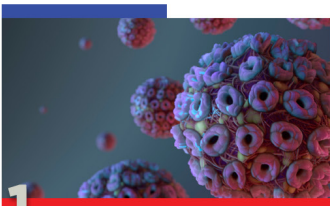


NEWSLETTER

SEPTEMBER 2020



1

POST COVID-19
INVESTMENT CHALLENGES
FOR DEVELOPMENT
FINANCE INSTITUTIONS



2

SADC DFRC
STRENGTHENS
STRATEGIC
PARTNERSHIPS



3

PUBLIC PRIVATE
PARTNERSHIP IN SADC



5

STAFF MATTERS



SADC DFI Heads discuss the Post COVID-19 Investment Challenges for Development Finance Institutions

Chief Executives of SADC Development Finance Institutions convened a virtual forum on “Post COVID-19 Investment Challenges for Development Finance Institutions” on 9th July, 2020.

The Forum addressed how DFIs were adapting to the investment challenges resulting from the widespread and far reaching socio – economic impact of the COVID-19 pandemic characterised by declining growth, rising levels of unemployment and health – related adverse effects and more importantly, how DFIs would operate in the post – COVID-19 period as the global economy settles into a “new normal”.

At the forum, DFIs agreed that there was a need for harmonization of measures to combat the negative effects of the pandemic at regional level, and as a sector to also adopt a more coordinated and collaborative approach to ensure DFIs remain relevant as key agents in the development finance space.

The forum was attended by sixty-eight (68) Chief Executives and senior executives, as well as representatives of multilateral development finance institutions and strategic and development partners. Mr Sakaria Nghekembua, CEO for Agribank Namibia, chaired the forum.



SADC DFRC STRENGTHENS PARTNERSHIPS WITH OTHER REGIONAL BODIES

In line with its stakeholder engagement strategy, the DFRC continues to establish strategic partnerships with DFIs, academic institutions and other relevant entities. During the period under review, the DFRC collaborated with the following:

a) Good Governance Academy

The DFRC recently signed a “*Letter of Interest*” with the South Africa - based Good Governance Academy (GGA). The DFRC’s relationship with the GGA will bring about substantial benefit to the SADC DFI Network Members by participating in various GGA events. The GGA also has a pool of Corporate Governance experts which the DFRC could tap into for facilitation of programmes currently offered as well as speak at some of the Network’s Forums and many of these experts provide such services pro bono.

b) The Development of a Regional Gas Master Plan

A webinar jointly sponsored by the Development Finance Resource Centre, the Development Bank of Southern Africa, the NEPAD Business Foundation and the SADC Secretariat was held on 17th August 2020. The purpose of the webinar was to provide feedback on the first phase of the development of a Regional Gas Master Plan. Among other issues, the webinar discussed the creation of a regional gas market, project preparation and building capacity in the sector to enable the implementation of the RGMP.



SADC REGIONAL GAS MASTERPLAN PHASE 1: Engagement Workshop on Draft Outputs with DFIs and the Private Sector



21
AUGUST
2020



c) Good Corporate Governance in African DFIs as Precursor for creating sustainable jobs for Africa's Youth

The Association of African Development Finance Institutions (AADFI) held a webinar on "Good Corporate Governance in African DFIs as Precursor for creating sustainable jobs for Africa's Youth" on 24th August 2020.

This seminar acknowledged the importance of Corporate Governance in recognition of the role played by DFIs in promoting critical sectors including micro, small and medium enterprises (MSMEs) which are considered the engine of growth and job creation.

d) Financial Disruptions of COVID-19 on Financial Institutions: A Dialogue on How to Traverse the Road to a Better Normal

The DFRC participated in the above webinar conducted by the Association of African Development Finance Institutions in Asia and Pacific on 26th August, 2020.

The objective of the Webinar was to identify the numerous risk management challenges faced by the financial institutions arising from the pandemic and share best practices that would put them on even keel towards the road to a better normal.

e) Inaugural Development Finance Forum on Re-imagining the Role of Development Finance Institutions in Public Policy: Lessons from COVID-19

The Webinar was held on 26th August, 2020.

Discussions covered the role of DFIs in view of the deleterious effects of the COVID-19 pandemic and solutions were proposed on capacity building, funding and non-funding interventions as well as the fact that DFIs should re-orient themselves to deal with challenges posed by the pandemic. The Webinar was hosted by the African Centre for Development Finance of the University of Stellenbosch Business School which is a partner institution of the DFRC for programme delivery.

f) Russian State Development Corporation

At the invitation of the Development Bank of Southern Africa, Management attended a conference on "Pandemic to Recovery – The role of development banks in tackling the economic crisis" on 9th September, 2020. The conference was organized by the Russian state development corporation in collaboration with Infrastructure Development Finance Company. This conference is aligned with the First Global Summit of Public Development Banks "Finance in Common" scheduled to take place in November, 2020.



PUBLIC PRIVATE PARTNERSHIP IN SADC

PPP Project Outlook: Case of South Africa

South Africa has considerable experience in establishing successful PPPs, with a sound regulatory framework in place to ensure transparency, manage risk and secure returns for private investors. The discipline and rigorous planning associated with PPPs has benefited the procurement of the largest public-sector infrastructure projects in the Renewable Energy Independent Power Producer Procurement Programme and of rolling stock for the Passenger Rail Agency of South Africa.

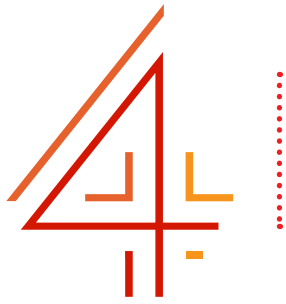
The National Treasury has partnered with local and international development finance institutions to explore alternative and diverse infrastructure funding options to encourage private-sector participation. Government has also recently introduced a facility for large and strategic infrastructure projects, which will encourage the use of hybrid financial solutions comprising a combination of grants, debt and equity sources from public and private institutions, and concessional loans from multilateral development banks. Through this facility, government will grow a pipeline of infrastructure projects in which private companies can invest.

The National Treasury acknowledges that, in order to build a credible pipeline of PPP projects, government must be able to effectively manage and implement such projects. The pipeline signals government's intentions to the private sector so that companies can plan their investments over the long term and be assured of an appropriate return on that investment. To bridge the skills and capacity gap, the Government Technical Advisory Centre conducts free quarterly PPP training.

(see <https://www.gtac.gov.za/training-and-capacity-development/ppp-training>).



Gautrain - one of the PPP projects in South Africa



CAPACITY BUILDING

Despite challenges emanating from the global pandemic, the DFRC continues to offer capacity building programmes virtually and the results have shown an upward trend in terms of number of participants due to multiple factors which include accessibility on - line and reduced cost among others. During the period under review, programmes below were delivered:

i) Leadership and Coaching Skills in The Workplace Beyond Covid-19: 7th and 9th July 2020

The main objective was to take Human Resource (HR) professionals in SADC DFIs through critical leadership and coaching skills that are needed to lead effectively during transitional, challenging and fast-changing times. Eighty-two (82) participants attended the programme.

ii) Positioning DFIs for the Fifth Industrial Revolution: 28th – 29th July 2020

The programme was aimed at providing an appreciation of the Fifth Industrial Revolution (5IR or 5.0) and what it portends for the future of DFIs and how they could make their institutions adequately prepared. This programme attracted twenty-six (26) participants.

iii) Quality Assurance & Standards for SMEs: 13th – 14th August 2020

The programme provided an awareness of quality and the business imperatives of implementing a Quality Management Systems (QMS) and constitution of requirements of standard, as well as practical issues relating to implementation of standards. Twenty-four (24) delegates attended.

iv) Increasing SME's competitiveness during COVID 19 pandemic: 11th – 12th August 2020

The programme gave DFIs ideas of how to increase the competitiveness of their SMEs locally, regionally and internationally during this distressing time of COVID-19. Thirty-five (35) participants attended the programme.

v) Intermediate Public Private Partnership: 10th – 11th September 2020

The aim of the programme was to help participants gain broader understanding of government service delivery facilitation, public debt management, promotion of public sector savings, efficiency in public sector delivery and the attraction of public and private partnerships (PPP) as a model for financing projects. Fifty (50) delegates attended.

vi) Managing Problem Loans: 24th – 25th September 2020

The main objectives of the programme were to sharpen skills for efficient management of loans and credit facilities as well as to provide analytical bases for early identification of problem loans and learn new strategies for rehabilitating problem loans and credits. Forty-five (45) delegates attended the programme.



STAFF MATTERS

SADC DFRC Responds to COVID-19

As part of its efforts to reinforce adherence to the COVID-19 pandemic protocols in the workplace, and in line with adaptation to the “new normal”, the SADC-DFRC trained two Safety, Health and Environment (SHE) representatives on “Occupational Health and Safety” from 13th – 17th July 2020. The training was conducted by the University of Botswana and was attended by employees dealing with health issues in the work place from various institutions.



(From l-r) Ms Keneilwe Binang and Ms Lesego Turay on Occupational Health and Safety training at the University of Botswana

In line with the World Health Organisation COVID-19 rules, the SADC DFRC also practices safe measures to reduce the spread of the Corona Virus. These include daily screening and registration of both staff and visitors - recording of body temperatures and ensuring social distancing as well as wearing of masks in the office. The registration is in compliance with the Botswana Government Covid protocols for purposes of contact tracing in the event of positive test results. Further to this, there is frequent disinfection of surfaces such as door locks, tables, and the office on the whole.



DFRC adherence to protocols

STAFF movements

Mr Kenneth Setimela, former Senior Data and Information officer, resigned from his position in September 2020. Mr Setimela was responsible for the management of the institution’s ICT and research, among other functions. He played a critical role in the institutions transition from the face - to - face delivery of programmes to the virtual mode.



UPCOMING EVENTS

ACTIVITY	DATE	VENUE
Credit Risk Management	12 th – 14 th October 2020	Virtual
Agro Value Chain	28 th – 29 th October 2020	Virtual
Executive Development for Women	16 th – 18 th November 2020	Virtual
Structured Monitoring and Evaluation	25 th – 27 th November 2020	Virtual
CEO's Forum	3 rd December 2020	Virtual
SADC DFI Subcommittee meeting	4 th December 2020	Virtual

For more information on the upcoming programmes or requests for customized virtual programmes, please contact Kingsley Mmipi on +267 3191146 or kmmipi@sadc-dfrc.org



The SADC DFRC is a Subsidiary
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