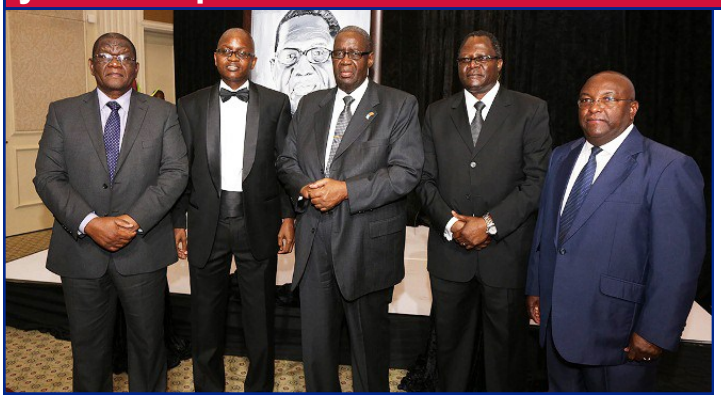
southern african development community
development finance resource centre

News

SADC-DFRC Newsletter, Issue 8, December 2013

A newsletter of SADC Development Finance Resource Centre

SADC Development Finance Resource Centre celebtrates 10 years of operations



(L to R): Mr. Charles Chikaura - Chairman of the DFRC Board of Trustees and CEO of Infrastructure Development Bank of Zimbabwe (IDBZ), Mr. Thabo Thamane - Deputy Chairman of the DFRC Board of Trustees and CEO of Citizen Entrepreneurial Development Agency (CEDA), Dr. Ponatshego Kedikilwe - His Honour the Vice President of the Republic of Botswana, Mr. Stuart Kufeni - CEO of SADC-Development Finance Resource Centre (SADC-DFRC) and Amb. Leonard Iipumbu - Chairman of the SADC DFI Network and CEO of Agricultural Bank of Namibia (ABN).

The SADC Development Finance Resource Centre (SADC-DFRC) celebrated its 10th Anniversary on 5th December, 2013 at Gaborone International Conference Centre in Gaborone, Botswana. The Celebration was in recognition of the institution's achievements and contributions to the SADC regional developmental goals of sustainable economic development, employment generation and poverty alleviation over a decade, through path-breaking and innovative capacity building programmes, policy research and advisory services provided to SADC development finance institutions (DFIs) and governments.

Dr. Ponatshego Kedikilwe - His Honour the Vice President of the Republic of Botswana.

The event was graced by His Honour the Vice President of the Republic of Botswana, Dr. Ponatshego H Kedikilwe.

While lauding the DFRC and the DFI Network for their contribution to the regional development finance architecture, the Vice President emphasised the importance of developing strong and sustainable partnerships between the public and private sectors to exploit the natural resources of SADC for the benefit of its citizens. He gave major examples of development projects that constituted the potential areas of cooperation in Botswana.

Mr. Kufeni, SADC-DFRC

The Vice President also informed the gathering that the government of Botswana had taken important policy steps to mobilise and allocate financial resources to development projects by establishing a range of development finance institutions actively involved in the promotion of small and medium-sized enterprises as well as agricultural, industrial, infrastructure and external trade projects. Read More.

Amb. Iipumbu, ABN

In welcoming the Vice President, The Chief Executive Officer of the DFRC, Mr. Stuart Kufeni outlined the major accomplishments of the SADC-DFRC over the past ten years. He recognised that despite major challenges the institution experienced at infancy stage, the DFRC with the support of the DFI Network, immensely contributed to the evaluation of regional, national and Institutional development finance structures.

Mr. Chikaura, IDBZ

The SADC Development Finance Resource Centre, is a subsidiary institution of the Southern African Development Community (SADC), and serves as secretariat of the SADC Development Finance Institutions Network among other functions. The SADC-DFRC is mandated to provide technical and capacity building support, policy research and advisory services to promote effective mobilisation of resources in the financial sector in particular DFIs, for investment in key areas with the potential to stimulate growth, generate employment and alleviate poverty, in line with the objectives of SADC under the Regional Indicative Strategic Development Plan (RISDP).

Mr. Thamane, CEDA

The SADC DFI Network membership currently stands at thirty two (32), with seven (7) local members, being the Botswana Development Corporation, Citizen Entrepreneurial Development Agency, Botswana Housing Corporation, Botswana Savings Bank, Botswana

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Motto

Building Partnerships for Economic Growth & Development

Vision

"To be the centre of excellence which efficiently and pro-actively facilitates development finance solutions for the SADC region".

Mission

"To provide capacity building, policy research and advisory services in development finance to SADC development finance institutions and Governments - thereby contributing to SADC's goals of economic growth and sustainable development".

Values

- **Professionalism**
- **Value and Innovation**
- **Stakeholder Focus**
- **Accountability**
- **Results Driven**
- **Employee Focus and Teamwork**

Activities

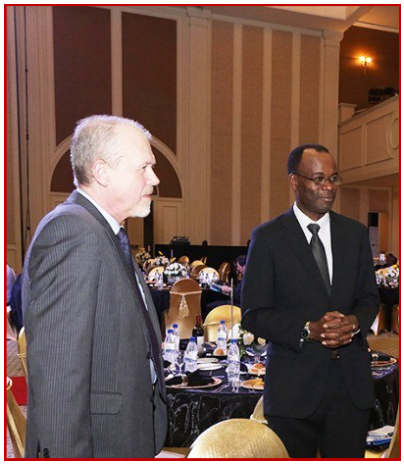
- **Policy Research & Advisory Services**
- **Capacity Building**
- **SME Development**
- **Infrastructure Support**

Investment and Trade Centre, Local Enterprise Authority and the National Development Bank.

Since its inception, the DFRC has delivered more than 105 training programmes to well over 3000 staff of DFIs, SOEs and Governments. The courses cover various skills requirements, and include areas such as: Economic and Financial Investment Appraisal and Risk Analysis; Corporate Governance Practice and Policy; Management Development Programmes to mention a few.

In pursuance of its developmental role, the SADC-DFRC has developed strong relationships with the SADC Governments and International Cooperating Partners such as the World Bank, African Development Bank (ADB), German Development Agency (GIZ), European Union (EU), Japanese International Cooperation Agency (JICA), Industrial Development Corporation (IDC) of South Africa, and the Development Bank of Southern Africa (DBSA). This has resulted in the DFRC accessing financial and technical support for programmes that have benefited various development stakeholders but principally the DFIs, Member State Governments and State-owned Enterprises (SOEs).

The DFRC also successfully established the SADC Public Private Partnership Network in 2011 which has to date conducted various PPP skills development programmes for SADC Governments in addition to promoting public-private dialogue. It has recently also developed the SADC PPP Policy Framework which was adopted by Ministers of Finance and Investment at their recent meeting in Maputo this year. Read More.



On the advisory services front, the DFRC has assisted DFIs in restructuring their operations and has also conducted studies and workshops towards improving the policy and regulatory environment for development finance in member countries and the region as a whole. The DFRC has also rendered technical advice and actively participated in the discussions on the establishment of the SADC Project Preparation and Development Facility (PPDF) SADC Regional Development Fund (RDF) whose establishment is now at an advanced stage.

This celebration coincided with the bi-annual meeting of the SADC DFI Network and the DFI Chief Executives Officers' Forum which will be held the same day. The event was attended by Government Officials, Chief Executive Officers of Development Finance Institutions and Commercial Banks, SADC Governments Ambassadors, International Cooperating Partners, other development finance stakeholders among others.

Mr. Charles Chikaura, current Board Chairman of the SADC-DFRC reiterated the commitment of the SADC DFI Network to the work of the DFRC, and as an integral part of the SADC programme of action on regional integration. The Chairman of the SADC DFI Network, Ambassador Leonard Iipumbu, also emphasised on the evolving and anticipated linkages between the national development finance institutions, and the emerging regional development finance structures. Read More.

Project Management: 9th - 12th December 2013

Project Management, Bedco Offices, Maseru, Lesotho

The programme was aimed at introducing development finance practitioners to the theory and practice of project management as well as the elements of project management such as modern techniques of project planning and scheduling, project cost estimating and budgeting, resource planning, risk management and quality management.

It was a practical programme for practitioners to plan, execute, monitor and control projects using modern project management techniques with computer applications.

Participants also learnt concepts of project management, different project organisational structures, project scheduling, resource allocation, risk analysis, quality assurance and project control techniques.

The programme was attended by twenty two (22) participants from four (4) member network DFIs in the region and three (3) countries across the SADC region were represented. Countries represented were Botswana, Lesotho and Zambia.

Resourcing the programme was Dr. Peter Tobin of PTC Consulting from South Africa and Mr Robert Likhang, Chief Executive Officer of Basotho Enterprise Development Corporation officially opened, closed and presented certificates to delegates. Dr. Herrick Mpuku, the Programmes manager at the Development Finance Resource Centre (DFRC) welcomed delegates and gave an overview of the DFRC as well as what the DFRC activities involves.

7th CEOs' Forum: 5th December 2013

7th Chief Executive Officers' Forum, Gaborone International Convent Centre, Gaborone, Botswana

The purpose of the programme was to explore the growth and development of development finance in the SADC region with special reference to the institutional structures and practices in various economic and social sectors, and the evolution of policy of enhancing the expansion and efficiency of the institutions in meeting their respective national and institutional mandates.

The workshop in particular looked at the role of the Network and SADC-DFRC in so far as resource mobilisation mandate to finance cross border projects was concerned. It also covered issues on Institutional, Policy and legal Framework for DFIs. The Forum also dealt with issues of Prudential Standards, Guidelines and Rating Systems (PSGRS) as well as latest initiatives in expanding the pool of available financial resources by using the vehicle of Public Private Partnerships (PPPs).

The workshop was attended by forty four (44) delegates among them Chief Executive Officers and Senior Managers from member network Development Finance Institutions (DFIs) and non DFIs in the region as well as independent consultants. Ten (10) countries across the SADC region were represented and those countries were Angola, Botswana, Lesotho, Namibia, South Africa, Swaziland, Seychelles, Tanzania, Zambia and Zimbabwe. Read More.

Mastering Appraisal and Financing of Small & Medium Agribusinesses: 9th - 12th December 2013

Mastering Appraisal and Financing of Small & Medium Agribusinesses, Lansmore, A Lonrho Hotel , Gaborone, Botswana

The programme was a collaboration between the Association of African Development Finance Institutions, Citizen Entrepreneurial Development Agency and SADC-DFRC.

The objective of the workshop was to share experiences and lessons from institutional/countries perspectives on appraisal and financing of agribusinesses. Therefore participants made presentations on institutional bases on their experiences on procedure for appraisal and financing of agribusinesses.

It was attended by twenty two (22) delegates from ten (10) African countries. Countries represented were Botswana, Ghana, Kenya, Mozambique, Rwanda, Seychelles, South Africa, Swaziland, Tanzania and Zambia.

Mr. Igun Babatunde Ayodeji from Bank of Agriculture (BOA), Nigeria and Mr. Orwothwun Charles from Uganda Development Bank Ltd (UDBL) facilitated the programme.

The programme was officially opened and closed by Mr. Thabo Thamane, the Chief Executive Officer of Citizen Entrepreneurial Development Agency.

Mr. Thabo Thamane, CEDA,

Mr. Cyril Okoye, AADFI

Delegation at Mastering Appraisal and Financing of Small & Medium Agribusinesses, Lansmore, A Lonrho Hotel, Gaborone, Botswana

Capacity Building Review: 21st - 24th October 2013

Capacity Building Review, Southern Sun Hotel, Johannesburg, South Africa

The objective of the workshop was to review progress on capacity building in SADC Development Finance Institutions Network in the previous year to highlight achievements and challenges with a view to plan future interventions that are relevant, cost effective and value adding.

The programme also looked at appropriate tools for analysis of training needs, impact of training and assessment of organisational and individual performance with reference to real life case studies.

It was also briefed on Programme Planning and Implementation at Bank SETA, South Africa by Mr. Max Makhubalo, Chief Executive Officer of the Bank SETA. A presentation on Performance Management for Financial Institutions was also made at the workshop by Mr. Charles Nyoka , a management and financial consultant from UNISA, while Mr. Aboo Amod, from Industrial Development Corporation of South Africa made a presentation reform on Investment in human resource development.

The programme was attended by twenty five (25) participants from nineteen (19) DFIs in the region and countries represented were Botswana, Lesotho, Namibia, Tanzania, South Africa, Swaziland, Zambia and Zimbabwe.

Due Diligence: 21st - 24th October 2013

The aim of the programme was to enhance participants' skills on how to conduct due diligence in accordance with the requirements of the DFI and prepare a business plan and application. The programme was attended by twenty nine (29) participants from seven (7) Development Finance Institutions and two (2) Non Development Finance Institutions in the region. The two (2) Non DFIs in attendance were Amtec Motors and Grain Marketing Board from Zimbabwe. Countries represented were Namibia, Swaziland, Tanzania and Zimbabwe.

Due Diligence, The Rainbow Towers Hotel, Harare, Zimbabwe

The programme was officially opened by Mr. Peter Madara, Chief Financial Officer at the Industrial Development Corporation of Zimbabwe. Dr. Herrick Mpuku from the SADC-DFRC officially closed the programme and presented certificates.

Financial Modeling: 14th - 18th October 2013

Financial Modelling, The Rainbow Towers Hotel, Harare, Zimbabwe

The objective of this programme was to up-skill staff in the areas of business valuation (especially discounted cash flow), scenario planning, management decision making, capital budgeting, cost of capital, financial statement analysis and project finance, using computer based applications.

The programme was also aimed at participants understanding the elements of financial modelling, developing and practicing financial modelling, being able to conduct simulations of different financing scenarios and practice on various case studies of financial modelling and project finance.

The programme was attended by twenty four (24) participants from nine (9) member network DFIs in the region and one (1) private sector within Zimbabwe namely State Enterprises Restructuring Agency. Five (5) countries across the SADC region were represented and those countries were Namibia, Seychelles, Swaziland, Zambia and Zimbabwe.

The programme was resourced by Ms. Mojabeng Manthata from the Industrial Development Corporation of South Africa. Mr. Collin Mutingwende, Corporate Services Executive for the Industrial Development Corporation Zimbabwe officially opened and closed the programme as well as presented certificates to participants.

Investment Appraisal and Risk Analysis: 7th - 11th October 2013

The objective of the programme was to develop skills to plan and assess investment projects, redesign projects to add value, prepare project financing agreement and address stakeholders concerns. The programme covered modern techniques of finance, financial modeling, applied economic analysis, risk analysis and risk management as they are applied to the appraisal of infrastructure projects.

Investment Appraisal and Risk Analysis, The Rainbow Towers Hotel, Harare, Zimbabwe

Investment Appraisal and Risk Analysis was also designed to develop the operational skills of participants so that they are able to plan and evaluate infrastructure projects, add value through the redesign of projects, evaluate alternative financing options, prepare project financing agreements and design strategies to address stakeholder concerns.

The training was attended by fifty seven (57) delegates from ten (10) Development Finance Institutions within five (5) countries in the region.

Non Development Finance Institutions from Zimbabwe also attended this programme and those organisations are State Enterprises Restructuring Agency, Banc ABC, Civil Aviation Authority of Zimbabwe, FBC Holding Limited, Grain Marketing Board, National Social Security Authority, Zimbabwe National Water Authority and Zimbabwe Power Company. Countries represented were Botswana, Namibia, Swaziland, Tanzania, Seychelles, Zambia and Zimbabwe.

Mr. Stephen Zhanje, a lecturer from the University of Limpopo, South Africa and Mr. Alexious Machimbirike from the Infrastructure Development Bank of Zimbabwe (IDBZ) resourced the programme.

Public Private Dialogue Forum

The SADC 3P Network and the NEPAD Business Foundation (NBF) co-hosted the Public Private Dialogue Forum on the 23rd and 24th October 2013 in Sandton, South Africa in an effort to create a platform for dialogue between the public and private sectors to facilitate on-going structured communication at different levels. The platform also facilitates project development and implementation in the region and enhance the efficacy and recognition of PPPs. The PPDF was a very successful event where a list of five projects identified from the Regional Infrastructure Development Master Plan (RIDMP) scan were highlighted and discussed with the private sector. In attendance were over 120 participants from both the public and private sectors.

BEDCO PPP training

On the 19th - 22nd November 2013 the SADC PPP Network held PPP training at Lesotho following the request they received from the Basotho Enterprise Development Corporation. The Network partnered with the National Treasury of South Africa to build capacity of participants on specific topics as well as to share the experience of South Africa on PPPs. The training was structured as a foundation course to build capacity in the public sector to handle PPP projects, and it came out a success.

Future Plans

For the last quarter of the 2013/14 financial year, the Network will be prioritising working with Member states on 3 of the 5 projects shortlisted in the RIMDP scan to take them to feasibility study stage. This will involve liaising with the project owners and sponsors on the project to ensure that there is enough information on the project to approach identified institutions that could potentially fund the projects so that feasibility studies can be undertaken.

The Network has received a request from the Ministry of Finance in Lesotho for support and assistance with the establishment of a PPP Unit to institutionally enable the Lesotho government to use PPPs as one form of public procurement, a process to be established by the PPP Unit. The Network is assisting the government of Lesotho in this regard.

At the Health Working group meeting in July, feedback from participants of the Exposure Tour to Germany indicated a need for a regional health tour that will be more regional in context and better suited to the level of development in the Member States. A tour will be organised with the South Africa Department of Health for a tour of their PPP projects.

Please check our website for updates on upcoming events at www.sadcpppnetwork.org

SADC PPP Projects - 2013

Partnership between SADC PPP Network and NBF

At the PPD Forum event, the SADC PPP Network signed a Memorandum of Understanding (MoU) with the NEPAD Business Foundation (NBF). The MoU formalises the partnership and collaboration between the NBF and SADC 3P Network to strengthen the coordination of complimentary efforts and, enhancing and accelerating the development of regionally integrated infrastructure in Africa.

Malawi PPP training

The Network received a request from the Malawi Public Private Partnership Commission (PPPC) for in-country capacity building on PPPs with an objective to capacitate public officers from different government ministries in Malawi to deliver infrastructure projects using the PPP approach. Primarily, the training was structured as a foundation course to build capacity in the public sector to manage PPP projects and was facilitated by the Network and a PPP expert from the National Treasury in South Africa, one of the Network's strategic partners. The workshop was held in Malawi from the 11th to the 15th November 2013.

Unsolicited bids guidelines

Upon request, the Network assisted a Task Team of the National Economic Diversification Council (NEDC) in Botswana tasked with exploring ways of adopting unsolicited bids guidelines within the Government procurement framework. The Network developed a draft unsolicited bids guidelines in order to provide the government of Botswana with procedures within which unsolicited proposals may be considered.

The framework explains how unsolicited proposals should be dealt with by institutions through setting out procedures that must be followed. These procedures will result in an environment where advantage can be taken of the private sectors' capacity to conceptual-ise, package and develop projects whilst ensuring and protecting public policy objectives at the same time.

Up Coming Programmes Information - 2013

CAPACITY BUILDING - DEVELOPMENT FINANCE

Other planned programmes for 2013/14 are;

- Programme: Strategy Financial Reporting
  Venue: South Africa
  Date: 17 - 19 March 2014

- Programme: Post Investment Monitoring and Managing Problem Loans
  Venue: Botswana
  Date: 24 – 28 March 2014

Programmes for the whole financial year 2013/14 can be viewed by following the link below;

http://www.sadc-dfrc.org

PUBLIC PRIVATE PARTNERSHIPS

- Programme: PPP Policy Verification Workshop - Lesotho
  Venue: Lesotho
  Date: 24 - 25 February 2014

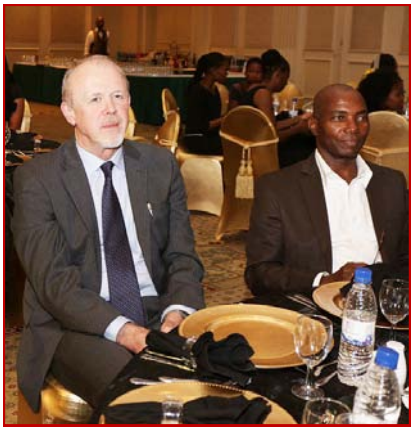
- Programme: SADC3P Network Steering Committee Meeting
  Venue: South Africa
  Date: 10-13 March 2014

- Programme: PPP Health Exposure
  Venue: South Africa
  Date: March 2014

PPP Programmes for the whole financial year 2013/14 can be viewed by following the link below;

http://www.sadcpppnetwork.org

Programme Highlights in Pictures



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The SADC-DFRC is a Subsidiary Institution of SADC