures were imperative to sustain the DFRC operations during the pandemic.

The expenditure measures that the centre took in response to the slow inflows of contributions from members enabled the DFRC to manage the cashflow and steady the institution towards a balanced financial position. While projects slowed down as a consequence, it is pleasing to note training programmes were not affected and surpassed the previous year's level, albeit marginally. This was largely on account of the switch from face-to-face mode of learning to virtual platforms the outcome of Covid-19 protocols. Not only did the resort to virtual means of learning allow for the continued dispensing of training programmes with minor setbacks, but it also assisted with the difficult financial position of the centre as these proved to be significantly cheaper to run.

Mr Henda Esandju Nicolau da Silva Inglês

Overall, in spite of financial constraints arising primarily from the debilitating effects of the pandemic on the region's economies and the operations of member DFIs, the DFRC received a clean bill of health from the external auditors and recorded a small profit of US$85,295 during the 2020/21 financial year. This was primarily attributable to cost restraints mentioned earlier and savings in travel and meeting costs, as all Network meetings for the year were held virtually. At this juncture, I would like to thank the Management and staff of the DFRC for their diligent and professional work which these audit results attest.

The year under review also witnessed some changes to the DFRC Board of Trustees. Six members of the Board, namely: Mr Elfas Chimbera, Acting Chief Executive Officer of the Agricultural Development Bank of Zimbabwe; Mr Sydney Soundy, Executive Manager: Strategy and Communication at the Land and Agricultural Development Bank of South Africa; Ms Khetsiwe Mdluli-Dube, Acting Chief Executive Officer of the Industrial Development Corporation of Eswatini; Mr Nixon Marumoloa, Chair of the Audit and Risk Committee and Chief Executive Officer of the Botswana Savings Bank; Mr Charles Singili, Chair of the SADC DFI Network and Managing Director of the TIB Development Bank of Tanzania; and Mr Tomas Matola, Chief Executive Officer of the Banco Nacional de Investmento, retired from the board as their two-year terms came to an end.

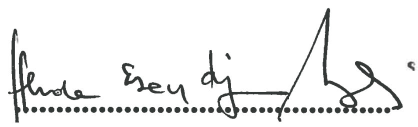
They were replaced by Mr. Patrick Dlamini, Chief Executive and Managing Director of the Development Bank of Southern Africa; Dr Samuel Bwalya, Managing Director of the Development Bank of Zambia; Mr Keletsositse Olebile, Chief Executive Officer of the Botswana Investment and Trade Centre; Mr Benedict Libanda, Chief Executive Officer for Environmental Investment Fund of Namibia; Ms Rhobi Sattima, Acting Managing Director of the National Development Corporation of Tanzania; and Mr Gerald Nsomba, Managing Director for the Export Development Fund of Malawi, who were appointed by the DFI Network at its December 2020 meeting.

I would like, on behalf of the Board, to take this opportunity to thank the outgoing members for their diligent support and advice and, to the new members, I would like to extend a warm welcome to you and we look forward to working with you in the coming year.

Meanwhile, our relationship with the SADC Secretariat, particularly through the Directorate of Finance, Investment and Customs (FIC), continues to grow from strength to strength as demonstrated in the continuing involvement of DFRC in key regional policy and institutional matters such as the operationalisation of the Regional Development Fund (RDF), the Financial Inclusion Strategy consultations, the PPDF, and participation at the TIFI International Cooperation Partners (ICPs) Thematic Group meetings, to mention a few. We also welcome the perennial opportunity for the DFRC to report to the SADC Committee of Ministers of Finance and Investment, to whom the DFI Network reports, to present activities and initiatives of the past year and seek guidance on regional development matters. The continuing support and guidance of the Secretariat, together with ICPs and other development partners is appreciated.

The global economy and, in tandem, the regional economies are projected to be on the uptrend in 2021 as the vaccination of the populaces against Covid-19 is accelerated and economic activity bounces back towards pre-covid levels of output. The developing and emerging economies, which characterise the bulk of SADC countries, have already begun to benefit from the turnaround in the developed economies which has led to a commodities boom. Consequently, the world economy is forecast to grow by just below 6% while the Sub-Saharan Africa economy grows by 3.7%, according to the IMF estimates.

It is my sincere hope, which I believe many share too, that the positive growth which our economies are expected to register in 2021 and beyond will see our member DFIs bounce back onto a path of high investment levels and increased support of governments and the region to achieve sustainable and inclusive growth as mandated. With the improving economic situation, it is also my hope that the DFRC will revert to what it knows best, supporting the Network and governments in the region through capacity building, policy research and advisory services and continue on its course to be the centre of excellence for development finance solutions. With the support of the DFI Network members, strategic partners and other development stakeholders, this is achievable.



Henda Esandju Nicolau da Silva Inglês
CHAIRPERSON
BOARD OF TRUSTEES

MANAGEMENT

The Management team is responsible for the execution of strategy and day-to-day management of the institution. The team comprised the following:

Mr Stuart Kufeni

Chief Executive Officer

Mr Kogan Pillay

Public Private Partnerships Manager

Ms Veronica Kgakge

Finance and Administration Manager

Mr Langalakhe Mahamba-Sithole

Capacity Building Advisor
(Retired December 2020)

STAFF

CHIEF EXECUTIVE OFFICER'S STATEMENT

During the year under review, notwithstanding some constraints, including financial challenges, the DFRC delivered on its programmed activities, principally capacity building and some policy and advisory-related interventions.

The demand for skills among DFIs continues to dominate the capacity building programme of DFRC as well as utilisation of workshops and conferences, including the Chief Executives Forum, to share information and experiences in critical areas as the 5th Industrial Revolution, Resource Mobilisation and Leadership and Coaching in Covid-19 Environment, among others. These are critical to impart the necessary skills and knowledge to position DFIs in good stead to effectively contribute to national and regional growth goals and the overall achievement of sustainable development goals (SDGs), especially under the prevailing Covid-19 environment and the attendant negative socio-economic effects.

Policy, research and advisory services, though lagging behind capacity building continue to add value in as much as they impact on the DFI policy, regulatory and operational environment which are the target areas of influence. In this regard, the Network DFIs continued to excel in the African Development Bank – sponsored and AADFI – administered Prudential Standards, Guidelines and Rating System (PSGRS). Consequently, at the 2020 PSGRS Peer Review, of the twenty-two (22) top performing DFIs across Africa, nine (9) were members of the SADC DFI Network. To date, we are pleased to report that eighty-five percent (85%) of the Network membership have participated in the PSGRS rating system and peer reviews and are at different levels of compliance.

Financial Year 2020/21 coincided with the on-set of the Covid-19 pandemic which saw economies world-wide brought down to their knees recording negative growth rates in the process. The region was not spared and so too where member DFIs which saw their portfolios shrink and burdened with rising non-performing loans while pressures on them to raise countervailing financial resources mounted. Measures taken by governments, including lock-downs and travel restrictions resulted in the DFRC resorting to remote or virtual modes of delivery of training workshops and conferencing.

However, in spite of virtual presentations of workshops which initially proved unpopular with DFI staff, participation was not significantly reduced but rather remained at levels close to the previous financial year. Thus, during financial year 2020/21, the DFRC conducted twenty-three (23) programmes and these were attended by six hundred and fifty-nine (659) participants, marginally above the previous year (see Chart 1 below). Non-member participation at the DFRC programmes during the course of the year unfortunately declined.

Chart 1: Programme Participation

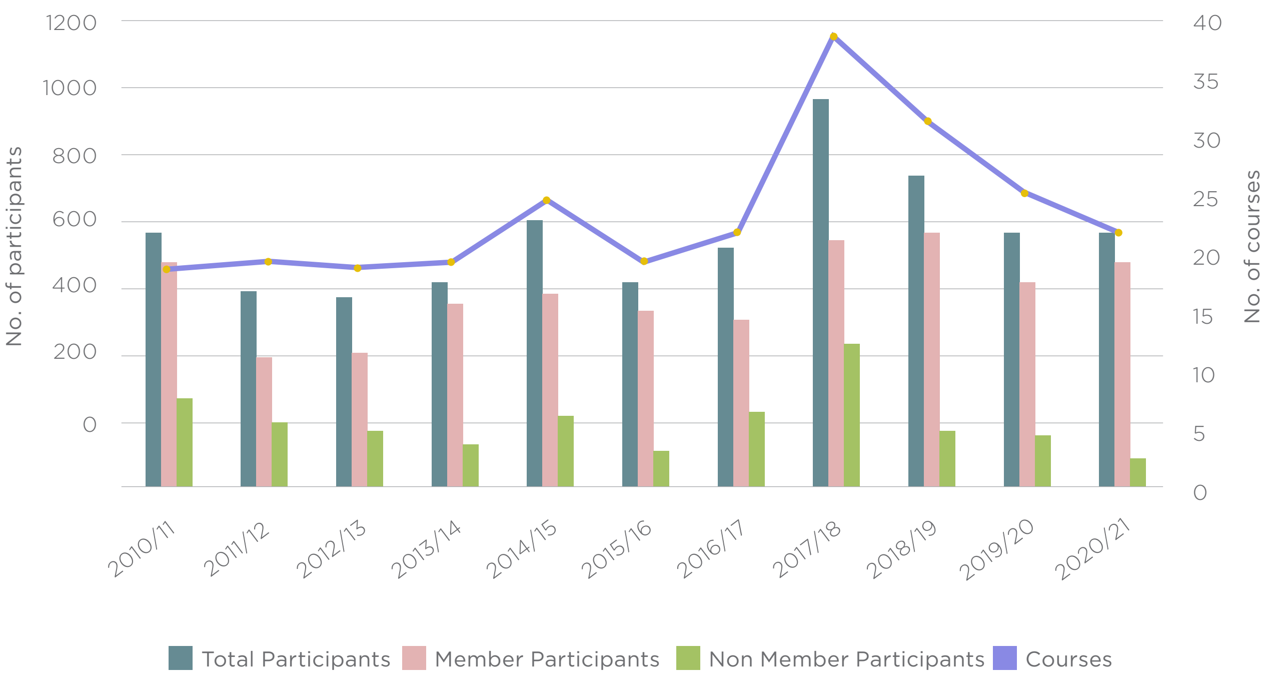


Table 1 below provides a summary of the performance of the twenty-three programmes that were conducted in the course of the year. Post-delivery assessments of programmes by participants are recorded by means of the Programme Evaluation Index which is a weighted index of a number of factors such as the content, method of delivery and relevancy to the participant's requirements. The bulk of the programmes were favourably evaluated earning and, at an average of 85%, performed above the 80% set benchmark.

Table 1: Programme Evaluation Index

2020/21	PROGRAMME EVALUATION INDEX (PEI)*			OTHER MEASURES			
Quarter Ending	Actual (%)	Target (%)	Variance (%)	No. of Programmes (No.)		Attendance (No.)	
				Actual	Target	Actual	Target
June 2020	85	80	5	3	3	11	75
Sept 2020	84	80	4	6	3	241	75
Dec 2020	81	80	1	6	3	216	75
March 2021	90	80	10	7	3	191	75
Cumulative Average Score				**Total**		**Total**	
Total/Ave.	**85**	**80**	**5**	**23**	**12**	**659**	**300**

Virtual or remote presentations, depending on how early the Covid-19 pandemic is addressed, may remain the new normal for a while regardless of the preference for face-to-face meetings by participants. As economies come out of lock-downs and, the situation begins to normalise as anticipated from 2021, and with it, the transition back to face-to-face training re-established, it is hoped that participation at DFRC programmes will also grow.

The negative impact of the pandemic on the profitability of DFIs, predictably cascaded to the DFRC's finances, as members found it difficult to meet their contributions. Consequently, the DFRC had to cut its expenditures and unfortunately one of the affected areas was the loss of critical staff, especially in the Programmes and PPP departments, both of which were by end of the financial year without heads. While, as reported earlier, we were able to meet our set programme targets, the absence of the key staff has adversely impacted development of new and innovative training programmes as well as planned assessment surveys and analysis which are critical in determining impact of our programme activities and highlighting areas of future improvement. These staff deficits will require urgent redress as soon as the DFRC's financial position improves.

In line with the Business Plan (2021 – 2023), the DFRC would like to see the participation of entities other than member DFIs grow overtime within the region and beyond. The incidence of the pandemic has unfortunately set this goal back. Hopefully, as Covid-19 recedes or is brought under control and economic growth in the region rebounds, the DFRC should be back on a strong growth path.

Stuart Kufeni
CHIEF EXECUTIVE OFFICER

PROGRAMMES FOR FINANCIAL YEAR 2020/2021

The DFRC interventions are aimed at enhancing skills of the DFI Network members and other stakeholders, including governments and state-owned enterprises. This is done through training and development programmes, technical assistance, secondments and attachments as well as policy research and advisory services.

Twenty-three programmes were undertaken during the course of the financial year and 659 participants attended. The participants, while principally from member DFIs, some also came from non-member DFIs, Government departments and other development stakeholders. Due to Covid-19 requirements all programmes were undertaken by remote means on virtual platforms.

Table 2 below is a summary of the programmes delivered, highlighting key features such as the objectives, programme evaluation and attendance.

Table 2: Programmes 2020/2021

	PROGRAMMES	OBJECTIVES	DATES	ATTENDANCE	EVALUATION %
1	Public Private Partnership for Eswatini Housing Board	To improve understanding on how ready a project proposal is, evaluate a feasibility study, provide a detailed risk matrix and read the financial model and provide options on optical funding	5th – 8th June 2020	11	84.9
2	Leadership & Coaching even during Covid 19 Pandemic	To understand elements of a Leadership Culture & critical point of reference in aligning and achieving an organizational purpose as well as understanding the importance and good traits of coaching	7th and 9th July 2020	82	90
3	CEOs Forum: Post Covid-19 Investment Challenges for Development Finance Institutions	The Forum addressed how DFIs were adapting to the new investment environment, the result of the widespread and far-reaching socio – economic impact of the Covid- 19 pandemic characterised by declining growth and rising levels of unemployment not to mention the health – related adverse effects. More importantly, how DFIs operated in the post – Covid-19 period as the global economy settles into a "new normal"	9th July 2020	68	84.6
4	Positioning DFI's for the 5th Industrial Revolution	After completing this course participants were able to explain how customer expectations are shifting in response to the 5IR and how it is transforming businesses	28th – 29th July 2020	26	82
5	Quality Assurance & Standards for SMEs	Participants learned about systematic ways of establishing and maintaining quality improvement activities as an integral and sustainable part of SME business processes	13th – 14th August 2020	24	81

6	Increasing competitiveness of SMEs	To give DFIs ideas of how to increase the competitiveness of their SMEs, globally during this distressing time (Covid 19). Share ideas of what opportunities of growth or strengthening could be affected by the SMEs	24th – 25th August 2020	36	88.4
7	Intermediate Public Private Partnership	To improve understanding on how ready a project proposal is, evaluate a feasibility study, provide a detailed risk matrix and read the financial model and provide options on optical funding	10th – 11th September 2020	50	84.9
8	Managing Problem Loans	To enhance debt management skills to minimize borrowing costs and maintain risk at acceptable levels, and to deal with loan workouts and debt restructuring	24th – 25th September 2020	45	78.1
9	Credit Risk Management	To assist participants in mastering the principles and techniques for Credit Risk Management	12th – 14th October 2020	22	80.5
10	Agro Value Chain	To enhance understanding the value chain concepts including risk assessment, identification of strategic opportunities as well as facilitation of access to finance among others	28th – 29 October 2020	38	80.2
11	Record Keeping for Renewable Business and Preparations of Financial Reports	To equip entrepreneurs with basic skills on bookkeeping with particular emphasis on cash flow, balance sheet and income statement	11th – 13th November 2020	32	82
12	Team Management	To increase understanding of team dynamics and stages of team development, recognize the challenges and barriers to effective teamwork	16th – 18th November 2020	32	81
13	Risk Management Programme for NBM Development Bank of Malawi	To expose delegates to Risk Management concepts	20th November 2020	6	-
14	Marketing	Aimed at assisting participants in mastering the principles and techniques of project development, marketing and management	23rd – 24th November 2020	32	82.4
15	Capacity Building Review	Consultative conference on review of capacity building and enhancing communication skills	25th November 2020	12	-
16	Business Plan Development	To equip entrepreneurs with skills on a viable business plan development	30th November – 2nd December 2020	32	86.3

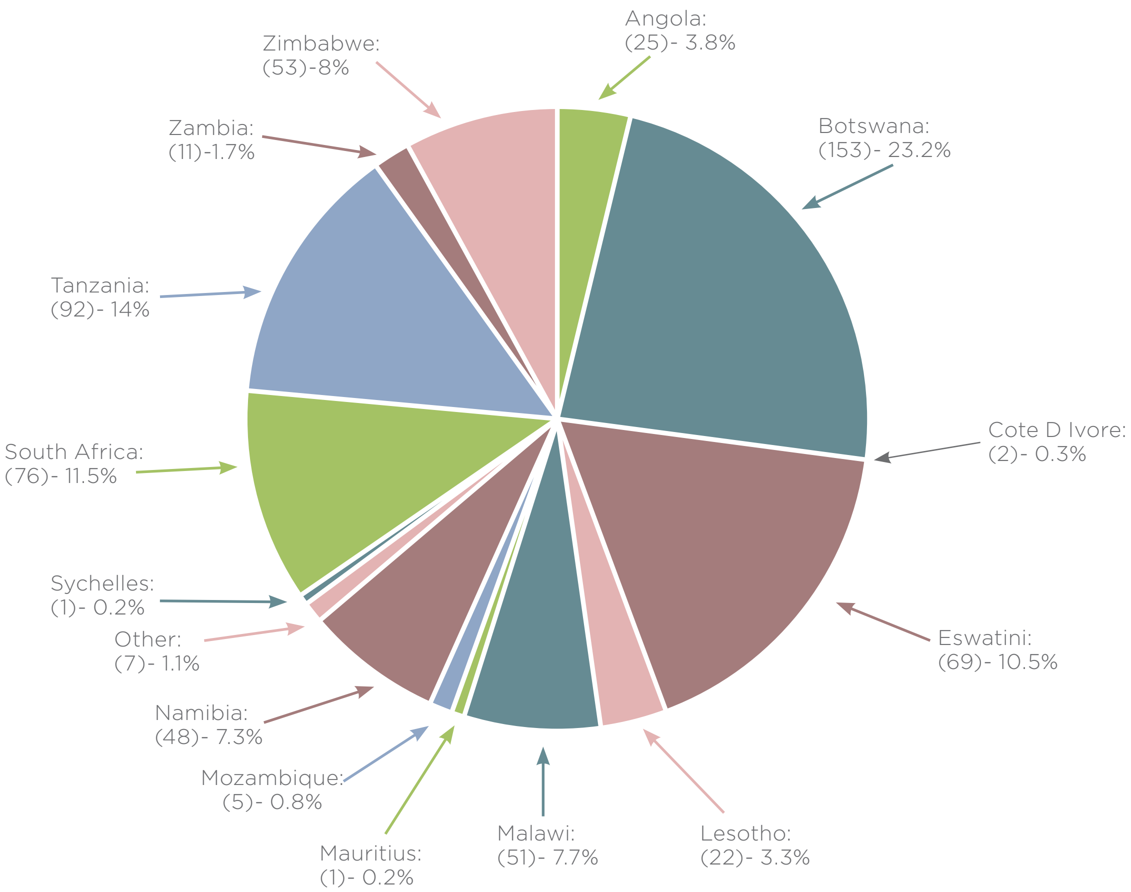
17	CEO's Forum: Research and Development for DFI Sustainability Under Covid-19 Uncertainties	The overall objective of the Forum is the institutionalization of the Research and Development function within DFIs as an instrument to ensure not only their effectiveness as development agents but also to underpin their long-terms sustainability	3rd December 2020	68	91.4
18	Corporate Governance, Risk Management & Anti Money Laundering for National Development Bank of Botswana	To raise awareness of the concept, practice and relevance of good corporate governance in the context of development finance institutions and the challenges they face within the African landscape	4th – 6th December 2020	16	93.1
19	Executive Development for Women	To enhance understanding of elements of a Leadership Culture from a woman executive perspective	11th – 12th February 2021	25	93.6
20	Executive Development for Women – Eswatini Bank	To enhance understanding of elements of a Leadership Culture from a woman executive perspective	10th – 11th March 2021	27	89.7
21	Resource Mobilisation & Treasury Management	To enhance skills of developing and implementing resource mobilization and treasury management strategies	25th – 26th February 2021	23	88.1
22	Leadership & Coaching During Covid 19 Pandemic	To understand elements of a Leadership Culture & critical point of reference in aligning and achieving an organizational purpose as well as understanding the importance and good traits of coaching	11th – 12th March 2021	20	91.1
23	Debt Management – CEDA	To enhance debt management skills to minimize borrowing costs and maintain risk at acceptable levels, and to deal with loan workouts and debt restructuring	16th – 18th March 2021	17	61.1

PARTICIPATION BY COUNTRY

Chart 2 below illustrates participation by country dominated by Botswana with the highest number of participants at 23.2% of the total followed by Tanzania with 14%. The dominance of Botswana, though a function of the large membership, is also a reflection of member DFIs utilizing in-house training for their staff in specific areas of need. This, to some extent, also explains Eswatini's share.

Chart 2: Participation By Country

Overall Distribution by Country | No. of Participants: Percentage



PARTICIPATION BY INSTITUTION

Individual DFIs have made substantial use of the training services through country and institution based programmes. Customised programmes were developed and implemented accordingly. Among beneficiaries, in this regard, were CEDA Botswana, National Development Bank of Botswana and Eswatini Bank.

Table 3: Participation By Member DFIs

No	Organization Name	Country	Attaendance	%Attend	M	%M	F	%F
1	Agricultural Bank of Namibia (AgribankNamibia)	Namibia	8	1.4	5	62.5	3	37.5
2	Agricultural Bank of Zimbabwe (AGRIBANK)	Zimbabwe	2	0.3	1	50	1	5
3	Banco de Desenvolvimento de Angola (BDA)	Angola	19	3.3	11	57.9	8	42.1
4	Banco de Poupanca a Credito (BPC)	Angola	1	0.2	1	100	0	0
5	Banco Sol	Angola	2	0.3	2	100	0	0
6	Basotho Enterprises Development Corporation (BEDCO)	Lesotho	9	1.5	3	33.3	6	66.7
7	Botswana Development Corporation (BDC)	Botswana	9	1.5	4	44.4	5	56.6
8	Botswana Housing Corporation (BHC)	Botswana	27	4.6	16	59.3	11	40.7
9	Botswana Investment and Trade Centre (BITC)	Botswana	3	0.5	1	33.3	2	66.7
10	Botswana Savings Bank (BSB)	Botswana	6	1	3	50	3	50
11	Citizen Entrepreneurial Development Agency (CEDA)	Botswana	30	5.2	12	40	18	60
12	Development Bank of Namibia (DBN)	Namibia	35	6	11	31.4	24	68.6
13	Development Bank of Sychelles (DBS)	Seychelles	1	0.2	1	100	0	0
14	Development Bank of Southern Africa (DBSA)	South Africa	39	6.7	22	56.4	17	43.9
15	Development Bank of Zambia (DBZ)	Zambia	4	0.7	2	50	2	50
16	Eswatini Development and Savings Bank (ESWATINI BANK)	Eswatini	53	9.1	8	15.1	45	84.9
17	Eswatini Development Finance Corporation (FINCORP)	Eswatini	36	6.2	30	83.3	6	16.7
18	Eswatini Housing Board (EHB)	Eswatini	17	2.9	6	35.3	11	64.7
19	Export Development Fund (EDF)	Malawi	42	7.2	28	66.7	14	33.3
20	Gapi-Sociedade de Investmentos (GAPI-SI)	Mozambique	5	0.9	3	60	2	40
21	Industrial Development Company of Eswatini (IDCE)	Eswatini	4	0.7	0	0	4	100
22	Industrial Devevelopment Corporation (IDC)	South Afrrica	16	2.7	8	50	8	50
23	Industrial Development Corporation of Zimbabwe (IDCZ)	Zimbabwe	5	0.9	4	80	1	20
24	Infrastructure Development Bank of Zimbabwe (IDBZ)	Zimbabwe	1	0.2	1	100	0	0
25	Land and Agricultural Development Bank (LANDBANK)	South Africa	1	1.7	8	80	2	20
26	Lesotho National Development Corporation (LNDC)	Lesotho	6	1	6	100	0	0
27	Local Enterprise Authority (LEA)	Botswana	27	4.6	4	14.8	23	85.2
28	National Development Bank (NDB)	Botswana	35	6	15	42.9	20	57.1
29	National Development Corporation (NDC)	Tanzania	2	0.3	0	0	2	100
30	National Housing Enterprise (NHE)	Namibia	2	0.3	1	50	1	50
31	Eswatini National Industrial Development Corporation (ENIDC)	Eswatini	2	0.3	2	100	0	0
32	NORSAD Finance Limited	Botswana	3	0.5	3	100	0	0
33	SADC Development Finance Resource Centre (SADC-DFRC)	SADC	11	1.9	8	72.7	3	27.3
34	Small and Medium Enterprises Development Corporation (SMEDCO)	Zimbabwe	26	4.5	15	57.7	11	42.3
35	Tanzania Agricultural Development Bank (TADB)	Tanzania	41	7	27	65.9	14	34.1
36	TIB Development Bank (TIB)	Tanzania	43	7.4	31	72.1	12	27.9
	Total		**582**	**100%**	**303**	**52.10%**	**279**	**47.90%**

PARTICIPATION BY NON-MEMBERS

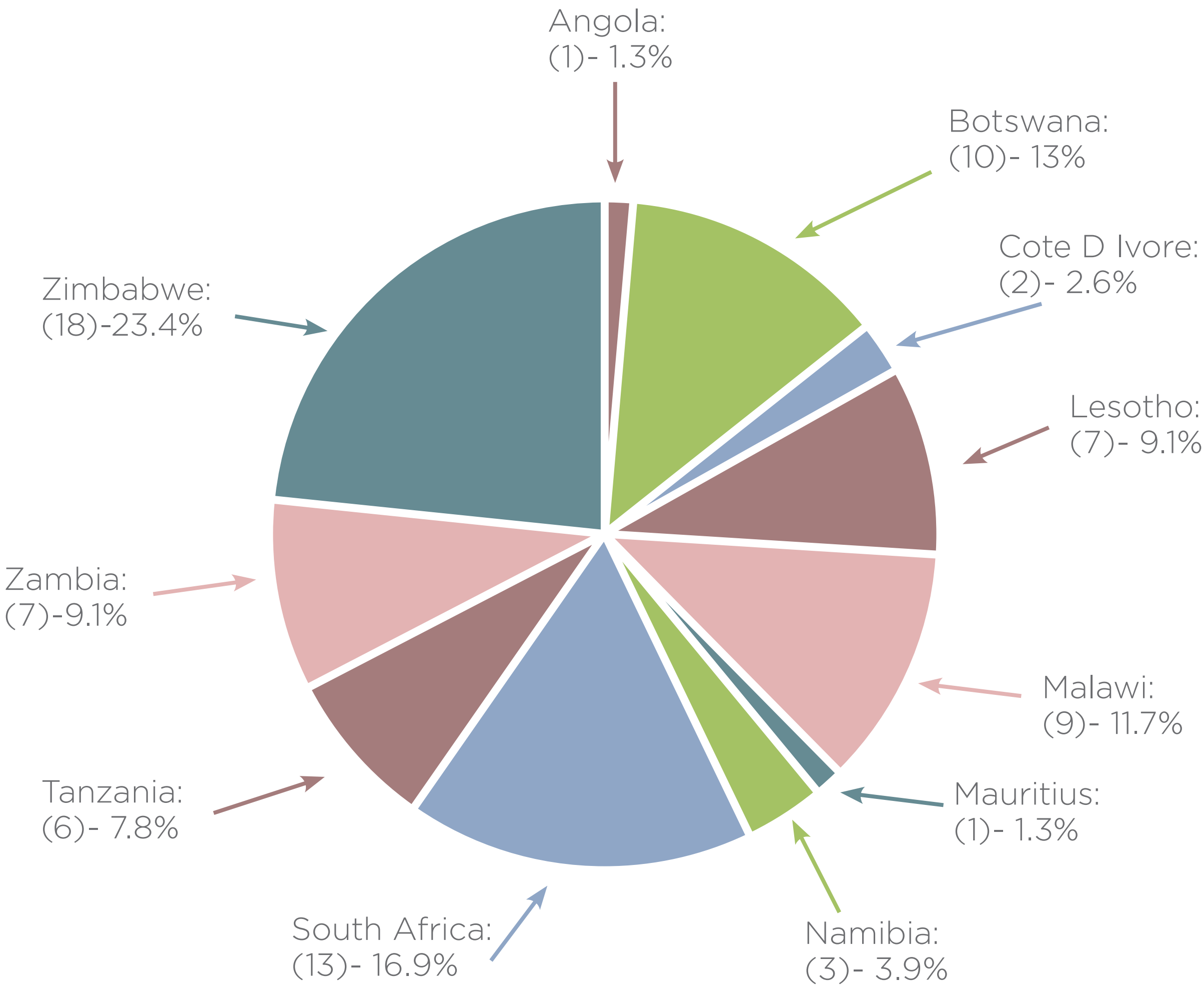
Participation by non-members has been noteworthy, largely due to the involvement of the private sector. The increasing number of non-members coming on board reflects both the high value of programmes the DFRC is offering as well as impact of efforts to spread the DFRC outreach beyond the immediate SADC region and to other development stakeholders. Table 4 and Chart 3 below provide a record of participation by non-members.

Table 4: Participation by Non-Member DFIs

No	Organisational Name	Country	Attendance	%Attend	M	%M	F	%F
1	Africa Leadership Institute	South Africa	1	1.3	0	0	1	100
2	African Development Bank	South Africa	2	2.6	2	100	0	0
3	AG Energies Company Limited	Tanzania	1	1.3	0	0	1	100
4	Association of African Development Finance Institutions (AADFI)	Cote D Ivoire	2	2.6	2	200	0	0
5	Competitive Authority - BW	Botswana	1	1.3	0	0	1	100
6	Consultant - Botswana	Botswana	1	1.3	1	100	0	0
7	Department of Trade and Industry (DTI)	South Africa	1	1.3	0	0	1	100
8	EcoGene	Malawi	1	1.3	1	100	0	0
9	Eigna's Power	Malawi	3	3.9	0	0	3	100
10	Enrapower PLC	Zimbabwe	4	5.2	4	100	0	0
11	Environment Friends	Malawi	1	1.3	0	0	1	100
12	Honeybush Holdings	Botswana	3	3.9	3	200	0	0
13	Kukula Solar	Zambia	2	2.6	2	100	0	0
14	La Puissance Afrika	South Africa	1	1.3	0	0	1	100
15	Lanits Investment	Botswana	2	2.6	2	100	0	0
16	Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI)	Zimbabwe	3	3.9	1	33.3	2	66.7
17	Malawi Agriculture and Industrial Investment Corporation (MAIIC)	Malawi	3	3.9	2	66.7	1	33.3
18	Mauritius Ports Authority	Mauritius	1	1.3	0	0	1	100
19	Ministry of Finance - AO	Angola	1	1.3	1	100	0	0
20	Ministry of Finance - TZ	Tanzania	1	1.3	1	100	0	0
21	Mofajus Investment ltd	Tanzania	4	5.2	4	100	0	0
22	Mwenje Hub	Zimbabwe	1	1.3	0	0	1	100
23	Natfort Energy	Zimbabwe	4	5.2	3	75	1	25
24	National Bank of Malawi	Malawi	1	1.3	1	100	0	0
25	National University of Science and Technology	Zimbabwe	3	3.9	3	100	0	0
26	Ngwana Enterprises (Pty) LTD	Botswana	1	1.3	1	100	0	0
27	O J's Energy Kiosk & Investment	Zimbabwe	2	2.6	2	100	0	0
28	Precise Technical Solutions	Lesotho	5	6.5	5	100	0	0
29	SADC Centre for Renewable Energy and Energy Efficiency (SACREEE)	Namibia	1	1.3	1	100	0	0
30	SADC Secretariat	SADC	2	2.6	2	100	0	0
31	Solar Age cc	Namibia	1	1.3	0	0	1	100
32	Sunflower Energy Africa	SADC	3	3.9	1	33.3	2	66.7
33	Sunharvest Energy Farm	Namibia	1	1.3	0	0	1	100
34	TMGG Pty Ltd	South Africa	2	2.6	0	0	2	100
35	Tumunike Solar Energy Ltd	Zambia	4	5.2	0	0	4	100
36	University of Stellenbosch Business School	South Africa	3	3.9	2	66.7	1	33.3
37	Wild Energy Africa Ltd	Zambia	1	1.3	0	0	1	100
38	Yarona Civil Contractors	Lesotho	2	2.6	0	0	2	100
39	Zimbabwe Agricultural Develoment Trust (ZADT)	Zimbabwe	1	1.3	1	100	0	0
	Total		**77**	**100%**	**48**	**62.30%**	**29**	**37.70%**

Chart 3: Non - Member Participation By Country

Overall Distribution by Country | No. of Participants: Percentage



PARTICIPATION BY GENDER

DFRC registered an increase in female participation at programmes as illustrated in Chart 4 below as compared to the previous financial year. Female participation at 46.7% is much closer to the SADC gender participation target of 50%.

Chart 4: Participation by Gender

Overall Distribution by gender

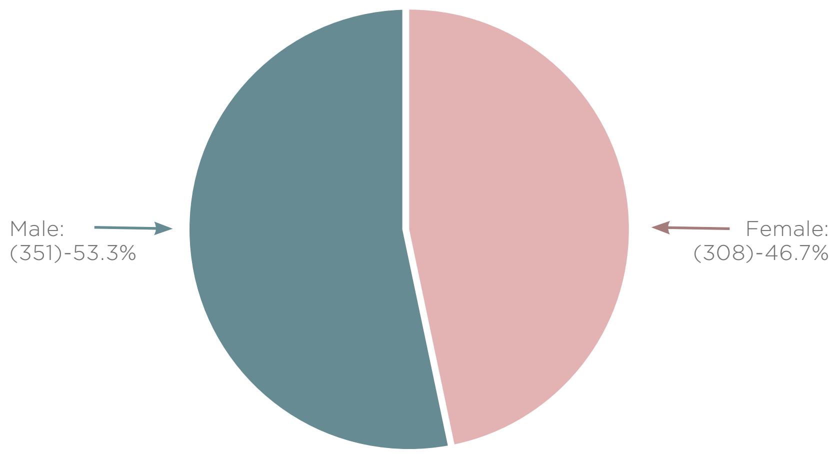
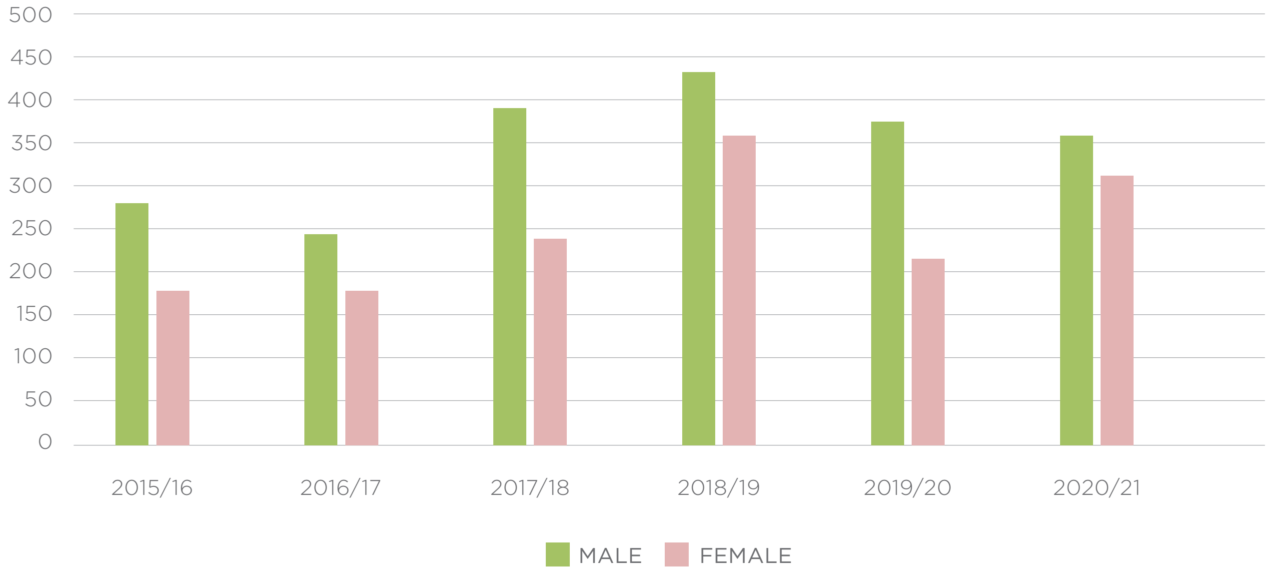


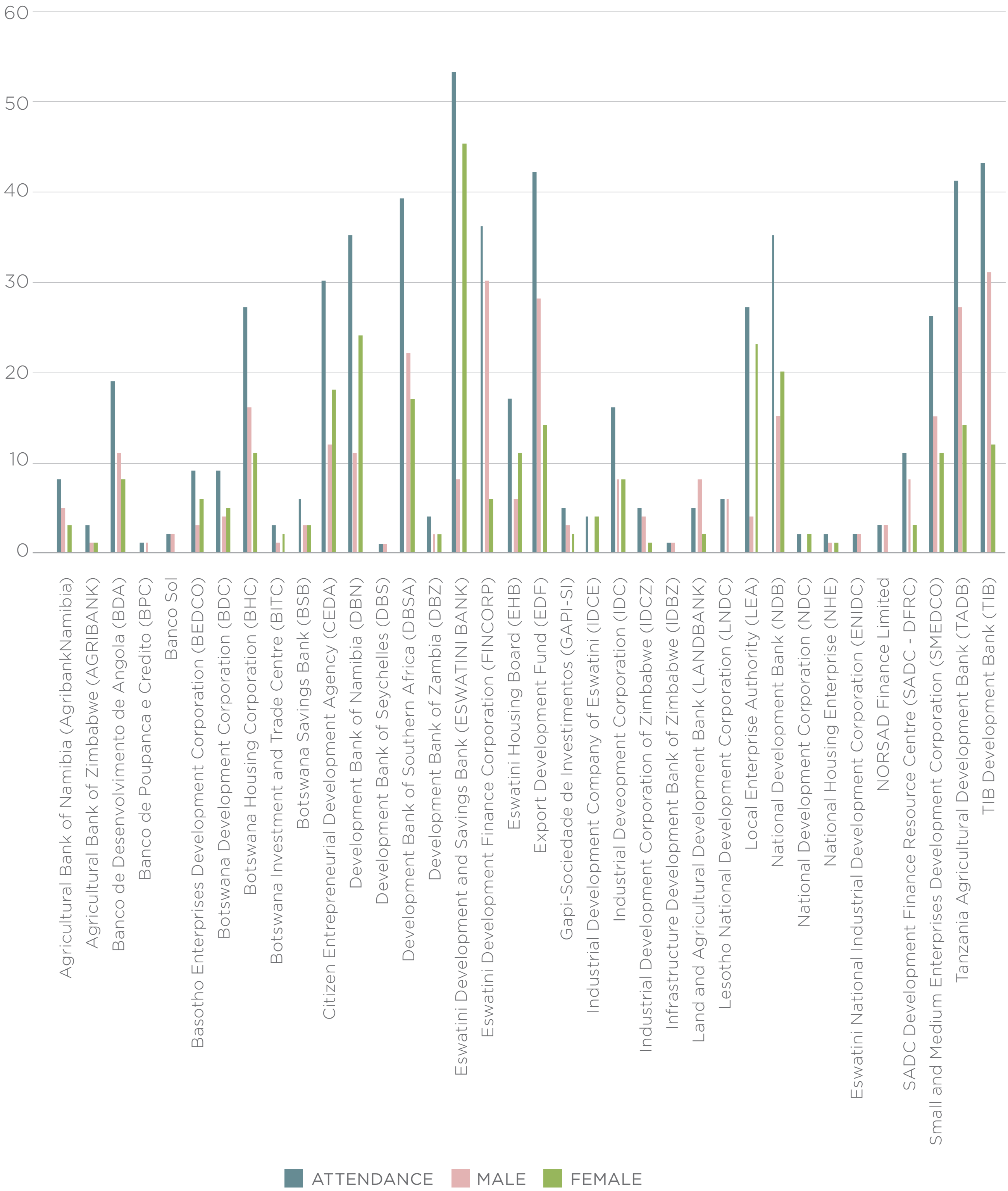
Chart 5: Participation by Gender Trends



Though significant and higher than in the previous year, the participation of women in 2020/21 is below the peak position of 2018/19 reached following a consistent growth over the previous four years. Moving forward, DFRC would aim to build on the performance of 2020/21 financial year. However, this will require some concerted and deliberate effort especially on the part of DFIs to encourage participation of female member staff.

PARTICIPATION BY DFI AND GENDER

Chart 6: Participation by DFI and Gender



Eswatini Bank far outstripped other DFIs in terms of female participation at the DFRC programmes with Development Bank of Namibia and Local Enterprises Authority a far second and third behind, respectively. Chart 6 above summarizes the participation by gender at individual DFIs.

POLICY RESEARCH AND ADVISORY SERVICES

The policy research and advisory programme supports financial sector strengthening and capital markets development and deepening. The objective is to influence effective policy and regulatory changes, particularly as they relate to the DFI operational environment, so as to enhance the efficient mobilization of resources to support investment.

PRUDENTIAL STANDARDS, GUIDELINES AND RATING SYSTEM (PSGRS)

The Association of African Development Finance Institutions (AADFI) announced its 10th PSGRS Self-Assessment and Peer Review Report, listing twenty-two (22) DFIs in the Table of Honour as top performing DFIs in 2020. The list includes nine (9) members of the SADC DFI Network, with the highest rated at 95% (Excellent).

The peer review process registers the deserving institutions in the three AADFI rating categories, based on their developmental impact indices: Category A (from 16 to 20), Category B (from 12 to 15) and Category C (from 11 and below).

The Table of Honour Ratings are presented below:

Table of Honour – 2020 Rating

INSTITUTION	COMPLIANCE	RATING
CATEGORY A		
Eastern and Southern African Trade and Development Bank (TDB)	98%	AA
Bank of Industry Limited (BOI)	94%	
Fonds de Grantie et de Cooperation Economique (FAGACE)	86%	A+
Development Bank of Southern Africa (DBSA)	85%	A
CATEGORY B		
Groupe Credit Agricole du Maroc (GCAM)	99%	
East African Development Bank (EADB)	97%	
Tamwil El Fellah (TEF)	96%	BB
Development Bank of Nigeria(DBN) PLC	95%	
Botswana Development Corporation(BDC*)	95%	
Uganda Development Bank Limited (UDBL)	92%	
Infrastructure Development Bank of Zimbabwe (IDBZ)	91%	
Rwanda Development Bank (BRD)	89%	
Export Development Fund (EDF)	86%	B+
ECOWAS Bank for Investment and Development (EBID)	85%	
Agricultural Bank of Namibia (AGRIBANK*)	81%	B
Nigerian Export-Import Bank (NEXIM)	81%	
CATEGORY C		
Banque Nationale pour le Developpement Economique (BNDE)	94%	CC
GAPI Sociedade de Investmentos SI	86%	C+
IDB Capital Limited	85%	
Banco de Desinvolvimento de Angola (BDA)	84%	C
Banque Nationale d'Investissement (BNI)	82%	
Eswatini Development and Savings Bank (Eswatini Bank)	82%	

SADC Member States, through the Committee of Ministers of Finance and Investment, adopted the PSGRS as a framework for DFI regulation, corporate governance, financial prudence and operational best practice.

During the 2020 meetings, the Ministers noted the good performance of the DFIs highlighted above and that, to date, eighty-five (85%) of the Network membership of forty (40) have participated in the PSGRS, and are at various levels of compliance.

As a precursor to international ratings and, in view of the growing importance attached to the PSGRS by the African Development Bank and other international lenders, it is crucial governments support the efforts of the DFRC to encourage DFIs to participate and improve their ratings.

DFI PROJECTS DATA BASE

At the July 2018 Meeting of the Ministers, the DFI Network reported that it had embarked on a DFI Projects Data Base repository, the objective of which was to develop data on projects across sectors – agriculture, infrastructure, SMMEs and industrial – to be readily available for prospective investors. To facilitate this, a template was developed and made available to all Network DFIs.

Notwithstanding follow-ups on the part of DFRC, data on projects has not been forthcoming from DFIs at levels anticipated. However, DFIs have utilised the Sustainable Development Goals (SDG) Working Groups referred to earlier to share information on projects that they are developing. This has particularly been the case with the infrastructure group while the SMEs, Industrial and Agriculture groups whose projects are of a national nature and therefore largely internally-focused have had difficulty identifying projects for possible collaboration.

The DFRC is exploring the Sustainable Development Goals Working Groups as possible sources of data to populate its data base while awaiting submissions from individual DFIs across the sectors. The data base will also be crucial in assessing the impact of DFIs on the domestic as well as the regional economy particularly in the case of cross – border infrastructure projects. In addition the data will be important for purposes of monitoring and policy development.

SUSTAINABLE DEVELOPMENT GOALS WORKING GROUPS

As part of its effort to contribute to the implementation of the UN Sustainable Development Goals, the four groups viz. Agriculture, SME Development, Infrastructure and Industry, met twice during the period under review. Discussions were centred on COVID-19 relief programmes designed by DFIs to help their respective governments. The SDG groups also discussed their on-going projects that they embarked on before the incidence of the COVID pandemic.

PUBLIC PRIVATE PARTNERSHIPS

PPPs continue to be an integral part of the DFRC's basket of services and a notable number of our DFI Network members have utilized these services. Advice on project indemnifying, potential funding offices for infrastructure, particularly given the high debt levels that member states have incurred to fight the Covid-19 pandemic. For example, the DFRC has been advising SONAPAR in Madagascar, on their natural gas project, to provide affordable energy to its citizens.

Moreover, member states require continued support in a number of areas outside the infrastructure projects to procure suitable advisors on a number of services to develop projects which cannot be funded out of states coffers. This remains a constant challenge as state resources are channeled into the Covid-19 programmes, particularly in view of the growing availability of vaccines.

As important as the issues raised above, DFI Network members are increasingly looking to the DFRC to share viable projects which act as investment opportunities. This has been made explicit by many members who require assistance in this endeavor. This has meant that the DFRC must act as a coordinating body to highlight these investments and opportunities.

ANNUAL FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

CONTENTS

GENERAL INFORMATION

Trustees:	Mr. Henda Esandju Nicolau da Silva Inglês (Chairperson) Ms. Rhobi Sattima Mr. Patrick Dlamini (Deputy Chairperson) Mr. Benedict Libanda Dr. Samuel Bwalya (Chair - DFI Network) Mr. Keletsositse Olebile Mr. Gerald Nsomba (Chair - Audit and Risk Committee) Mr. Sadwick Mtonakutha (Ex-officio- SADC Secretariat) Mr. Stuart Kufeni (Chief Executive Officer)
Principal Activities:	Capacity building, policy research and advisory services for the SADC- Development Finance Institutions and member states
Physical Address:	Plot 54352 West Avenue, Zambezi Towers CBD, Tower A, 7th Floor, South Wing Gaborone, Botswana
Auditors:	Ernst & Young 2nd Floor, Plot 22 Khama Crescent Gaborone
Bankers:	Standard Chartered Bank of Botswana Limited First National Bank Botswana
Country of Incorporation and Domicile:	Botswana
Functional and Presentation Currency:	United States Dollars (US$)

TRUSTEES' STATEMENT OF RESPONSIBILITY

The Trustees are responsible for the financial statements of Southern African Development Community-Development Finance Resource Centre and all other information presented therewith. Their responsibility includes the maintenance of true and fair financial records and the preparation of annual financial statements in accordance with International Financial Reporting Standards.

The Trustees are also responsible for the Secretariat's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the Trustees to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The going concern basis has been adopted in preparing the annual financial statements. The Trustees have no reason to believe that the Secretariat will not be a going concern in the foreseeable future based on forecasts and available cash resources.

Our external auditors conduct an examination of the financial statements in conformity with International Standards of Auditing, which include tests of transactions and selective tests of internal accounting controls. Regular meetings are held between management and our external auditors to review matters relating to internal controls and financial reporting. The external auditors have unrestricted access to the Trustees.

The annual financial statements for the year ended 31 March 2021 on page 34 - 59 were authorised for issue by the trustees and are signed on their behalf by:

....
BOARD CHAIRPERSON

....
CHIEF EXECUTIVE OFFICER

05/08/21
....
DATE

TRUSTEES REPORT

The Trustees' present their report for the year ended 31 March 2021.

OPERATIONS

The Secretariat's operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report.

SADC-DFRC is a subsidiary institution of SADC established in July 2003 to serve as a sub-regional centre of excellence to strengthen the SADC Development Finance Institutions (DFIs) Network and to enhance the capacity of the SADC DFIs to deliver on their mandates towards the achievement of the SADC RISDP goals of economic growth, employment generation and poverty alleviation.

EVENTS SUBSEQUENT TO THE PERIOD END

There have been no facts or circumstances of a material nature that have occurred between the period end date and the date of this report. The Directors are not aware of any matters or circumstances arising since the end of the financial year up until the date these financial statements were authorised for issue ,not dealt with in this report or the financial statements that would significantly affect the operations of the organisation or the results of its operations.

NUMBER OF EMPLOYEES

The average number of employees during the period was 11 (2020: 12).

AUDITORS

Ernst & Young were appointed as the Auditors of the Secretariat during the year.

GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. Management has assessed and concluded that the Covid-19 had limited impact regarding the going concern of the entity as it has sufficient resources to survive the effects of the pandemic.

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of Southern African Development Community- Development Finance Resource Centre

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Southern African Development Community-Development Finance Resource Centre (the Secretariat) set out on pages 34 to 59 which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Southern African Development Community-Development Finance Resource Centre as at 31 March 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Secretariat in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including international independence standards) (IESBA Code) together with other ethical requirements that are relevant to the audit of Southern African Development Community-Development Finance Resource Centre. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the Unaudited Non-Cash Donation programme activities Report, the Trustees Responsibility Statement and the Trustees Report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE TRUSTEES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Secretariat's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Secretariat or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Secretariat's financial reporting processes.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

- As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Secretariat's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Secretariat's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Secretariat to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst + Young

Ernst & Young
Practising Member: Bakani Ndwapi
Partner
Membership Number: 19980026
Certified Auditor
Gaborone

25 June 2021

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

US $

	NOTE	2021	2020
Revenue from contracts with customers (member contributions)	1	1 387 190	1 367 813
Revenue from DFI programme contributions		19 549	69 440
Total revenue		**1 406 739**	**1 437 253**
Other income	2	4 781	43 319
Interest income using the effective interest method (EIR)	3	147	423
Expenditure			
Staff costs	4	(836 153)	(784 329)
Program expenses	5	(25 010)	(137 326)
Administration and operating costs	6.1	(175 155)	(324 760)
Impairment losses	8.2	(273 493)	(211 569)
Interest expense using the effective interest method (EIR)	6	(24 482)	(38 314)
Surplus/ (Deficit) for the year		77 374	(15 303)
Other comprehensive income			
Other comprehensive income not to be transferred to surplus in subsequent periods:			
Revaluation gain		7 921	1 632
Other comprehensive income for the year		7 921	1 632
Total comprehensive income for the year		85 295	(13 671)

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2021

US $

	Notes	2021	2020
ASSETS			
Non-current assets			
Property and equipment	7	823 875	842 690
Current assets			
Trade and other receivables	8	39 271	97 903
Cash and cash equivalents	9	697 332	458 750
Total Current Assets		736 603	556 653
Total assets		**1 560 478**	**1 399 343**
Funds and liabilities			
Accumulated surplus		907 684	830 310
Revaluation surplus		20 139	12 218
		927 823	842 528
Non- Current liabilities			
Non -current portion-FNB Loan	10.1	133 370	238 228
Current liabilities			
Trade and other payables	10	372 909	213 239
Current portion- FNB Loan	10.1	126 376	105 348
Total current liabilities		**499 285**	**318 587**
Total funds and liabilities		**1 560 478**	**1 399 343**

STATEMENT OF CHANGES IN FUNDS

FOR THE YEAR ENDED 31 MARCH 2021

US $

	Accumulated surplus	Revaluation reserve	Total
Balance at 1 April 2019	845 613	10 586	856 199
Deficit for the year	(15 303)		(15 303)
Revaluation gain*	-	1 632	1 632
Total comprehensive income/(loss)	(15 303)	1 632	(13 671)
Balance at 31 March 2020	**830 310**	**12 218**	**842 528**
Surplus for the year	77 374	-	77 374
Revaluation gain*	-	7 921	7 921
Total comprehensive loss	77 374	7 921	85 295
Balance at 31 March 2021	**907 684**	**20 139**	**927 823**

*The revaluation gain arises from the changes in the fair value of motor vehicle at year end. Revaluation was carried out at the end of the year by Global Loss Adjusters. The revaluations are carried out in Botswana Pula and converted to the US$ reporting currency at year end at the closing exchange rate.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

US $

	Notes	2021	2020
Cash utilised from operating activities	11	346 560	(71 545)
Interest received		147	423
		346 707	(71 122)
Investing activities			
Proceeds on disposal of property and equipment		-	1 577
Purchase of property and equipment	7	(11 016)	(9 345)
Cash utilised in investing activities		(11 016)	(7 768)
Financing activities			
Repayments of borrowings		(109 099)	(143 505)
Interest paid		(24 482)	(38 314)
Increase/(decrease) in cash and cash equivalents		202 110	(260 709)
Net exchange gain/(loss) on cash and cash equivalents		9 472	(46 099)
Cash and cash equivalents at beginning of year		485 750	673 360
Cash and cash equivalents at end of year		697 332	458 750
Cash and cash equivalents comprise:			
Bank balances - current accounts		35 753	16 668
Bank balances - call accounts		661 579	442 750
Cash and cash equivalents at the end of the year		697 332	458 750

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2021

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis of preparation

The financial statements are stated in United States Dollars (US Dollars), denoted by US$, which is also the functional & presentation currency. All values are rounded to the nearest USD ($1) except when otherwise indicated.

The financial statements are prepared on the historical cost basis, with the exception of motor vehicles which are measured at revalued amounts.

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in future are disclosed on page 43.

The financial statements incorporate the following accounting policies which are consistent with those applied in the previous year.

Reporting currency and currency translation

All transactions have been translated into US Dollars at rates of exchange ruling at the date of the transaction. Monetary assets and liabilities at the reporting date have been translated into US Dollars at the foreign exchange rate ruling at that date.

Any foreign exchange differences are dealt with in the profit or loss in the year in which the difference arises. Non-monetary assets and liabilities denominated in currencies other than US Dollars which are stated at historical cost, are translated to US Dollars at the foreign exchange rate ruling at the date of the transaction.

Property and equipment

Property and equipment is stated at cost except for motor vehicles, less accumulated depreciation and net of accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term constructing projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the entity depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in profit or loss as incurred.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation is calculated on a straight-line basis using the following depreciation rates of the asset as follows:

Computer equipment	33.33% per annum
Motor vehicles	20% per annum
Furniture and fittings	8.33% per annum
Office equipment	15% per annum
Buildings	2% per annum
Building Improvements	5% per annum

Motor vehicles are measured at fair value less accumulated depreciation and impairment losses recognised at the date of revaluation. Motor vehicles are revalued annually at the end of the reporting period to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss.

A revaluation deficit is recognised in the profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve. The revaluation surplus included in equity in respect of motor vehicles will be transferred directly to retained earnings when the asset is derecognised. The accumulated depreciation is eliminated against the gross carrying amount of the asset.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

Impairment of non-financial assets

The entity assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs to disposal and its value in use. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The entity bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the entity's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the profit or loss in expense categories consistent with the function of the impaired asset, except for a motor vehicle previously revalued when the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the entity estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

No provision for taxation is required as the Secretariat is exempt from taxation in terms of the second schedule of the Income Tax Act (Chapter 52:01).

Interest received

Interest received is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Secretariat using the effective interest rate method on the original settlement amount.

Donor income

Donor income is credited to the profit or loss when these amounts are received and banked. Donor income for future use is recorded as a liability on receipt. The liability is deferred income and when the costs are incurred the deferred income is amortised and recognised in Profit or Loss and costs expensed in Profit or Loss.

Funds and sponsorship paid directly to service providers by donors for SADC-DFRC programmatic activities are accounted for as non-cash donations. Donor income is recognised in the profit and loss as Other income.

Revenue recognition

The Secretariat adopted IFRS 15 Revenue from contracts with customers in the previous financial year.

In terms of IFRS 15, Revenue from contracts with customers, the Secretariat applies a 5-step approach when reviewing customer contracts in order to determine how revenue is recognised. These steps are:

a. Identify the contract(s) with a customer
b. Identify the performance obligations in the contract
c. Determine the transaction price
d. Allocate the transaction price to the performance obligations in the contract
e. Recognise revenue when (or as) the entity satisfies a performance obligation

The Secretariat earns its fee revenue from donor income, DFI member & programme contributions, capacity building programmes and interest. The five-step approach is only relevant to DFI member & programme contributions and capacity building programmes which are derived from contributions from DFI members.

Donor income and interest are not within the scope of IFRS 15, particularly interest income is covered under the requirements of IAS 32-paragraph 35.

Performance obligations

DFI member, programme and capacity building contributions are generally accrued at a point in time. The secretariat does not place further pre-conditions and the contributions are therefore computed on fixed percentages based on the budget. The contributions fall due and payable when billed either monthly, quarterly or bi-annually as stipulated in the budget.

IFRS 15 considerations:

A contract/agreement exists between the Secretariat and the DFI members
The agreement is subject to DFI member, programme and capacity building contributions.

Performance obligations

The performance period and the performance obligations, described above were met as at the evaluation date

No further asset or liability recognised at 31 March 2021.

There were no significant judgements applied in the revenue recognised as the budget and agreement explicitly state the exact contribution from each member.

No incremental costs were incurred to fulfil the contract with a customer.

Employee benefits

The Secretariat does not have a retirement benefit scheme of its own. Provision is made for gratuity benefit obligations to its present employees, as required under the Botswana Employment Act. Gratuity benefits are not considered to be a retirement benefit plan as the benefits are payable on completion of each individual employee contract and a provision made on a yearly basis. Employee entitlements to annual leave, and medical aid, are recognised when they accrue to employees and an accrual is made for the estimated liability as a result of services rendered by the employee up to the reporting date. Termination benefits are recognised at the earlier of when the offer of termination cannot be withdrawn, or when the related restructuring costs are recognised under IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The distinction between short-term and other long-term employee benefits is based on the expected timing of settlement rather than the employee's entitlement to the benefits.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial instruments carried on the statement of financial position include receivables, cash deposits and term finance liabilities and payables. Financial instruments are recognised when the secretariat becomes party to a contractual arrangement that constitutes a financial asset or financial liability for the secretariat that is not subject to suspensive conditions. Regular way investment transactions are recognised by using trade date accounting.

Financial instruments are classified at initial recognition as measured at;
amortised cost or fair value through other comprehensive income or fair value through profit and loss.
Financial liabilities are initially recognised at armotised cost or fair value through profit and loss.

Equity instruments are initially recognised at fair value through other comprehensive income or fair value through profit and loss.
The classification of financial instruments is determined at initial recognition based on the purpose for which the financial assets are acquired, or liabilities assumed.

The entity's financial instruments are financial assets and liabilities held at amortised cost.

Initial recognition & measurement

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows;
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost comprise of trade and other receivables and amounts owing by related parties.

Financial liabilities are designated at armotised cost and comprises of trade and other payables and borrowings.

The secretariat does not have any assets held at fair value through other comprehensive income.

Derecognition

A financial asset is primarily derecognised (i.e. removed from the secretariat's statement of financial position) when: The rights to receive cash flows from the asset have expired, or

- The secretariat has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either;
- the secretariat has transferred substantially all the risks and rewards of the asset, or the secretariat has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the secretariat has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the secretariat continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the secretariat also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the secretariat has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Secretariat could be required to repay.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

Financial liabilities at armotised cost

Liabilities such as trade and other payables and amounts owing to other related companies are initially measured at fair value. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in profit or loss.

Derecognising financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

The secretariat assesses at each reporting date whether there is an indication that an asset may be impaired.

The Secretariat recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Secretariat expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Secretariat considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Secretariat may also consider a financial asset to be in default when internal or external information indicates that the Secretariat is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Secretariat. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed.
Accounting policy on financial instruments-impairment of financial assets details the approach to determining whether an instrument or a portfolio of instruments is subject to twelve-month ECLs or Lifetime ECLs.

Impairment losses on financial assets subject to impairment assessment,

The secretariat applies a simplified approach in calculating ECLs for Trade and other receivables & cash and cash equivalents. Therefore, the secretariat does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Secretariat calculates the ECL by first determining the probability of default. Default exposures are those that satisfy either or all of the following criteria:

a) material exposures which are more than 120 days past-due;
b) the debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past-due amount or of the number of days past due.
c) credit impaired exposures

The probability of default is calculated according to the following formula:
PiT PD (Point in Time - Probability of Default) = (Total Exposure of facilities that defaulted observation period)/(Total Exposure in the beginning period).
The Pit PD is applied to the receivable balance in-order to arrive at the amount Exposed to Default. The Loss given default (LGD) is applied to the amount Exposed to Default to determine the Expected Lifetime Credit Loss.
Loss given default (LGD) are assigned using historical experience of recoverability for each class of receivables. Since none of the receivables are collateralized, past history of recoverability is used for determining the LGD.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Significant accounting judgements, estimates and assumptions

The preparation of the entity's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the entity's accounting policies, management has made judgements, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The entity based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Secretariat. Such changes are reflected in the assumptions when they occur.

Impairment assessment

The ECL provision matrix is initially based on the secretariat's historical observed default rates. The secretariat calibrates the matrix to adjust the historical credit loss experience with forward-looking information. The forward-looking information considered includes forecast economic conditions (a positive economic growth rate of 2.6% is projected in 2020, consequently lead to low default by receivables debtors. However forward-looking information was assessed after grouping receivables based on their geographical areas.

Revaluation of property and equipment

The entity carries its motor vehicles at fair value, with changes in fair value being recognised in other comprehensive income. The entity engaged an independent valuation specialist to assess fair value of the motor vehicles as at 31 March 2021. Refer to Note 7 for the motor vehicle disclosures under the property and equipment note.

Going concern assessment

The Board regularly considers and records the facts and assumptions on which it relies to conclude that SADC - DFRC will continue as a going concern. Reflecting on the year under review, the Board of Trustees considered an opinion that adequate resources exist to continue operating and that SADC - DFRC will remain a going concern in the foreseeable future.

(a) Standards issued and effective in the current year

New and amended standards and interpretations

Standard	Effective date	Impact
Amendments to IFRS 3: Definition of a business	01 January 2020	No impact as the entity does not have business combination
Amendments to IAS 1 and IAS 8: Definition of material	01 January 2020	The secretariat adopted the amendments during the year and used the guidance to effect improvements in the notes to the financial statements by including additional narratives and clarity where considered necessary. The amendments had no other impact on the financial statements.
The conceptual framework for financial reporting	01 January 2020	The amendments are effective for reporting periods commencing on or after 1 January 2020. The secretariat adopted the amendments in the current year with no further impact or changes to the existing accounting policies.
Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest rate benchmark reform	01 January 2020	The Secretariat adopted the amendments during the current year, however, the company does not have any hedging transactions and was not impacted by the amendments.

b) New/Revised International Financial Reporting Standards issued but not yet effective

At the date of approval of these financial statements, the following standards and interpretations were in issue but not effective for the current reporting period.

Standard	Effective date	Impact
Interest Rate Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	01 January 2021	Management are still assessing the potential impact of the amendment
AIP IFRS 1 First time adoption of International Financial Reporting Standards - Subsidiary as a first-time adopter	01 January 2021	Not likely to have impact as the secretariat is not a first adopter of IFRS
AIP IFRS 9 Financial Instruments - Fees in the '10 percent' test for derecognition of financial liabilities	01 January 2021	Management are still assessing the potential impact of the amendment
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	01 January 2023	Management are still assessing the potential impact of the amendment
IFRS 17 Insurance Contracts	01 January 2023	Not likely to have impact as the secretariat does not have insurance contracts
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	01 January 2022	Management are still assessing the potential impact of the amendment.
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022	Management are still assessing the potential impact of the amendment.
AIP IAS 41 Agriculture – Taxation in fair value measurements	01 January 2022	Not likely to have impact as the entity does not have agricultural products.
Amendment to IFRS 16: COVID 19 Related Rent Concessions	01 June 2020	Not likely to have impact as the Secretariat does not have leases
Reference to the Conceptual Framework – Amendments to IFRS 3	01 January 2021	Not likely to have impact as the secretariat does not have business combinations

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US $

	2021	2020
1. MEMBERS' CONTRIBUTIONS		
Revenue from contracts with customers (DFI contributions)	1 387 190	1 367 813

Disaggregation of revenue

The secretariat has disaggregated revenue into geographical areas in the following table which is intended to depict how the nature, timing, amount and uncertainty of revenue and cash flows are affected by economic date.

Geographical Area	Contributions	
	2021	2020
Madagascar	12 907	12 683
Zimbabwe	57 957	56 680
Zambia	13 309	13 062
Tanzania	43 821	42 916
Eswatini	74 033	72 773
South Africa	587 676	572 056
Seychelles	12 526	12 259
Namibia	65 225	63 730
Mozambique	26 227	25 734
Mauritius	22 525	22 163
Malawi	12 039	11 841
Lesotho	26 761	26 286
Democratic Republic of Congo	-	11 361
Botswana	136 075	133 597
Angola	296 109	290 672
Total Revenue	**1 387 190**	**1 367 813**

Method used to recognise revenue

Point in Time	**1 387 190**	**1 367 813**

Member contributions comprises of annual fees received from the DFI. Network members on an annual basis.

2. OTHER INCOME

	2021	2020
Other income*	4 781	42 621
Net gain on disposal of property and equipment	-	698
	4 781	43 319

*Other income includes sundry income of $4 781 (2020: nil), exchange gains of $nil (2020: $42 621).

3. FINANCE INCOME

	2021	2020
Interest income using the EIR method	147	423

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US $

	2021	2020
4. STAFF COSTS		
Salaries	659 319	622 287
Gratuity*	146 988	145 122
Other benefits	29 846	16 920
	836 153	784 329

*Gratuities are employee benefits payable on completion of each individual employee contract and an accrual is made on a yearly basis. Gratuity contribution is calculated at 25% of the agreed salary as per the employment contract.

*Other benefits includes medical aid benefits for staff amounting to US $12 061 (2020:US $11 265) and allowances US $12 120 (2020:US $1 946)

	2021	2020
Number of persons employed by the Secretariat at the end of the year		
Full time	12	12

5. PROGRAM EXPENSES

	2021	2020
Program expenses	25 010	137 326

The Public Private Partnerships (PPP) Programme in the current year contributed to about 0% (2020: 3%) of the total programme costs. Programme expenses are costs incurred in hosting inhouse training programmes to member DFIs.

6. FINANCE COST

	2021	2020
Interest Expense using the EIR method	24 482	38 314

The interest expense relates to the Long term- FNB Loan which was used for the purchase of the office space. The loan was received in March 2016. The lending being at Prime lending rate plus 2.5% with prime rate being the publicly quoted basic rate of interest from time to time published by First National Bank. Capital and interest are serviced monthly in arrears in equal instalments for up to 120 months (10-year period).

6.1 ADMINISTRATION COSTS

	2021	2020
Administration costs	175 155	324 760

Included in administration expenses is depreciation of US $37 752 (2020: US $38 774), exchange losses of US $ 11 203 (2020: US $0), conference costs of US $0 (2020: US $10 927), and subsistence allowances of US $ 0 (2020: US $30 818), legal costs US$7 901 (2020:US $ 3 897).

6.2. SURPLUS FOR THE YEAR

	2021	2020
Surplus for the year is stated after taking into account of the following;		
Audit fees – current	14 112	14 166
Legal costs	7 901	3 897
Bad debts	273 493	211 568
Board costs	8 100	45 148
Depreciation	37 752	38 774
Exchange loss	11 203	-
Staff costs (note 4)	836 153	784 329

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US $

7. PROPERTY & EQUIPMENT

	Buildings*	Buildings Improvements	Motor vehicles*	Computer equipment	Office equipment	Furniture & fittings	Total
Cost or valuation							
At 1 April 2020	761 425	112 970	22 811	90 316	26 365	41 940	1 055 827
Additions	-	-	-	10 687	-	329	11 016
Revaluation adjustments*	-		(5 646)	-	-	-	(5 646)
Revaluation	-	-	7 921	-	-	-	7 921
At 31 March 2021	761 425	112 970	25 086	101 003	26 365	42 269	1 069 118
Depreciation							
At 1 April 2020	65 992	23 147	5 646	78 865	15 490	23 997	213 137
Depreciation charge for the year	15 229	5 649	5 973	6 185	2 469	2 247	37 752
Revaluation adjustments*	-	-	(5 646)	-	-	-	(5 646)
At 31 March 2021	81 221	28 796	5 973	85 050	17 959	26 244	245 243
Net book value							
At 31 March 2021	680 204	84 174	19 113	15 953	8 406	16 025	823 875
At 1 April 2019	761 425	112 970	26 606	94 478	24 851	41 708	1 062 038
Additions	-		-	6 026	2 237	1 084	9 347
Disposals	-	-	-	(10 188)	(723)	(852)	(11 763)
Revaluation adjustments*	-	-	(5 427)	-	-	-	(5 427)
Revaluation	-	-	1 632	-	-	-	1 632
At 31 March 2020	761 425	112 970	22 811	90 316	26 365	41 940	1 055 827
Depreciation							
At 1 April 2018	50 763	17 498	5 427	81 057	13 828	22 099	190 672
Depreciation charge for the year	15 229	5 649	5 646	7 661	2 385	2 205	38 775
Revaluation adjustments*	-	-	(5 427)	-	-	-	(5 427)
Disposals	-	-	-	(9 853)	(723)	(307)	(10 883)
At 31 March 2020	65 992	23 147	5 646	78 865	15 490	23 997	213 137
Net book value							
At 31 March 2020	695 433	89 823	17 165	11 451	10 875	17 943	842 690

* Motor vehicles- The revaluation adjustments relate to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

* Buildings- The buildings (new office space over the portion of section 46 on Lot 54352, Zambezi Towers, CBD, Gaborone) are used as security for the FNB Loan.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US $

7. PROPERTY & EQUIPMENT (CONTINUED)

Additional Information

The motor vehicles were revalued on 31 March 2021. If the motor vehicles were measured using the cost model, the carrying amount as at 31 March 2021 would be as follows;

	2021	2020
Cost	35 382	35 382
Accumulated depreciation	(31 136)	(29 721)
Carrying amount	4 246	5 661

8. TRADE AND OTHER RECEIVABLES

	2021	2020
Recoverable program expenditure net of allowance for uncollectible amounts	-	-
Other receivables (Note 8.1)	31 262	36 198
Member contributions net of expected credit losses (Note 8.2)	8 009	61 705
	39 271	97 903

8.1 OTHER RECEIVABLES

Other receivables comprise of the following:

Prepayments and deposits	282	2 961
Staff advances	-	223
Recoverable VAT	30 980	33 014
	31 262	36 198

8.2 MEMBER CONTRIBUTIONS

Member contributions are non-interest bearing and are generally on 30-90 days' terms.

Member contributions due	695 895	479 140
Expected credit losses	(687 886)	(417 435)
	8 009	61 705

Contributions amounting to US $687 886 (2020: US $417 435) are past due and impaired. Other receivables have no contractual repayment period. Member contributions which are past due and not impaired are disclosed on note 14 - on credit risk. Management's assessment of the impairment provision has taken into account each DFI's specific circumstances, the impact of the COVID-19 pandemic on the DFI's business and cashflow generation ability. The significant increase in the provision is mainly attributable to the impact the Covid-19 pandemic has on the DFI's for the 2020-2021 financial period compared to the previous financial period where the impact was largely minimal. Given the majority of the DFI's are parastatals, the slowdown of businesses throughout most of 2020-2021 significantly impacted the ability of the DFI's to settle their outstanding balances.

Movement of the provision for impairment of contribution is as follows:

Balance at beginning of year	417 435	205 867
Recovered & reversed	(220 908)	(70 934)
Impairment losses	491 359	282 502
Expected credit loss	687 886	417 435

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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9. CASH AND CASH EQUIVALENTS

Cash at banks and on hand	35 753	16 668
Short-term deposits	661 579	442 082
	697 332	458 750

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of one day to three months and earn interest at the respective short-term deposit rates.

Included in cash and cash equivalents are bank balances held with Agribank Zimbabwe amounting to US $15 287 (2020: US $1 081). In response to the hard cash shortages in Zimbabwe, the Reserve Bank of Zimbabwe through the Exchange control operations guide (ECOGAD 8) introduced a foreign payments priority list that places restrictions on Agribank Zimbabwe remitting funds outside Zimbabwe (including Botswana) and for SADC-DFRC to withdraw the cash and use it outside Zimbabwe. These balances are held in Zimbabwean RTGS dollar and were converted at the closing rate ruling as at 31 March 2021.

10. TRADE AND OTHER PAYABLES

	2021	2020
Trade payables	163	2 279
Amounts due to DFIs	2 821	25 807
Other payables*	369 925	185 153
	372 909	213 239

*Other payables are made up of gratuity payable of US $235 960 (2020: US $ 150 529) and other accruals of US $133 645 (2020: US $34 621). Trade and other payables are non-interest bearing and are normally on 30-60-day terms.

10.1 LONG TERM LIABILITIES

Non- current portion-FNB Loan	133 370	238 228
Current Portion	126 376	105 348
	259 746	343 576

SADC DFRC obtained a loan from FNB amounting to Pula 8 100 000 (US $ 741 150 at an exchange rate of 0,0915) on 31 March 2016. The loan is secured over the portion of section 46 on Lot 54352, New CBD Gaborone (the office space). Capital and interest are serviced monthly in arrears in equal instalments for up to 120 months (10-year period). The lending being at Prime lending rate plus 2.5% with prime rate being the publicly quoted basic rate of interest from time to time published by First National Bank.

11. CASH GENERATED FROM OPERATING ACTIVITIES

Operating activities:		
(Deficit) /Surplus for the year	77 374	(15 303)
Interest received	(147)	(423)
Interest paid	24 482	38 314
Non - cash adjustments:		
Depreciation	37 752	38 774
Gain on disposal of property and equipment	-	(698)
Unrealised foreign exchange losses	(11 203)	(46 097)
Working capital adjustments:		
Decrease in receivables	58 632	38 861
Increase/ (decrease) in payables	159 670	(124 971)
	346 560	(71 543)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US$

12. RELATED PARTY DISCLOSURES

SADC - Development Finance Resource Centre is a subsidiary of Southern African Development Community (SADC). Therefore, SADC and all its affiliate members are related parties of the Secretariat including member Development Finance Institutions (DFIs), Board of Trustees and key management personnel.

Related party transactions entered into during the year are as follows:

	2021	2020
Member contributions from DFIs (Note 1)	1 387 190	1 367 813
Board members allowances and travel fares (Note 6.2)	8 100	45 148
Amounts due from DFIs (Note 8.2)	695 895	479 140
Amounts due to DFIs (Note 10)	(2 821)	(25 807)

Key management personnel include all Board of Trustee members and senior management

The summary of compensation of key management personnel for the year is as follows:

Short-term employee benefits	471 684	447 384
Gratuity	101 046	101 046
	572 730	548 430

13. COMMITMENTS AND CONTINGENCIES

Capital expenditure commitments

SADC - DFRC has no purchase commitments for property and equipment incidental to the ordinary course of business.

Contingent liabilities

The Defamation case was called for trial on the 6th November 2020, at the Gaborone High Court, and the court ruled in favour of the defendant, the SADC-DFRC, and the case was dismissed with client/attorney costs. The reinstatement case is still before the high court with hearing and judgement expected to be finalised on 5th July 2021. The secretariat and the lawyers can't quantify with reasonable certainty the amount of outstanding/unpaid bills as the matter is still ongoing and will depend on how the court decides on how the matter should progress However, according to the lawyer's assessment, it is considered highly unlikely that the case will be successful as it is considered meritless based on the facts of the law. This was disclosed in the financial statements for 31 March 2021.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Secretariat is exposed to market risk, liquidity risk and credit risk including primary changes in interest rates and currency exchange rates. The Secretariat does not hold or issue derivative financial instruments for trading purposes.

The Secretariat has written risk management policies and guidelines which set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control transactions in a timely and accurate manner. Such written policies are reviewed periodically by the Board of Trustees and regular reviews are undertaken to ensure that the Secretariat's policy guidelines are adhered to The Secretariat is exposed to the foreign currency risk for transactions that are denominated in a currency other than the reporting currency of the Secretariat, the United States Dollar. Other than locally incurred expenses, all other expenses consist of costs paid and denominated in US$. Revenue consists of amounts denominated in US$. The Secretariat's exposure to foreign currency risk, based on notional amounts is summarised as follows;

Foreign currency risk

The amounts below are in US Dollars (US$)

	AOA (ANGOLIAN KWANZA)	EURO	ZWL$	BOTSWANA PULA
2021				
Cash and cash equivalents	47	6 786	15 287	22 120
Trade and other receivables	-	-	-	-
Long Term Loan- FNB Loan	-	-	-	(259 746)
Trade and other payables	-	-	-	(133 806)
Net exposure	47	6 786	15 287	(371 432)
2020				
Cash and cash equivalents	47	82 798	1 081	104 717
Trade and other receivables	-	-	-	-
Long Term Loan- FNB Loan	-	-	-	(343 576)
Trade and other payables	-	-	-	(34 622)
Net exposure	47	82 798	1 081	(273 481)
Change in exchange rate	+10%	. 108	108	
	-10%	(108)	(108)	
Angolan Kwanza				
Change in exchange rate	+10%	5	5	
	-10%	(5)	(5)	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US$

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Foreign Currency Risk (Continued)

The following table demonstrates the sensitivity to a reasonably possible change in Botswana Pula (BWP) and Euros, with all other variables held constant, of the Secretariat's surplus and accumulated funds (due to changes in fair value of monetary assets and liabilities).

		Increase/ (decrease) in surplus for the year	Increase/ (decrease) in accumulated fund
2021			
Foreign currency risk			
Botswana Pula			
Change in exchange rate	+10%	(37 143)	(37 143)
	-10%	37 143	37 143
Euros			
Change in exchange rate	+10%	678	678
	-10%	(678)	(678)
ZWL dollar			
Change in exchange rate	+10%	1 528	1 528
	-10%	(1 528)	(1 528)
Angolan Kwanza			
Change in exchange rate	+10%	5	5
	-10%	(5)	(5)
2020			
Foreign currency risk			
Botswana Pula			
Change in exchange rate	+10%	(26 348)	(26 348)
	-10%	26 348	26 348
Euros			
Change in exchange rate	+10%	8 280	8 280
	-10%	(8 280)	(8 280)

ZWL Dollar

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

INTEREST RATE RISK

The Secretariat manages and monitors daily funding requirements. Surplus funds are invested with first rate banking institutions. The Secretariat's exposure to market risk for changes in interest rates relates primarily to the Secretariat's loan and bank balances subject to floating interest rates.

Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Secretariat's surplus and accumulated fund.

		Increase/ (decrease) in surplus for the year	Increase/ (decrease) in accumulated fund
2021			
Interest rate risk			
Change in interest rate	+1%	3 714	3 714
	-1%	(3 714)	(3 714)
2020			
Interest rate risk			
Change in interest rate	+1%	1 152	1 152
	-1%	(1 152)	(1 152)

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Classification of financial instruments

	DEBT INSTRUMENTS @AMORTISED COST	FINANCIAL LIABILITIES AT AMORTISED COST	TOTAL
2021			
Trade and other receivables	8 009	-	8 009
Cash and Bank	697 332	-	697 332
FNB Loan	-	(259 747)	(259 747)
Accounts payable		(854)	(854)
Gratuity payable		(235 960)	(235 960)
TA facility-admin funds		(2 130)	(2 130)
Total	**705 341**	**(498 691)**	**206 650**
	DEBT INSTRUMENTS @ ARMOTISED COST	**FINANCIAL LIABILITIES AT AMORTISED COST**	**TOTAL**
2020			
Trade and other receivables	61 705	-	61 705
Cash and Bank	458 750	-	458 750
FNB Loan	-	(343 576)	(343 576)
Accounts payable		(18 431)	(18 431)
Gratuity payable		(147 373)	(147 373)
TA facility-admin funds		(2 130)	(2 130)
Total	**495 339**	**(511 510)**	**(8 945)**

Financial instruments designated at fair value through profit or loss

There are no financial instruments which the Secretariat has designated as at fair value through profit or loss.

Financial assets pledged as collateral

The Secretariat has not pledged any financial assets as collateral.

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the organisation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The organisation monitors its risk of a shortage of funds by monitoring its debt rating and the maturity dates of existing debt and other payables. The organisation's objective is to maintain a balance between continuity of funding and flexibility through the use of cash deposits, bank overdrafts and bank loans. As at 31 March 2021, the organisation had available US$ 697 332 (2020: US$ 458 750) in cash deposits. The organisation's borrowings are long term and will mature in 2026 thus funds will not be fully tied towards repayment of the loan but availed to other daily needs of the Secretariat.

The table below summarises the maturity profiles for financial assets and financial liabilities

2021	On demand	Due not later than one month	Due not later than one year	Due after more than one year	Total
Financial liabilities					
Long term Liabilities	-	-	142 072	138 924	290 996
Trade and other payables	-	2 293	235 960	-	238 253
Amounts due to the DFIs	-	691	-	-	691
TOTAL		2 984	378 032	138 924	529 940
2020					
Long term liabilities	-	-	105 348	284 936	390 284
Trade and other payables	-	2 130	185 302	-	187 432
Amounts due to the DFIs	-	25 807	-	-	25 807
Total	**-**	**27 937**	**290 650**	**284 936**	**603 523**

CREDIT RISK

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract leading to a loss. The Secretariat is exposed to credit risk from its operating activities primarily (trade and other receivables) and from its financing activities, including deposits with banks and financial institutions.
An impairment analysis is performed at the end of each reporting year on an individual basis on all the balances due from DFIs. The calculation is based on the expected credit losses. Some of the factors considered in determining that members contributions are impaired are the non-payment of balances during the agreed payment period and terms, the financial health of the DFI as well as the economic conditions currently prevailing in the DFI's primary operating economy.

The Secretariat's maximum exposure to credit risk for the components of the statement of financial position as at 31 March 2021 and 31 March 2020 is the carrying amounts as illustrated in Note 8.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US$

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Significant concentrations of credit risk

Concentrations of credit risk exist when changes in economic, industry or geographic factors similarly affect entities of counterparties whose aggregate credit exposure is significant in relation to the Secretariat's total credit exposure. At year end, significant concentration of credit risk was on the following trade and other receivables:

	2021	2020
SMEDCO Zimbabwe	23 091	10 000
DBSA	-	-
IDC Zimbabwe	62 363	18 434
CEDA	-	-
BSB	-	-
Local Enterprise Authority	-	-
Eswatini Development & Savings Bank	42 994	19 072
DBM Mauritius	-	-
Banco National De Investimento	-	25 628
Export Development Fund	17 664	-
SOFIDE DR CONGO	54 629	54 626
BEDCO	51 212	23 344
BANCO Sol	69 841	-
NATION	27 588	-
BANCO DE POUPANCA	173 548	-
PPP Unit	3 000	-
Development Bank of Zambia	42 528	25 612
Swaziland Housing Board	16 421	-
NDC Tanzania	-	13 670
BITC	5 985	-
LAND	97 946	-
AGRI BANK ZIMBABWE	550	-
	689 360	**190 386**

Write off Policy

The Company writes off trade and other receivable balances, and any related allowances for impairment losses, when there is determination that the receivable is uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the debtor's financial position such that the debtor can no longer pay the obligation.

Member contributions which are past due and not impaired are as follows based on the 30-90-day terms;

	2021	2020
0- 30 days	-	4 720
30-60 days	-	1 298
60-90 days	-	29 371
Total	**-**	**35 389**

There have been no facts or circumstances of a material nature that have occurred between the period end date and the date of this report. The Directors are not aware of any matters or circumstances arising since the end of the financial year up until the date these financial statements were authorised for issue ,not dealt with in this report or the financial statements that would significantly affect the operations of the organisation or the results of its operations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US$

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Impairment Assessment

The tables below shows the values of the secretariat's financial instruments subject to ECL. The total amount of provision using the simplified approach in calculating the ECLs is $ 687 886 and is detailed below. A provision was made for impairment of $687 886 based on IFRS 9's expected credit loss model.

Trade and other receivables

Account	Balances at 31 March 2021	Expected Credit Loss	Net Receivables
Accounts receivable	$695 895	($687 886)	$8 009

Amount provided

Trade and other receivables are based on the past trends and history and the loss model based on IFRS 9. The Net Flow rate reveals that collections are periodically and regularly received and hence the LGD is conservatively determined at a percentage of the exposure to default for receivables possessing the same characteristics. In this case the DFIs were grouped based on their geographical locations. Additional separate considerations were made for some that were in significant financial distress.

Fair value of financial instruments

The fair value of all financial instruments approximates their carrying amounts reflected in the statement of financial position.

Capital Risk Management

The secretariat define capital as the total accumulated funds of the Secretariat as noted in the statement of changes in funds. The secretariat's long-term objective for managing capital is to deliver competitive, secure and sustainable returns to maximise long-term DFI member satisfaction. Management is of the view that these objectives are being met. The Secretariat is not subject to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US$

15. FAIR VALUE MEASUREMENT

2021

The following table provides the fair value measurement hierarchy of the Secretariats assets as at 31 March 2021.

Assets measured at fair value	Date of valuation	Totals	Total Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3
			US $	US $	US $
Motor vehicles	31 March 2021	20 139	-	-	20 139

Fair value of the motor vehicles was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or condition of the specific property. As at the date of revaluation 31 March 2021, the motor vehicles' fair values are based on valuations performed by Global Loss Adjusters, an accredited independent valuer.

2020

The following table provides the fair value measurement hierarchy of the Secretariat's assets as at 31 March 2020.

Assets measured at fair value	Date of valuation	Totals	Total Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3
			US $	US $	US $
Motor vehicles	31 March 2020	12 218	-	-	12 218

Reconciliation of the fair value measurement of the motor vehicles is as follows;

	US $
1 April 2017	**4 539**
Total gains and losses recognised in OCI	4 950
1 April 2018	**9 489**
Total gains and losses recognised in OCI	1 097
As at 31 March 2019	**10 586**
Total gains and losses recognised in OCI	1 632
As at 31 March 2020	**12 218**
Total gains and recognised in OCI	7 921
As at 31 March 2021	**20 139**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

US$

15. FAIR VALUE MEASUREMENT

	Valuation technique	Significant unobservable inputs	Detailed Information	Range (weighted average)	Sensitivity Analysis
Motor vehicles	Use of motor guides and evidence from an independent engineer	The model of the vehicle	Fortuner 3/0D 4x2S/Wagon	N/A	N/A
	Use of motor guides and evidence from an independent engineer	Age of the vehicle	8 years	N/A	N/A
	Use of motor guides and evidence from an independent engineer	Mileage of the vehicle	51 227 kms	31- 46 % increase in the mileage would result in a 2%-20% decrease in the Fair value of the Vehicle (average decrease of 11%)	A 11% decrease would result in the fair value of the vehicle decreasing by $ 3 106.
	Use of motor guides and evidence from an independent engineer	Previous accidents a vehicle has been involved in	NIL	N/A	N/A

Much attention is given to valuations given in motor-trade guides. These are based on extensive nationwide research of actual selling prices (rather than just advertised prices).

Evidence from an independent engineer is also used – particularly where the vehicle is not a standard one (for example, because it has been heavily modified). Information from an insurer's engineer is also used with assessment of the appropriateness of the content and independence of the report done.

Significant increases (decreases) usage of the motor vehicle per annum in isolation would result in a significantly higher (lower) fair value of the motor vehicle.

Generally, a change in the assumption made for the estimated value of the vehicle is accompanied by:

- The mileage
- Year of registration
- Model type
- Condition of the vehicle

The Secretariat has assessed that the highest and best use of its motor vehicles do not differ from their current use.

16. SIGNIFICANT EVENTS AFTER REPORTING DATE

There have been no facts or circumstances of a material nature that have occurred between the period end date and the date of this report. The Directors are not aware of any matters or circumstances arising since the end of the financial year up until the date these financial statements were authorised for issue ,not dealt with in this report or the financial statements that would significantly affect the operations of the organisation or the results of its operations.

APPENDIX 1- SUPPLEMENTARY INFORMATION

NON-CASH DONATION PROGRAMME ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

NO	PROGRAMMES	COOPERATING PARTNER/ SPONSOR	VENUE	DURATION	ACTIVITY DATES	ATTENDANCE
1	Public Private Partnership for Eswatini Housing Board	EHB & SADC-DFRC	Virtual	4 days	5th - 8th June 2020	11
2	Leadership and Coaching	SADC-DFRC & Participating DFIs	Virtual	3 days	7th – 9th July 2020	84
3	Chief Executive Officers Forum	SADC-DFRC	Virtual	1 day	9th July 2020	69
4	Positioning DFIs for the 5th Industrial Revolution	SADC-DFRC & Participating DFIs	Virtual	2 days	28th – 29th July 2020	26
5	Quality Assurance and Standards for SMEs	SADC-DFRC & Participating DFIs	Virtual	2 days	13th - 14th August 2020	25
6	Increasing SME's Competitiveness During COVID-19 Pandemic	SADC-DFRC & Participating DFIs	Virtual	2 days	24th – 25th August 2020	35
7	Intermediate Public Private Partnership	SADC-DFRC & Participating DFIs	Virtual	2 days	10th – 11th September 2020	50
8	Managing Problem Loans	SADC-DFRC & Participating DFIs	Virtual	2 days	24th – 25th September 2020	45
9	Credit Risk Management	SADC-DFRC & Participating DFIs	Virtual	3 days	12th – 14th October 2020	22
10	Agribusiness Value Chain Development and Finance	SADC-DFRC & Participating DFIs	Virtual	2 days	5th – 6th November 2020	38
11	Record Keeping for Renewable Business and Preparations of Financial Reports	SACREEE & SADC-DFRC	Virtual	3 days	11th – 13th November 2020	32
12	Team Management	SACREEE & SADC-DFRC	Virtual	3 days	16th – 18th November 2020	32
13	Marketing	SACREEE & SADC-DFRC	Virtual	2 days	23rd – 24th November 2020	32
14	Capacity Building Review	SADC-DFRC & Participating DFIs	Virtual	1 day	25th November 2020	12
15	Business Plan Development	SACREEE & SADC-DFRC	Virtual	3 days	30th November – 2nd December 2020	32
16	Chief Executive Officers Forum	SADC-DFRC	Virtual	1 day	3rd December, 2020	68
17	Capacity Building Review and Talent Management	SADC-DFRC & Participating DFIs	Virtual	1 day	25th November 2020	26

APPENDIX 1- SUPPLEMENTARY INFORMATION

NON-CASH DONATION PROGRAMME ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

NO	PROGRAMMES	COOPERATING PARTNER/ SPONSOR	VENUE	DURATION	ACTIVITY DATES	ATTENDANCE
18	Corporate Governance, Risk Management & Anti Money Laundering for National Development Bank of Botswana	NDB & SADC-DFRC	Botswana	3 days	4th – 6th December 2020	16
19	Executive Development for Women	SADC-DFRC & Participating DFIs	Virtual	2 days	11th – 12th February 2021	25
20	Executive Development for Women – Eswatini Bank	Eswatini Bank & SADC-DFRC	Virtual	2 days	10th – 11th March 2021	27
21	Leadership & Coaching even during Covid 19 Pandemic	SADC-DFRC & Participating DFIs	Virtual	2 days	11th – 12th March 2021	20
22	Debt Management – CEDA	CEDA & SADC-DFRC	Virtual	2 days	16th – 17th March 2021	17

Funds and sponsorship paid directly to service providers by donors or participating member DFIs for SADC-DFRC programmatic activities are non-cash donations.

The information set out on pages 60 -61 is not covered by the audit opinion on page no. 32 - 33.

SADC-DFI NETWORK MEMBERS

ANGOLA
Banco de Desenvolvimento de Angola
Banco de Poupanca e Credito
Banco Sol

BOTSWANA
Botswana Development Corporation
Botswana Housing Corporation
Botswana Investment and Trade Centre
Botswana Savings Bank
Citizen Entrepreneurial Development Agency
Local Enterprise Authority
National Development Bank
Norsad Finance Limited

DEMOCRATIC REPUBLIC OF CONGO
Societe Financiere De Development

LESOTHO
Basotho Enterprises Development Corporation
Lesotho National Development Corporation

MADAGASCAR
SOciété NAtionale de PARticipations – SONAPAR

MALAWI
Export Development Fund

MAURITIUS
Development Bank of Mauritius

MOZAMBIQUE
Banco Nacional de Investimento
Small Investment Promotion Company – GAPI - SI

NAMIBIA
Agricultural Bank of Namibia
Development Bank of Namibia
Environmental Investment Fund of Namibia
National Housing Enterprise

SEYCHELLES
Development Bank of Seychelles

SOUTH AFRICA
Development Bank of Southern Africa
Industrial Development Corporation
Land and Agricultural Development Bank of South Africa

ESWATINI
Eswatini Development and Savings Bank
Eswatini Development Finance Corporation
Eswatini Housing Board
Industrial Development Company of Eswatini
National Industrial Development Corporation of Eswatini

TANZANIA
National Development Corporation
Tanzania Agricultural Development Bank
TIB Development Bank

ZAMBIA
Development Bank of Zambia

ZIMBABWE
Agricultural Development Bank of Zimbabwe
Industrial Development Corporation of Zimbabwe Limited
Infrastructure Development Bank of Zimbabwe
Small and Medium Enterprises Development Corporation

The SADC-DFRC is a subsidiary Institution of SADC

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