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Report on the Implementation of Regional and International Agendas and other Special Initiatives in Southern Africa

Achieving the Sustainable Development Goals in Southern Africa: National and Regional perspectives

Section 1: Introduction

The SDGs on the backburner amidst tightened development finance flows

1. As the international community heads towards the end of 2023, additional economic and political uncertainties are emerging with yet another conflict breaking out, this time in the Middle East, which risks producing ripple effects on Southern Africa and its countries. As inflation rises and local currencies depreciate, more financial resources will have to be devoted to meet debt servicing costs in addition to easing the impact of high food and fuel prices on local populations, detracting from the achievement of critical long-term goals such as the Sustainable Development Goals (SDGs).

2. Wars bring volatility and volatility undermines predictability and sustainability in the development finance flows that are needed to achieve sustainable development. The Sustainable Development Goals (SDGs) have been under duress in Africa and Southern Africa for the past three years due to development finance constraints as a result of multiple recurring political and climate change-related crises and this despite mixed performance in terms of economic growth marked by windfall gains for oil-producing countries. This year's *Economic Report on Africa* by the United Nations Economic Commission for Africa (ECA) highighted the costs and opportunities of the polycrises for the continent and reiterated the call for African countries to strengthen domestic resource mobilization, reduce illicit financial flows, deepen structural transformation, integrate innovative mechanisms and instruments such as green financing and carbon markets to stimulate investment and accelerate indsutrialisation through the African Continental Free Trade Area (AfCFTA) (UNECA, 2023).

3. This year's *Report on the Implementation of Regional and International Agendas and other Special Initiatives in Southern Africa* builds on last year's report to provide a country-level analysis of the status of progress in achieving the SDGs in Southern Africa while advocating for strengthened regional collaboration and cooperation through the adoption of more regional approaches to fast track the achievement of sustainable development in the subregion. Section 2 analyses the status of progress towards the achievement of the SDGs mid-way to 2030 and macroeconomic conditions for its financing for each member state of the ECA Subregional offfice for Southern Africa (SRO-SA), namely Angola, Botswana, Eswatini, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Zambia and Zimbabwe. It makes use of comparable international data from the 2023 Sustainable Development Report[1] (Sachs et al., 2023) to engage in comparative analysis across countries and articulates new avenues of development financing per country. The Voluntary National Reviews (VNRs) also serve as valuable sources of information and data for that purpose. Section 3 highlights some best practices to foster the acceleration of SDG achievement in the SRO-SA member states by reviewing their Voluntary National Reviews (VNRs) and proposes examples of how regional collaboration can be increasingly leveraged to promote progress towards the achievement of Agenda 2030 for sustainable development. Finally Section 4 concludes with key messages and policy recommendations.

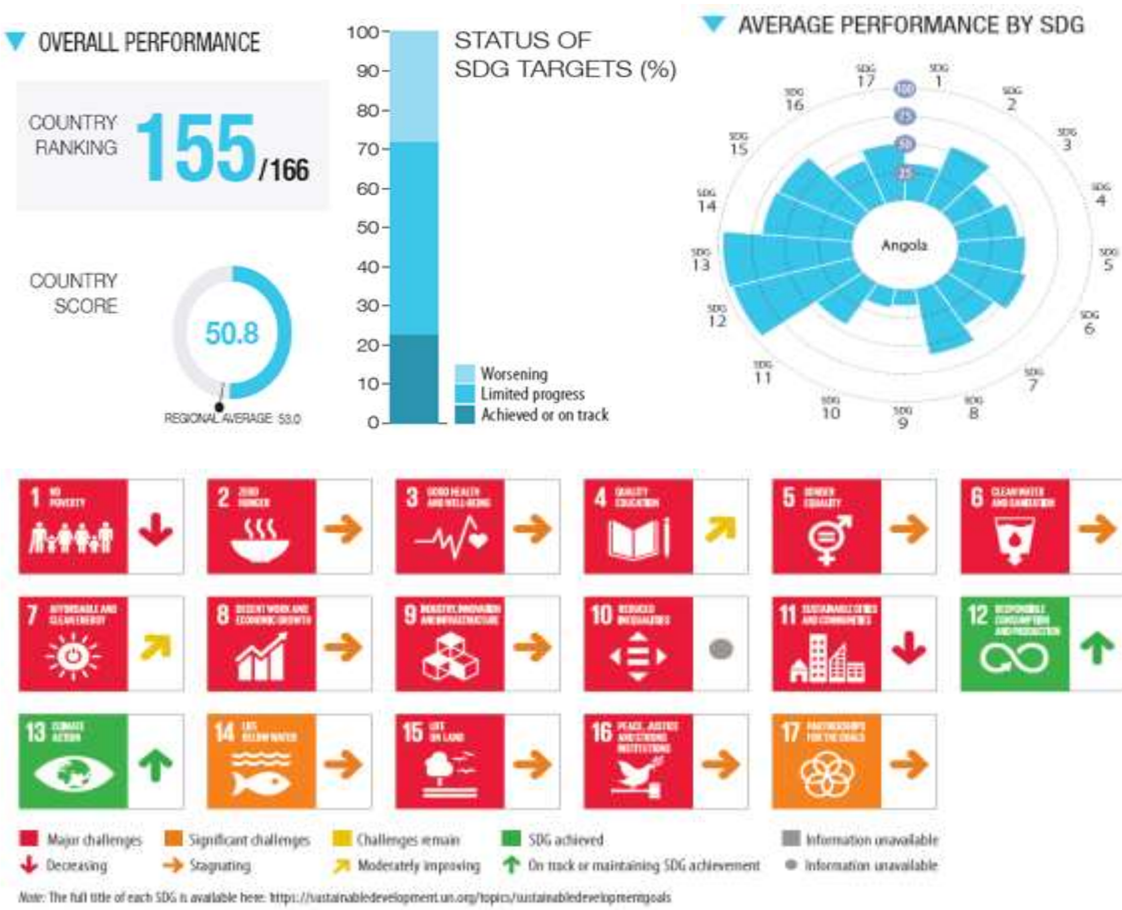
[1] All figures are sourced from the 2023 Sustainable Development Report (Sachs et al., 2023).

Section 2: Status of the SDGs in Southern Africa by country

4. Based on a review of the countries VNRs and the 2023 Sustainable Development Report (henceforth 2023 SDR), the conclusion is that in Southern Africa, signficant challenges remain on the SDG front due to a mix of factors - be it limitations in availability of development finance, low levels of human capital, inadequate monitoring of progress in achieving the SDGs, gaps in economic and political governance, low levels of application of science, tehcnology and innovation and insufficient competitiveness and productive capacities to build diversified economies, while recognizing inter-dependence across these factors.

Status of SDGs, Macroeconomic conditions for development financing and new avenues of SDG Finance

5. **Angola.** In its 2021 VNR, Angola highlights that it is still far from achieving globally its desired SDG targets. Based on the 2023 SDR, Angola has achieved or is on track to achieve only 20 per cent of the 169 SDG targets. Worthy to note however that Angola has achieved or is on track to achieve two SDGs namely SDG 12 and SDG 13. Main successes, as reported in its VNR relates to education, health, gender equality, social protection, justice and human rights and the environment. Reversals on a few of these successes due to Covid-19 are to be inferred from the SDG Dashboard below. As of 2023, SDG 1 and SDG 11 were in regress while moderate improvements were recorded on SDG 4 and SDG 7.

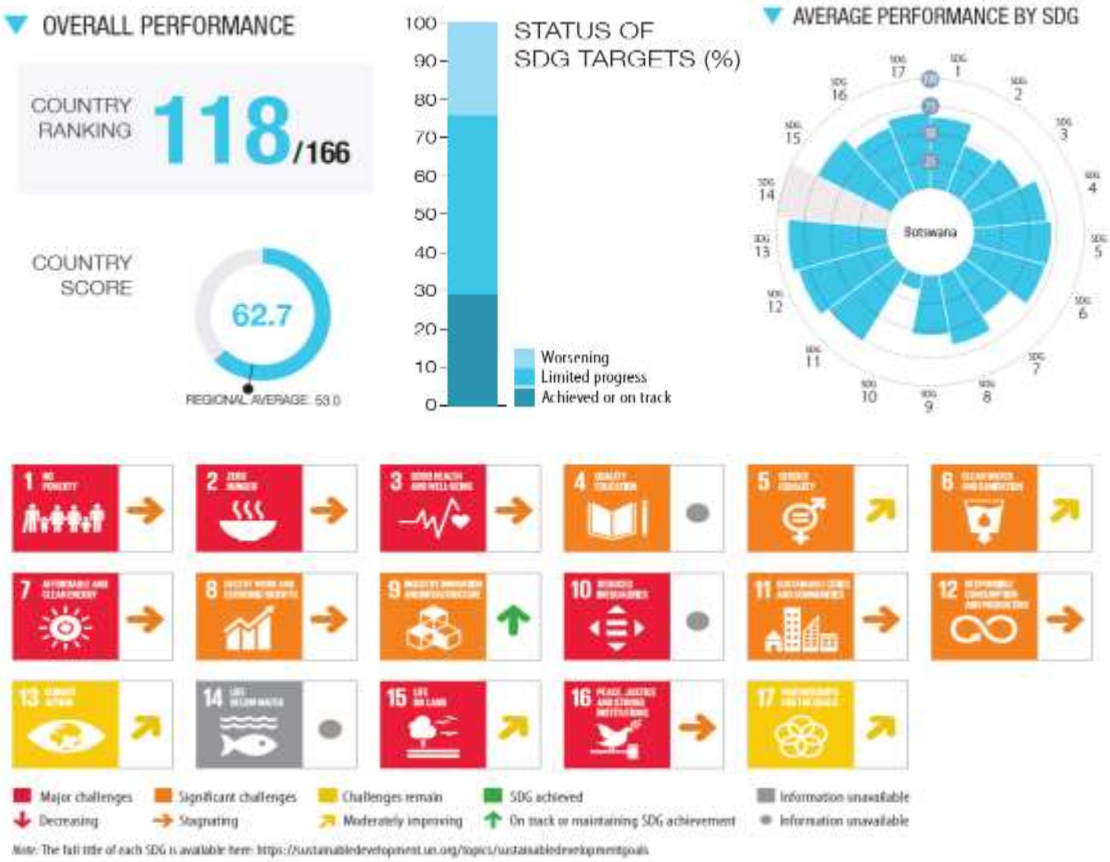


6. The macroeconomic conditions for SDG financing remains constrained by Angola's high level of dependence on the primary commodity sector for export revenues, weak governance in the utilization of existing revenues and a need to keep the macroeconomy under control. Angola's VNR notes the necessity to accelerate its economic diversification, beyond oil and diamond exploration, underpinned by significant improvements in the quality of education and skills of its population, accelerated investments in basic infrastructure, especially in relation to water, energy and the environment. New avenues of SDG financing can lie in: (i) a better management of oil surplus revenues to feed into the Sovereign Wealth Fund (*Fundo Soberano de Angola, FDSEA*) with strengthened independent governance and accountability mechanisms to ensure effective governance over the Fund; (ii) improvements in the efficiency of utilisation of fiscal surpluses through for instance fiscal and political decentralization to accelerate rural development initiatives – Angola is implementing a World-Bank funded project to strengthen governance in services delivery aimed, among others at increasing the amount and reliability of fiscal transfers to decentralized municipalities; (iii) accelerating reforms to catalyze private investments in a range of SDG-related areas including renewable energy and the blue economy. According to the International Monetary Fund (IMF), Angola can still make considerable progress toward achieving the SDGs over a longer period in a way that is consistent with macroeconomic stability and debt sustainability by pursuing prudent borrowing, creating additional fiscal space through policy measures and reforms, increasing private sector involvement, and continuing with diversification-enhancing structural reforms, all by mobilising support from bilateral and multilateral partners (IMF, 2023).

7. **Botswana**. Based on the 2023 SDR, Botswana is on track or has achieved about 30 per cent of its SDG targets, though its performance has regressed compared to 2021 and 2022. Botswana recorded progress towards the attainment of SDG 9 on Industry, Innovation and Infrastructure and, for example, recorded a rise in the population using the internet to 73.5 per cent in 2021 and the number of mobile broadband subscribers to 94 per 100 population in 2021. Moderate improvements are being recorded on a range of SDGs notably SDG 5, SDG 6, SDG 13, SDG 15, and SDG 17.

8. In its latest 2022 VNR, the country reported strides towards achieving gender equality, with a gender parity index of 0.95 on access to primary education. Progress has also been achieved on sexual and reproductive health and rights indicators, along with a decline in AIDS-related deaths from 5,300 in 2017 to 5,100 in 2020. The total fertility rate has declined from 3 to 2.8 births per woman and contraceptive prevalence rate has increased from 53 per cent in 2017 to 64.7 per cent in 2020 (Government of Botswana, 2022).

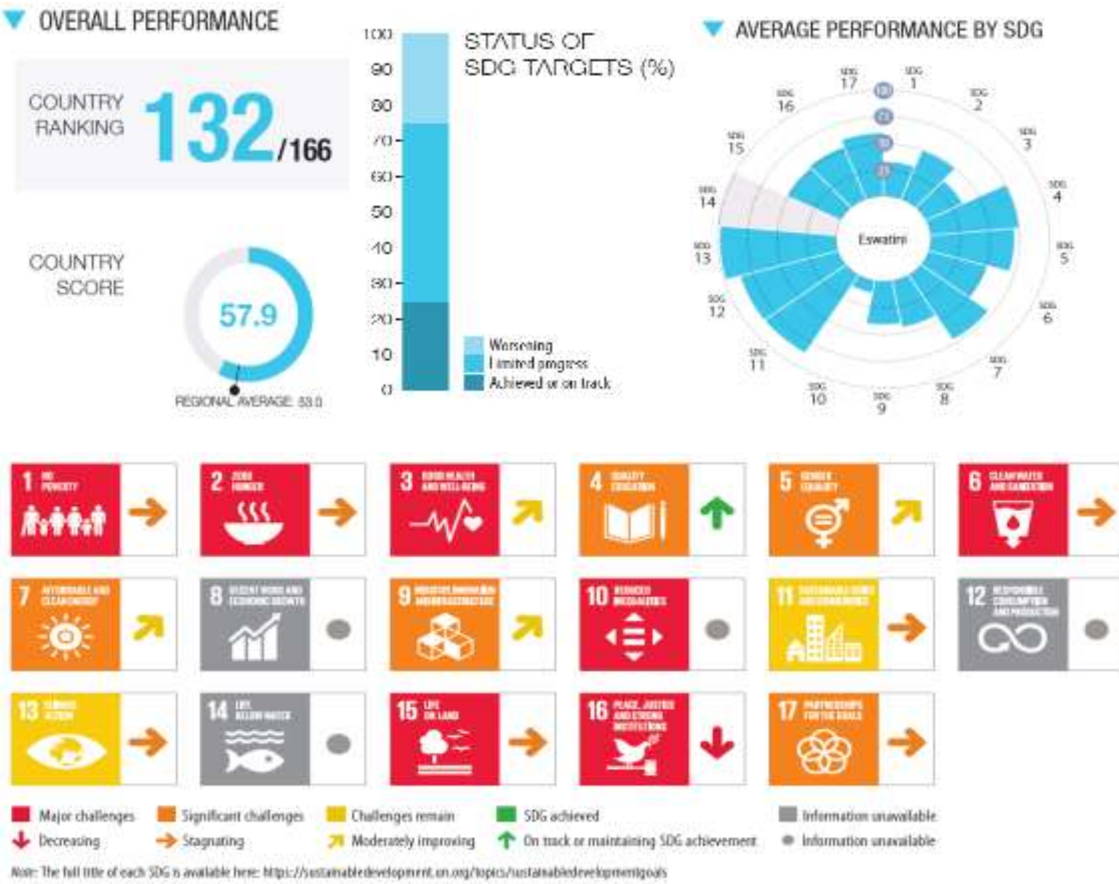
9. The country, however, has continued to record high income inequality levels as exhibited by the Gini coefficient of 53.3. In addition, Botswana's ability to attain good health outcomes remains constrained in a few areas, for instance the country has a very high adolescent fertility rate of 53.3 per 1,000 females. The high adolescent fertility and the non-improving maternal mortality rates are symptomatic of the country's limited ability to provide adequate health services. Progress towards the SDGs is being undermined by lack of financial resources to support specific activities in Botswana. Other challenges include the prevalence of an informal sector and a need for further diversification away from the diamond sector to generate sustained economic growth.



10. Blended finance mechanisms could provide avenues through which resources could be mobilized to support pertinent targeted activities. For example, guarantees and insurance could be deployed towards mobilizing public funds to incentivize the private sector to actively support activities towards SDGs. By its very nature, the private sector can mobilize finances by mitigating risk (derisking), notably commercial default or political risks.

11. Botswana is in the process of developing and operationalizing an SDG Financing Strategy through the Integrated National Financing Framework (INFF). Emphasis is being laid in enhancing efficiency in public spending by cutting down on costs, reducing waste, addressing corrupion and illicit financial flows and adopting zero-based budgeting in ministries, departments and agencies (MDAs) (Government of Botswana, 2022).

12. **Eswatini** was on track to achieve 5 out of 8 Millennium Development Goals (MDGs) by the end of 2015. However, the country's performance has since regressed reflected in an overall performance of 132nd out of 166 countries on the SDG Index and with now only 25 percent of SDG targets achieved or on track.



13. Recent major shocks, including climate-related (e.g., Cyclone Eloise), health-related (i.e., Covid-19) and the unprecedented civil unrest in 2021 have had devastating effects on the country's economy and livelihoods. Eswatini's VNR for 2022 show that while "Quality Education" (SDG 4) remains on track, moderate progress is being made in SDGs 3[2], SDG 5, SDG 7[3] and SDG 9, with (significant) challenges persisting for Goals 1, 2 , 6, 11, 13, 15, 16 and 17. Though information was not readily available to assess SDGs 8 and 10 , anecdotal evidence suggests that these have also regressed.

14. Despite these reversals, the Government remains committed to achieving the 2030 Agenda for Sustainable Development, having recently embarked on an "SDG Rescue Plan" – Eswatini's National Development Plan 2023/24 – 2027/28 forms the foundation for this plan. The country has framed its commitment to transform the SDGs around SDG 8 and specifically target SDG 8.5 (full employment and decent work with equal pay).

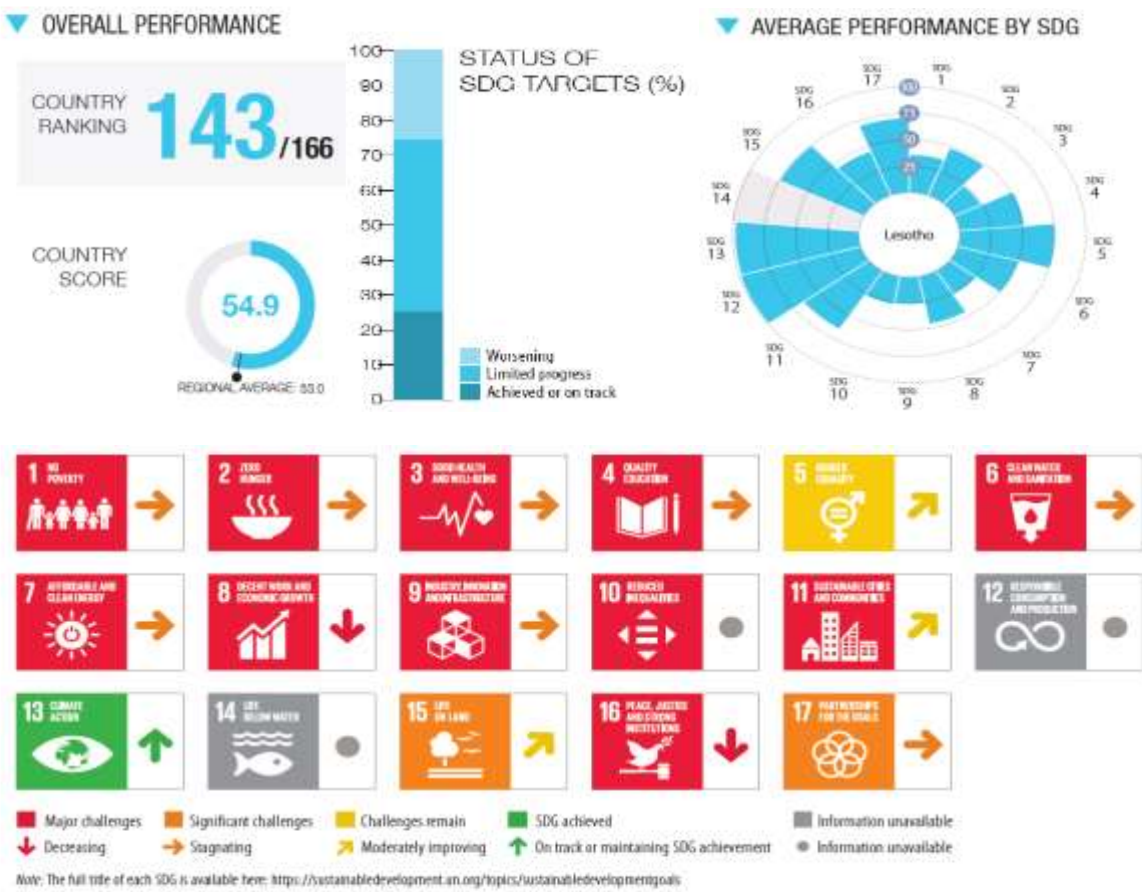
15. The Government, with technical assistance from UN development partners, have undertaken a Development Finance Assessment, SDG investor map and are currently developing Eswatini's INFF Strategy for the rescue plan. The financing strategy will spell out the need to ensure adequate financial resources for investments in sustainable development among other things, through: i) strengthening domestic resource mobilization by improving tax collection and the efficiency of public spending and by strengthening systems to harness domestic savings for investment; ii) international

[2] Remarkable progress was achieved in improving life expectancy which currently stands at 62.96 years from 58.3 years in 2019 and in reducing maternal deaths from 593 per 100, 000 in 2019 to 452 per 100,000. Progress was also noted in reducing new HIV infections, with HIV incidence declining from 1.36 per 1000 to 0.85 per 1000.

[3] National access to electricity increased from 78 percent in the 2019 VNR to 82 percent.

partner commitments under Official Development Assistance (ODA), including ensuring full implementation on a timely basis as agreed; and iii) mobilization of private finance through a myriad of instruments including public-private partnerships, green financing, impact investments and blended finance.

16. **Lesotho**. Lesotho has achieved uneven progress towards achieving the SDGs. The SDG Index Score from the 2023 SDR, placed Lesotho at 143rd out of 166 countries, indicating that the country faces significant challenges in meeting the SDGs with only SDG 13 on track to be achieved. Further, Lesotho recorded a moderate improvement on SDG 5 though challenges remain in meeting the targets. Lesotho has also recorded a number of SDGs that are stagnating with slow progress namely, SDG 1, SDG 2, SDG 3, SDG 4, SDG 6, SDG 7 and SDG 17. Two SDGs have recorded a regress: SDG 8 which is foundational for sustained economic growth and SDG 16 that captures quality of governance. Data availability poses challenges to record progress on SDG 12 and SDG 14.



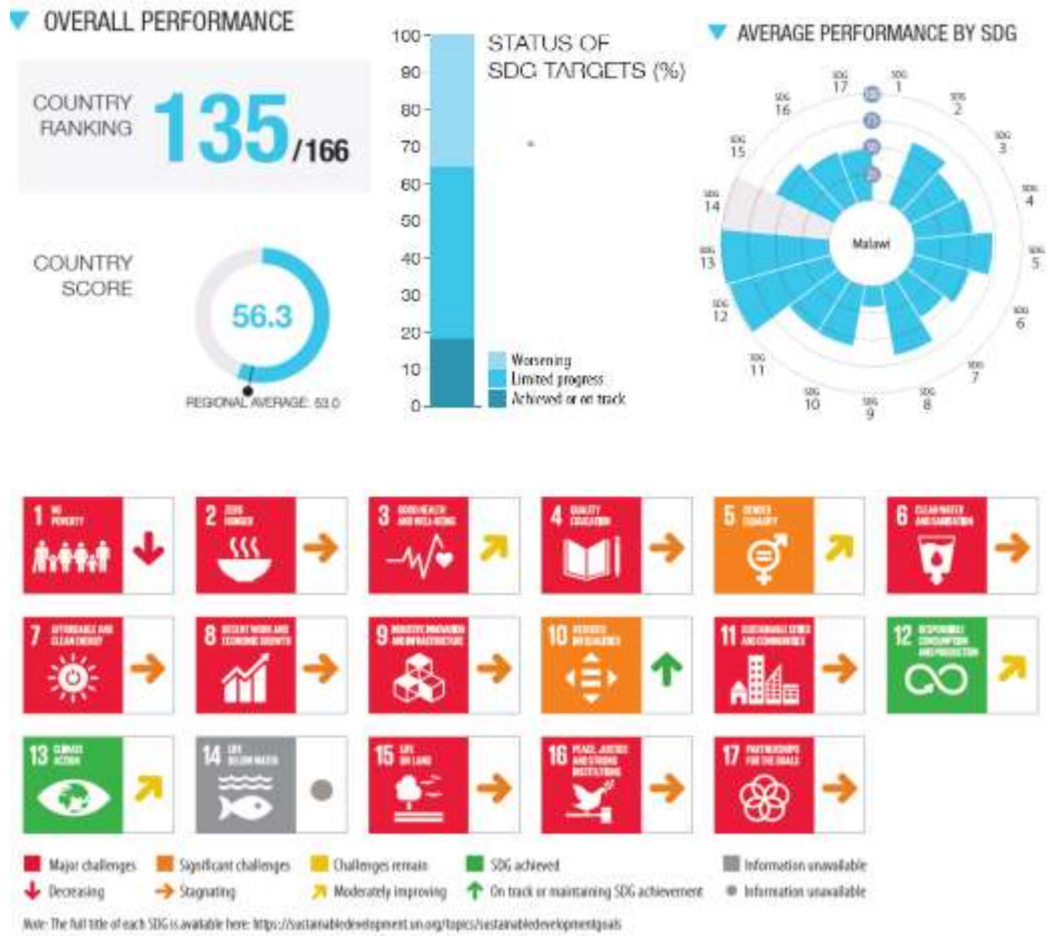
17. The 2022 VNR of Lesotho points out that significant strides have been achieved in reducing poverty in urban areas but persistent rural-urban gaps persist. Such gaps are also manifested in other SDGs such as SDG 4. For instance, while significant investments have been made to improve access to basic and tertiary education, many school-age children in rural areas are out of school, while the quality of education is low (Government of Lesotho, 2022). Gender equality has progressed in terms of legal frameworks (de jure) – for instance various discriminatory laws have been removed or reformed such as the Inheritance Act in 2022 that now allows both men and women equal access to inheritance of property- however de facto inequality remains due to an absence of full and effective enforcement of laws, policies and strategies.

18. Macroeconomic conditions for financing the SDGs are tight in Lesotho, owing to the lack of a broad-based economy to generate domestic resources. Exports in Lesotho are highly concentrated product wise – around textiles and diamonds – and market-wise- around Belgium, South Africa and the USA (IMF, 2022). Furthermore, the country is plagued with limited fiscal space due to high rates of unemployment among the young, and informality in the private sector contributing to a narrow fiscal base, compounded by volatility in its development finance flows such as Foreign Direct Investment, aid and remittances. Lesotho is dependent on remittances mostly from South Africa and is one of the most migrant-dependent countries in the world. New avenues of development financing would lie in the long-run in intensified efforts to diversify exports including through the AfCFTA and in the short-run in negotiations with donors, development finance institutions, multi-lateral and development banks and in mobilisation of multi-stakeholder strategic partnerships to catalyze higher levels of aid and South-South finance and investments including accelerated use of triangular cooperative arrangements.

19. **Malawi.** Based on the 2023 SDR, Malawi is on track to achieve SDG 10 and making moderate improvements on SDG 3, SDG 5, SDG 12 and SDG 13 but the goals of ending poverty (SDG 1) remain a challenge, further compounded by the socio-economic impact of the Covid-19 pandemic, the ongoing Russia-Ukraine war, and the frequent disasters affecting the country.

20. A low-income country, Malawi is the 12th poorest country in the world in terms of Gross Domestic Product (GDP) at Purchasing Power Parity (PPP) per capita[4] with half its population living below the national poverty line. Periods of growth have not lasted or were not sufficiently high and inclusive to create enough adequate decent jobs (SDG 8) and significantly reduce poverty. This is reflected in the country's overall performance of 135th out of 166 countries on the SDG Index. As highlighted in the 2022 VNR, over 80 per cent of SDG targets are not on track – that is, 13 of the 17 targets are unlikely to be achieved without drastic and strategic interventions.

[4] World Bank (2021): https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD?locations=MW



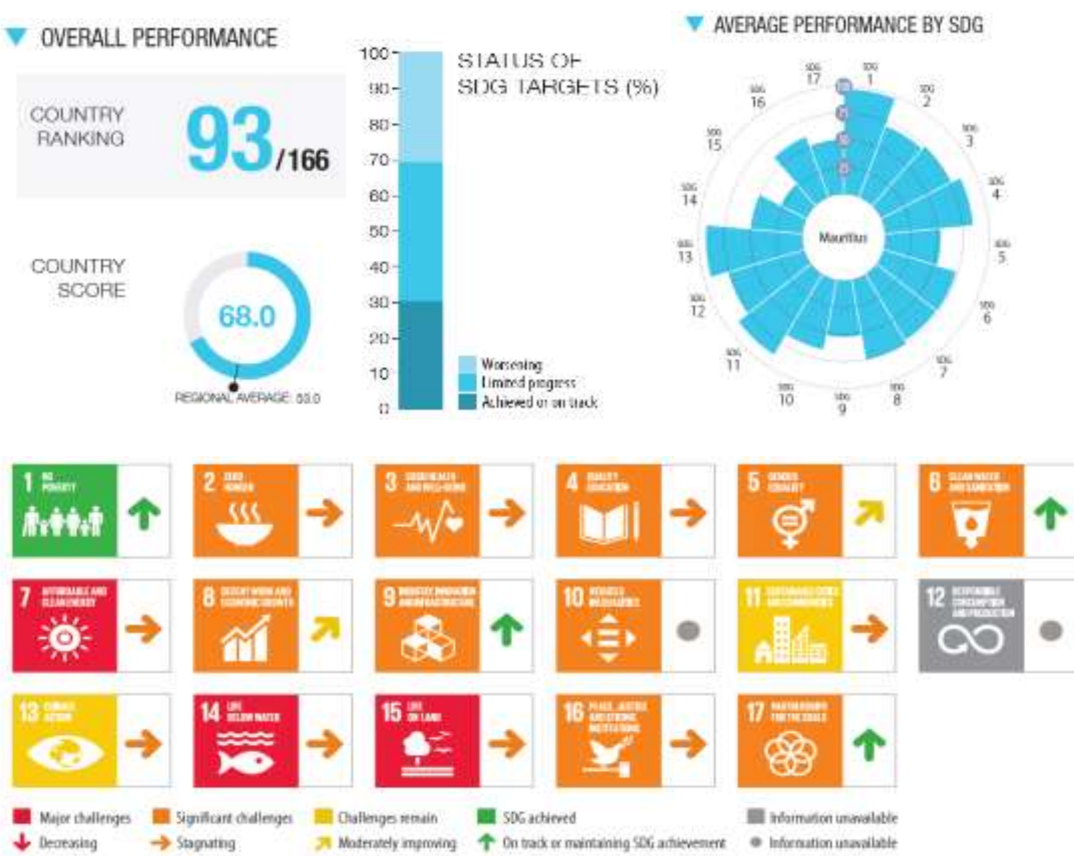
21. Both the country's long-term development strategy (Malawi 2063) and its first 10-year implementation plan are aligned with the SDGs (based on ECA's Integrated Planning and Reporting Toolkit- IPRT). However, due to limited fiscal space with public debt interest payments accounting for the largest item in the national budget,[5] Malawi is unable to accelerate investments in the social sectors and unlock catalytic private sector investments. Recovery and reconstruction costs from damage caused by climate-related and public health emergencies continue to hamper efforts and threaten to reverse SDG gains.

22. Accelerating domestic and external resource mobilisation efforts, combining traditional and non-traditional sources of financing (e.g., external grants, sustainable domestic and international debt, public-private partnerships, and other regional and international financing mechanisms) will be key to ensuring the realisation of the SDGs. Further, the Government aims to promote development effectiveness through adherence to programmatic financing, focusing on specific alignment to national priorities and harmonising development delivery modalities.[6]

23. **Mauritius.** Based on the 2023 SDR, Mauritius is the highest ranked country in Southern Africa on the SDG Index Score. Along with Namibia and South Africa, it is the only country that has at least 30 per cent of its SDG targets to be at least on track to be

[5] 18 percent in 2022/23.
[6] Malawi United Nations Sustainable Development Cooperation Framework (2024-2028)

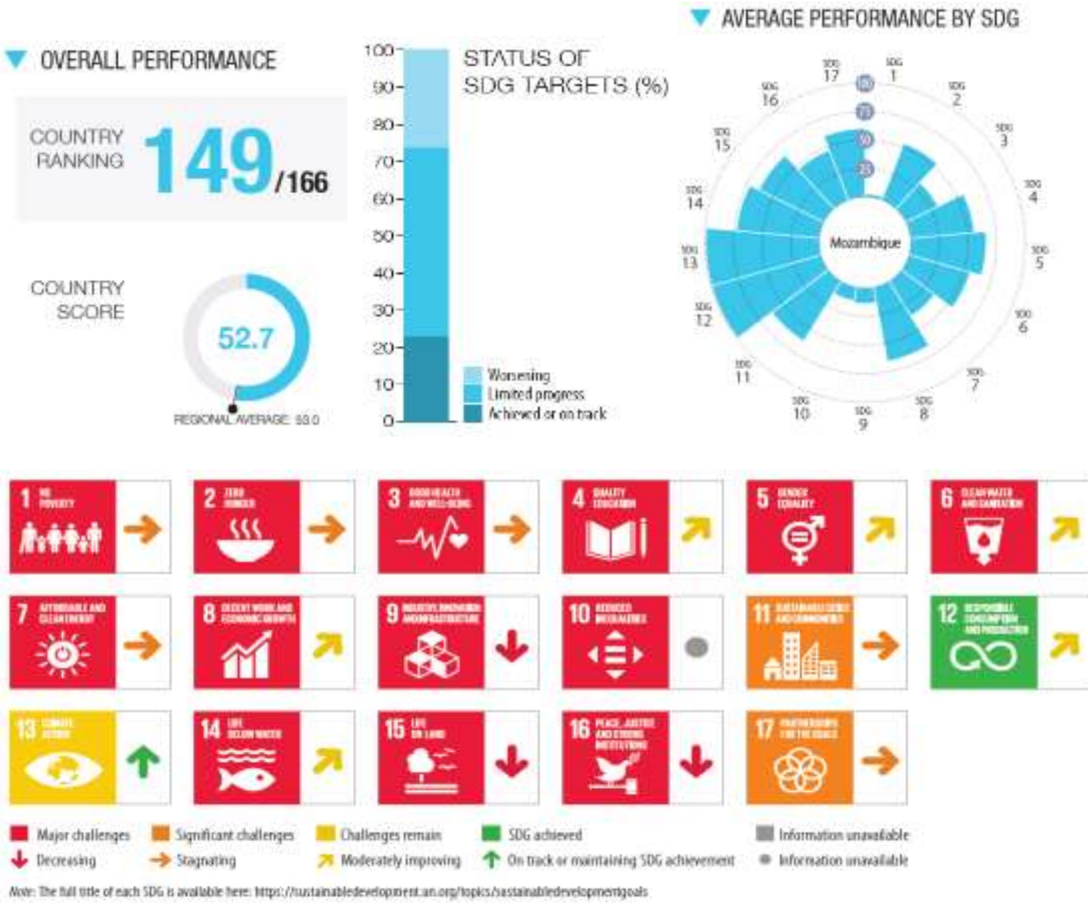
achieved. Four SDGs, namely SDG 1, SDG 6, SDG 9 and SDG 17 are on track to be achieved. Mauritius was among the worst hit countries in Africa by the Covid-19 crisis in 2020 due to, among others, the closure of its tourism sector. The pandemic and the Russia-Ukriane conflict seemed to have impacted the island's trajectory to accelerate or maintain progress towards the SDGs. In its latest 2019 VNR that preceded the pandemic, the Small Island Developing State (SIDS) reported that it had achieved SDG 3 and SDG 17 and was on track to achieve all the other SDGs. Th 2023 SDR however indicates that no SDG has been achieved and 9 SDGs are stagnating, suggesting a reversal of earlier gains. The high vulnerability of SIDS to shocks, due to remoteness from markets, dependence on global export markets and to climate change, along with their propensity to import high rates of inflation driven by food and fuel prices when shocks arise indeed constrain their ability to maintain the course as public finances come under strain in crisis times.



Note: The full title of each SDG is available here: https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals

24. However the island's good macroeconomic fundamentals, competitve business environment, vibrant private sector, position as an international financial center and broad-based and diverse economy should enable it to attract investments and capital flows to maintain progress towards the SDGs including green, blue and innovative finance. New avenues of SDG financing, as the island accelerates its transition to a green and blue economy, could include Environmental, Social and Governance (ESG) investments, public-private partnerships and issuance of bonds. Indeed, the government is seeking new sources of finance through innovative financing instruments such as bonds (green bonds, blue bonds, resilience bonds, and catastrophe bonds) and de-risking instruments. Blended debt, equity, and grant finance may be used strategically to attract private investment (AfDB, 2023).

25. **Mozambique**'s progress towards achieving the SDGs was affected by the Covid-19 pandemic and the debt crisis of the country. The 2023 SDG Index Score placed Mozambique at 144th out of 166 countries, indicating that the country faces significant challenges in meeting the SDGs though positive trends can be observed on several fronts (SDG 4, SDG 5, SDG 6, SDG 8, SDG 12, SDG 14 while SDG 13 is on track to be achieved). 20 per cent of the SDG targets in Mozambique are on track to be achieved and about 50 per cent are worsening.



26. Covid-19 pandemic had a significant impact on Mozambique's economy and society (UNU-WIDER , 2021). Consumption decreased by between 7.1 and 14.4 per cent, and poverty increased by between 4.3 and 9.9 per centage points in 2020 with about 2 million people falling into poverty in less than a year[7]. The pandemic's effects were felt more severely in urban areas, but rural areas experienced a higher increase in poverty rates due to their already low levels of consumption, exacerbating pre-existing rural-urban disparities. The regression on SDG 9 and SDG 16 are areas of concern as they are foundational for the much-needed economic growth and structural transformation Mozambique needs to create decent jobs and reduce poverty and inequality on a large scale without which the country may be at risk of social tensions, conflicts and instability undermining development efforts.

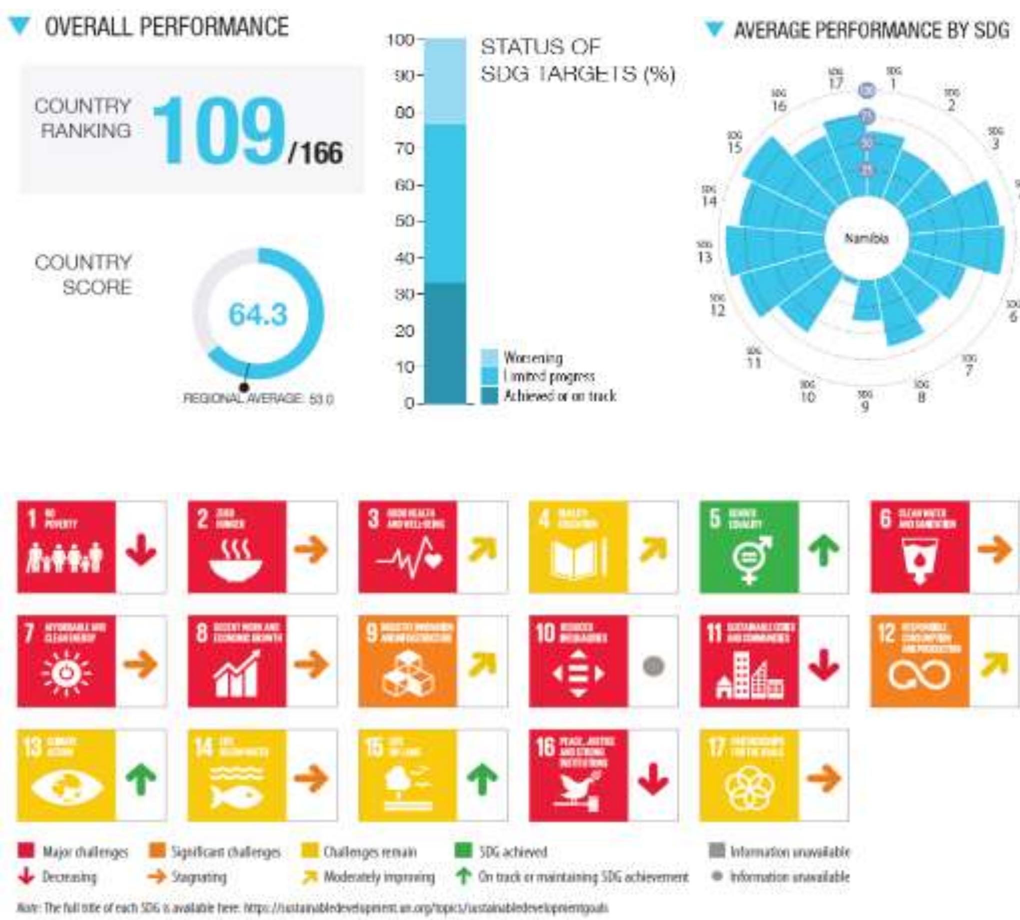
27. A narrow economic base, primary commodity dependence, low levels of economic diversification, high levels of unemployment and informality, high levels of indebtedness are amongst the most pressing challenges compounding the country's lack of fiscal space to finance the SDGs. In addition, the country's constant diversion of its

[7] Based on simulations and different scenarios.

finances towards managing the impacts of natural disasters made worse by climate change, places an additional burden on its financing base.

28. While there are several factors that are constraining Mozambique to mobilize finance for the SDGs, the same factors can be unlocked as avenues of development financing, provided the right policies are in place, matched by good development governance and strong institutions. Five main avenues for financing the SDGs in Mozambique include: (i) strengthening domestic resource mobilization that in turn will necessitate a shift towards a broad-based economic model that fosters formalization and development of the private sector, and economic and export diversification in addition to fiscal reforms; (ii) enhancing the efficiency and volume of traditional sources of finance while developing innovative sources; (iii) debt financing; (iv) developing equity finance through domestic capital markets development; and (v) combatting corruption, waste and illicit financial flows.

29. **Namibia** is the next best perfomer in terms of progress towards the SDGs after Mauritius. The 2023 SDG Index Score, placed Namibia at 109th out of 166 countries, indicating that, although the country is moderately on track in meeting the SDGs, there are still challenges. 3 SDGs are on track to be achieved: SDG 5, SDG 13 and SDG 15. On the other hand, Namibia has recorded a moderate improvement in the following SDGs though challenges remain in meeting the targets: SDG 3, SDG 4, SDG 9 and SDG 12. SDGs that have recorded a stagnation include SDG 2, SDG 6, SDG 7, SDG 8, SDG 14 and SDG 17. However, SDG 1, SDG 11 and SDG 16 are in regress.

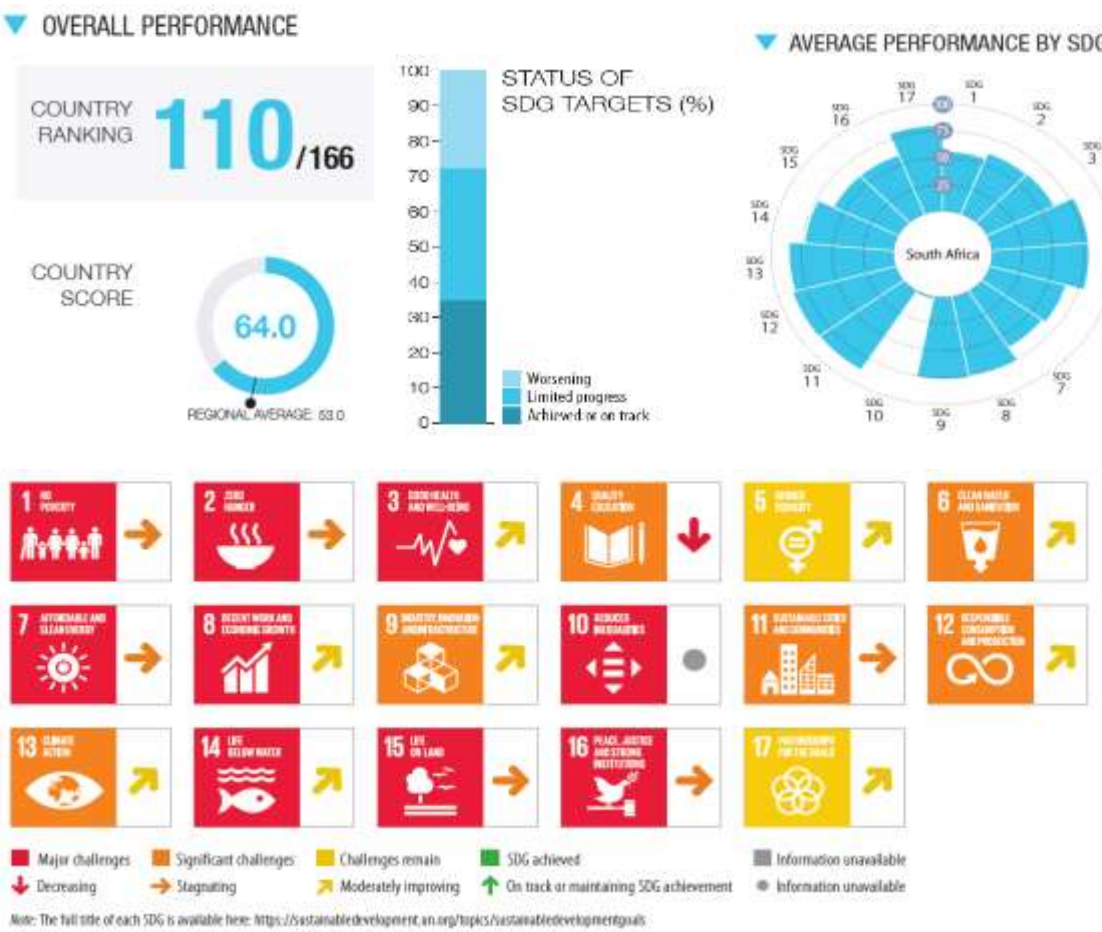


30. Namibia has good foundations to attract development finance to accelerate economic diversification away from its main commodities and diversify further its manufacturing

sector in order to address high youth unemployment and persistent inequalities. The country boasts good infrastructure, adequate human capital and enhanced governance. Based on the 2021 VNR, Namibia ranked 6 out of 156 countries on the Global Gender Gap Index rankings, number one in Africa on the World Press Freedom Index due to public access to information and protection of fundamental human freedoms and is a medium human development country based on UNDP Human Development Index. Namibia is along with Bostwana, Mauritius and South Africa an upper-middle income country (MIC) in Southern Africa.

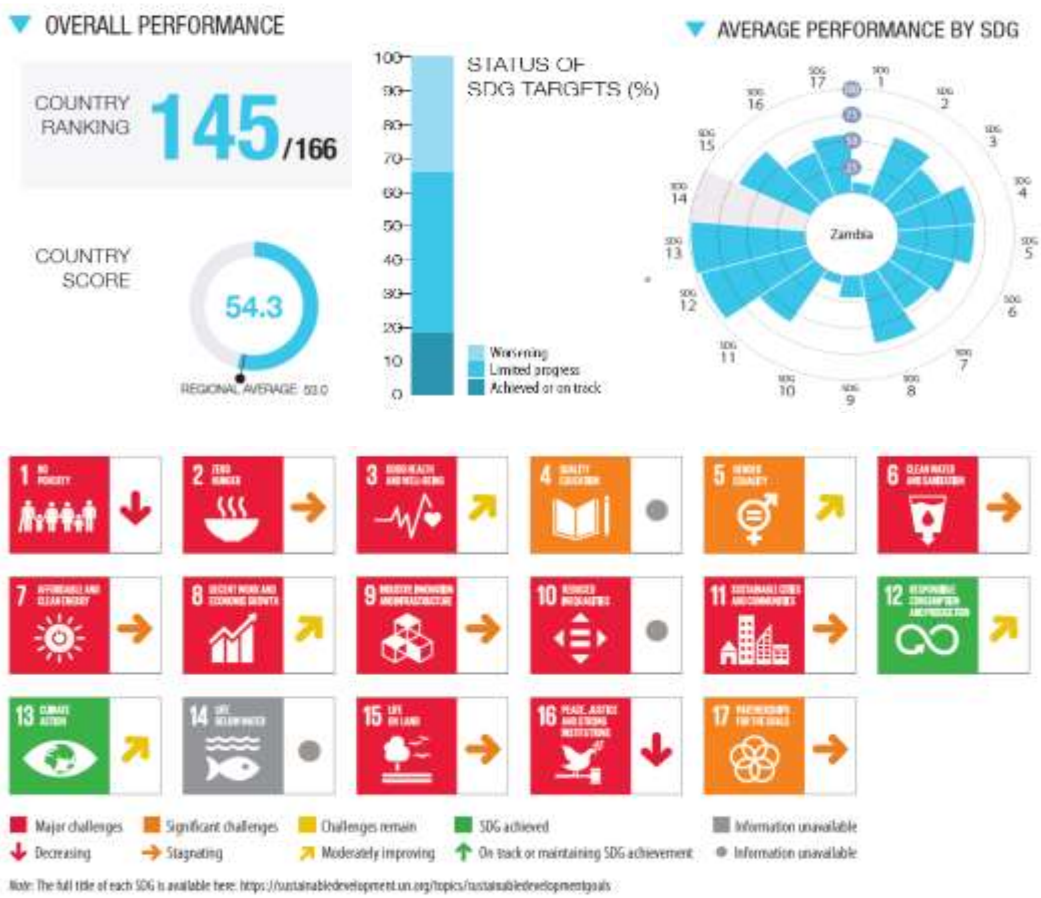
31. While the window of concessional finance is tightening for upper MICs, resource mobilisation can be fostered by accelerating implementation of national industrial and trade policies to foster revenue-generating diversification, supported by better leveraging of science, technology and innovation to enhance competitiveness. In its VNR, the Government of Namibia recognises that achievement of sustainable development will necessitate domestic finance as well as improvements in efficiency of public expenditures, which will involve strategic resource allocation and results-orientation of the budget, rebalancing operational and development budgets and improving performance of Public Enterprises (Government of Namibia, 2021).

32. **South Africa.** Based on the 2023 SDR, South Africa is recording progress on SDG 3, SDG 5, SDG 6, SDG 8, SDG 9, SDG 12, SDG 13, SDG 14 and SDG 17 while SDG 4 is in regress. Electricity now reaches 95.3 per cent of the population even if the rural access is generally lower and recent energy crisis has reversed energy access gains. The universal access to life-saving treatment explains notable gains under Goal 3. Indeed, the country has been hit hardest by HIV/AIDS incidences. Currently the country supports the largest antiretroviral therapy programme globally.



33. In the latest 2019 VNR of South Africa, Government stated that the success of its programmes to achieve SDGs will critically depend on the effectiveness of implementation arrangements and on defining an overall framework for the reforms embedded in the programmes. The country has six key assets to capitalize on to achieve the SDGs, namely: (i) a federal structure of governance that comprises 288 units that can be harnessed for collective implementation of SDGs interventions simultaneously; (ii) good financial, technology and physical existing infrastructure; (iii) cultural diversity; (iv) a strong and sophisticated private sector, whose partnerships can be unleashed through the promotion of inclusive markets, impact investment and public-private partnerships; (v) financial resources that can be within reach provided reforms for improved governance continue in order to tackle corruption and illicit financial flows, expand resource mobilization, and attract private sector financing; and (vi) harnessing South-South cooperation and promote development exchangs between South Africa, BRICS and the rest of the world (Government of South Africa, 2019).

34. **Zambia.** Overall, the country has a long way to go in the achievement of SDGs and ranked 145th out of 166 countries in 2022 from 141st (out of 165) and 131st (out of 162) in 2021 and 2019 respectively.



35. Most of the targets for the SDGs are off-track or stagnating, in part, due to the Covid-19 pandemic, debt unsustainability and primary commodity dependence. The performance shows that Zambia particularly continues to face the most challenges in the attainment of SDG 1 and SDG 16. For example, the poverty headcount ratio at $3.65 per day was in excess of 70 per cent in 2023 from 71.41 per cent in 2019. However, the country has made progress towards the attainment of SDG 3, SDG 5, SDG 8, SDG 12 and SDG 13.

For example, it recorded low carbon and nitrogen emissions embedded in its volume of imports in 2023. Furthermore, the country has also made progress in improving its parameters embedded in SDG 8. Specifically, in 2023, the country recorded low unemployment rate of 6.1 per cent.

36. In its latest 2023 VNR, Zambia focused reporting only on SDG 3-5, SDG 7-9, SDG 12-13, SDG 15 and SDG 17. The VNR mentioned 3 limitations (i) insuffiecent data to report on some SDG indicators and targets due to lack of periodic surveys (ii) weak accountability for results at sub-national levels and (iii) lack of information on financing for SDGs.

37. Overall, Zambia's progress in the attainment of SDGs remains constrained due to several challenges including lack of financial resources, insufficient economic and export diversification and akin to most African countries prevalence of non-tax paying micro, small and medium enterprises operating in the informal sector. Fiscal space for the SDGs is heavily constrained by a debt-distressed situation. Zambia is a Least Developed Country (LDC) and as such can leverage a clear resource mobilisation strategy targeting donors both from the Global North and the Global South as per donors' financial commitments for LDCs.

38. To accelerate the rate of SDG attainment in Zambia to meet the 2030 targets, there is need for sustainable financing mechanisms, including those anchored on domestic resource mobilization. In addition, consideration could be given to the establishment of outcome-based funding instruments that support a partnership-based approach involving donors and local stakeholders. In this regard, Development Impact Bonds, are one of several results-based approaches to improve the performance on the attainment of SDGs which the country could consider going forward. Enhanced decentralization to localise the SDGs, accelerated reforms to improve on business climate to attract Foreign Direct Investment (FDI) in non-mining sectors and accelerated implementation of national industrial and trade policies to diversify the economy are part of the medium-term options.

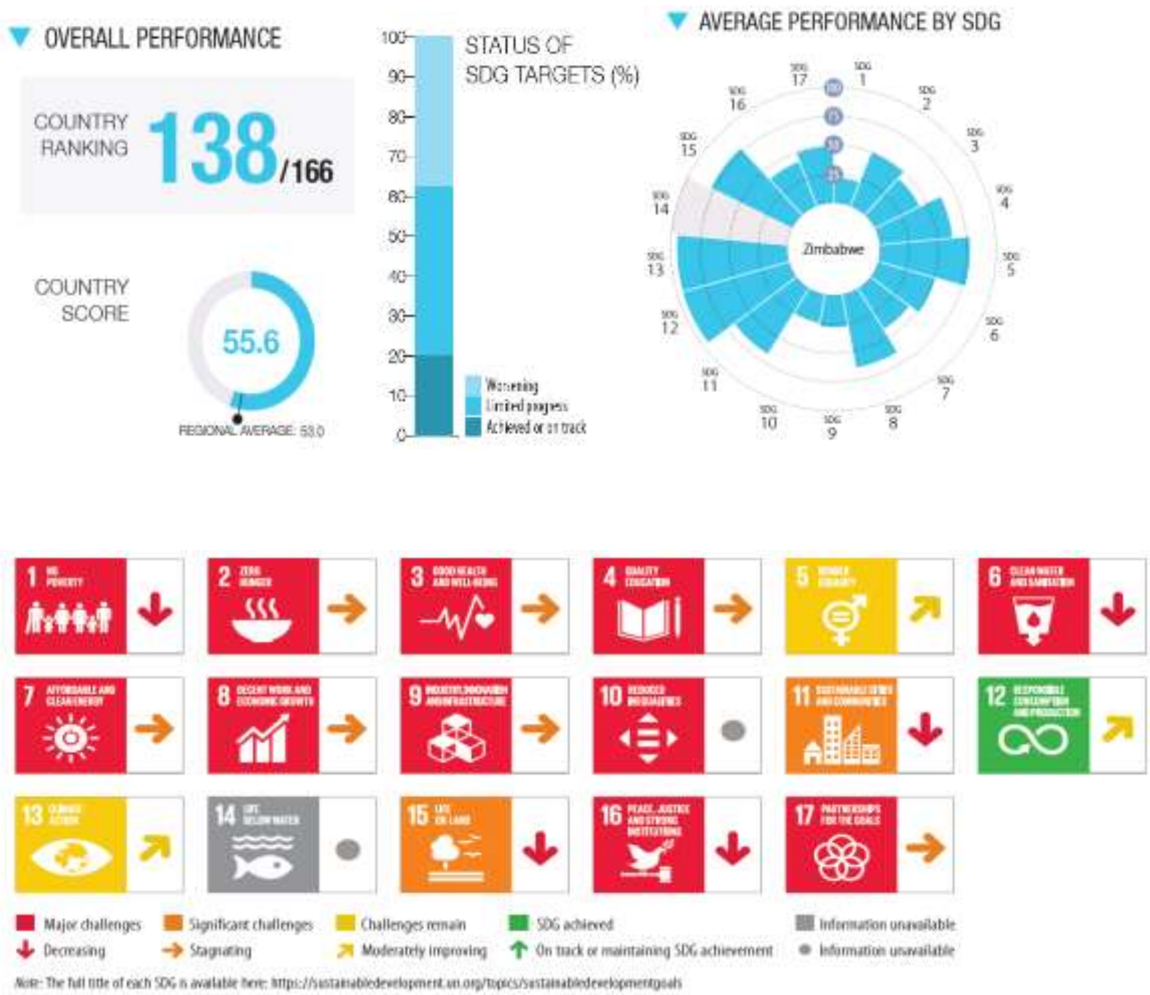
39. **Zimbabwe** is a debt distressed country akin to Malawi and Zambia and is under sanctions by both the United States of America, the European Union and the United Kingdom, a situation that the Government claims acts as a significant drain on public coffers and development in the country[8]. Due to this and other factors, unsurprisingly progress towards the SDGs is challenging in Zimbabwe. Five SDGs are in regress (SDG 1, SDG 6, SDG 11, SDG 15 and SDG 16). Only SDG 12 and SDG 13 are moderately improving according to the 2023 SDR.

40. In its latest 2021 VNR, however, the government contends the country has made significant progress underpinned by relevant government development frameworks. It notes progress on SDG 3 notably progress towards universal health coverage through sustained investment in public health infrastructure and equipment among others. It also notes progress on SDG 4 namely increased access through inclusive programmes, infrastructure, human skills capital development and innovation and mainstreaming of gender in most of the country's legislative frameworks, policies and empowerment programmes (Government of Zimbabwe, 2021).

41. Macroeconomic conditions for financing the SDGs in Zimbabwe are difficult as the country is reeling from the effects of continued sanctions that impede its access to global capital markets, compounded by domestic challenges associated with governance,

[8] https://www.voanews.com/a/zimbabwe-says-it-lost-in-excess-of-150-billion-to-sanctions/7326421.html.

primary commodity dependence, and macro-economic instability. Inflation is set to soar above 17 per cent (year on year) in October 2023.



42. Nevertheless the Government indicates the following as avenues of SDG financing: domestic resource mobilisation in addition to traditional sources of funding such as loans, grants and FDI. It also wants to address illicit financial flows through zero tolerance to corruption and capacitating the relevant institutions; enhance the country's competitiveness and investment inflows; leverage on diaspora remittances and promote public private partnerships (Government of Zimbabwe, 2021).

Section 3: Status of SDGs in Southern Africa: Regional Perspectives

43. Against the above background, this report makes two major recommendations for accelerating progress towards the SDGs in Southern Africa:

a. Southern African countries should increasingly mainstream their SDGs into their national, subnational and sectoral development strategies, plans and policies and promote a localisation of SDGs through increased fiscal and political decentralization and the conduct of local and provincial VNRs in order to better leverage local knowledge, resources and capabilities. The ECA IPRT can serve as a tool for countries to better align their national development plans and priorities to the Agenda 2030 for Sustainable

Development and Agenda 2063[9]. Countries in the subregion should also intensify sharing of experiences and best practices among themselves in relation to the planning, mobilisation of finance and implementation, monitoring and evaluation of progress of SDGs in order to promote cross-learning and regional areas of collaboration. This can be done through regional platforms such as SADC, COMESA and the SADC-National Planning Entities (NPE) platform that is supported by SRO-SA. Countries can also share lessons from their INFF experiences while the INFF roll-out should be intensified across the region.

b. In light of limited financial resources to implement SDGs and national development strategies and amidst pervasive geo-political tensions and an increasingly complex global environment, Southern African countries should intensify regional collaboration and integration and adopt regional approaches towards accelerating progress towards the SDGs. Bottlenecks common to a set of countries could for example be effectively addressed through regional programmes that allows for a pooling of resources and expertise. The elaboration of a Regional SDG Report for Southern Africa could facilitate identification of best practices throughout the region and flesh out areas for regional collaboration and joint implementation to fast track achievement of the SDGs.

Best practices and lessons learnt from Voluntary National Reviews

44. A review of the 11 VNRs of SRO-SA member states reveals that there is signficant scope for countries of the region to learn from each other's experiences and best practices to advance sustainable development in the region. A few best practices are highlighted here.

45. **Angola**, for instance is aiming at making direct reductions to poverty and inequality through targeted cash transfer programmes and inclusive social protection (*Valor Criança*). The government launched a programme in May 2020 to make direct cash transfers to poor households, with plans to extend support to 300,000 households and register 400,000 more in 20 municipalities.

46. **Botswana** is developing a gender-responsive and climate-smart SDG financing strategy which encompasses Zero-Based Budgeting, Results-Based Budgeting and the INFF and has developed SDG Planning Guidelines to facilitate the mainstreaming of relevant SDG targets and indicators into national/sector plans, policies and strategies.

47. **Eswatini** is taking steps to strengthen local SDGs institutional mechanisms, popularization of the SDG agenda and clarification of roles and responsibilities including among special groups such as youth, women and persons with disability.

48. **Lesotho** has institutionalised stakeholder engagement in the implementation, monitoring, and awareness of SDGs so that they can mainstream the National Strategic Development Plan and the SDGs into their policies, plan and strategies.

49. In **Malawi,** the implementation and reviews of the SDGs is coordinated through Pillar and Enabler Coordination Groups (PECGs) which comprise government institutions, development partners, civil society organisations, private sector organisations and academia, which has resulted in reduced duplications and ensured that critical interventions across sectors are well coordinated to fast-track achievement of results.

[9] See: https://iprt.uneca.org/.

50. **Mauritius** has developed a National Corporate Social Responsibility (CSR) Framework to encourage the private sector to spearhead initiatives related to SDGs. As a result, many private companies have established Foundations to address sustainable development issues.

51. In **Mozambique,** local Authorities have been working on the localization of the SDGs since 2016, with the support of the National Association of Mozambican Municipalities (ANAMM) and have supported the integration of SDGs in areas such as water supply and sanitation, gender equality and urban resilience. The country completed its first Voluntary Local Review (VLR) with contributions from 16 out of the country's 53 municipalities in 2020.

52. In **Zambia**, the Government has instituted a Public Private Dialogue Forum with the support of its development partners to promote public-private dialogue and strengthen public-private collaboration in relation to achieving national development goals and the SDGs. Resources under the Constituency Development Fund have been raised significantly to ensure a localisation of SDGs and decentralisation, permitting local communities to develop their own investment projects to raise their well-being.

53. In **Zimbabwe**, the government has instituted a dedicated SDGs Secretariat to co-ordinate SDGs implementation, monitoring and evaluation; to better align the National Development Strategy (NDS) to SDGs as well as promote coordination and information sharing within NDS and SDGs implementation Clusters. Monitoring and evaluation will be tracked through an e-enabled Whole of Government Performance Management System.

Regional approaches to achieve the SDGs in Southern Africa

54. Regional programmes to accelerate the achievement of the SDGs should be considered in Southern Africa as part of a strategy to pool resources, expertise, and knowledge to deliver on results and to increase negotiation and bargaining powers of the subregion with donors and creditors in order to garner resources for the achievement of the SDGs.

55. Regional collaboration and integration can be fostered in several SDG-related areas such as:

    a. accelerating industrialisation and deepening structural transformation to strengthen long-term domestic resource mobilisation in the region. For instance, by developing regional programmes to address common infrastructure deficits and industrial competitiveness bottlenecks (SDG 9) to accelerate the implementation of the SADC Industrialisation Strategy and Roadmap 2015-2063 and national industrial policies;
    b. operationalizing the SADC Regional Food Reserve Facility (RFRF) to ensure food supplies during emergencies. Also, strengthen SADC's Early Warning and Vulnerability Monitoring System as an additional measure of ensuring food security.
    c. advancing the implementation of regional agricultural programmes to relieve bottlenecks in agriculture-related infrastructure, stimulate the development of value-chains in the sector and reduce agricultural imports in the region.
    d. promoting the effective implementation of the AfCFTA Agreement and its protocols and provisions in order to deepen regional trade as part of a strategy to build resilience against the vagaries of international markets and take better advantage of trade as a driver of industrialisation, economic diversification and structural transformation (SDG 17);

e. improving on the sophistication and comprehensiveness of statistical systems in the region to allow a better monitoring and evaluation of progress towards the SDGs (SDG 17);
f. leveraging digitalisation and e-commerce and use of regional platforms to better connect sellers to buyers in the region to strengthen business linkages and support local sourcing of inputs in order to develop regional value-chains and deepen the gains from trade and industrialisation (SDG 8, SDG 9 and SDG 17);
g. developing regional-based renewable energy and water projects to improve access to electricity and water and sanitation for firms and households and fast track achievement of SDG 6 and 7;
h. strengthening development of Science, Technology, and Innovation (STI) to better leverage STI as an enabler of sustainable development (SDG 8 and SDG 9);
i. developing regional programmes to combat climate change and ensure sustainable management of trans-boundary natural resources (SDG 13-15);
j. implementing regional development exchanges in the areas of education and health to enhance quality in education and health systems (SDG 3 and 4).

56. Countries could for example develop region-wide projects to improve on cross-border infrastructure to facilitate regional trade, improve on connectivity and foster free movement of goods, services, capital and labour across borders in order to better implement the AfCFTA and Regional Free Trade Agreements (FTAs) to achieve sustainable development. The Kazungula Bridge for instance was a joint project between Botswana and Zambia to improve on transport connectivity in order to enhance regional trade and integration along the North-South Corridor.

57. Southern Africa could develop a Regional AfCFTA Strategy to better engage in strategic market intelligence at identifying opportunities for regional value-chain development, at targeting entry points in each other's market and identifying areas where regional programmes could be implemented to relieve barriers to trade and investment. The development of a regional e-commerce framework can also allow a diagnostic assessment of how national policies, laws and regulations should be harmonised across countries in order to support cross-border trade and investment and the type of payment systems to be developed to support trade and investment.

58. The region could also implement initiatives to faciliate the cross-border movement of qualified professionals in order to support quality improvements in the education, health and statistics sectors. The creation of networks linking STI institutions across the region in a bid to promote the emergence of a regional innovation eco-system that can support regional-based solutions to regional challenges can be considered. In the area of sustainable management of natural resources, the creation of transfrontier conservation areas (TFCAs) supported by SADC[10] to facilitate the natural migration of animals to enhance their contribution to ecosystem services and conserve biodiversity hails as a good example of regional collaboration in the area of environmental sustainability.

59. Finally as the world embarks on a decarbonization trajectory made pressing by the advance of climate change, Southern African countries should enhance their regional collaboration to unlock opportunities of new and innovative financing for the achievement of the SDGs arising from the global green economy. The development of regional carbon credit markets is a case in point.

[10] See https://tfcaportal.org/.

Section 4 : Key messages and recommendations

The main message of this year's report is that enhanced regional integration and regional collaboration can be important levers for Southern African countries to accelerate progress towards the SDGs. It calls for the formulation of a Regional Report on SDGs for the subregion in order to aid cross-learning and sharing of experiences and best practices across the region and a further roll out of the ECA IPRT and the UN INFF across all member states. The SADC-NPE Platform supported by SRO-SA can serve as a learning and sharing platform on financing for SDGs. It advocates for regional approaches to implement the Agreement establishing the AfCFTA to ensure that the region develops regional value chains to develop the private sector for the purpose of decent job creation. It calls for a better leveraging of digitalisation to enhance competitiveness of Southern African countries.

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