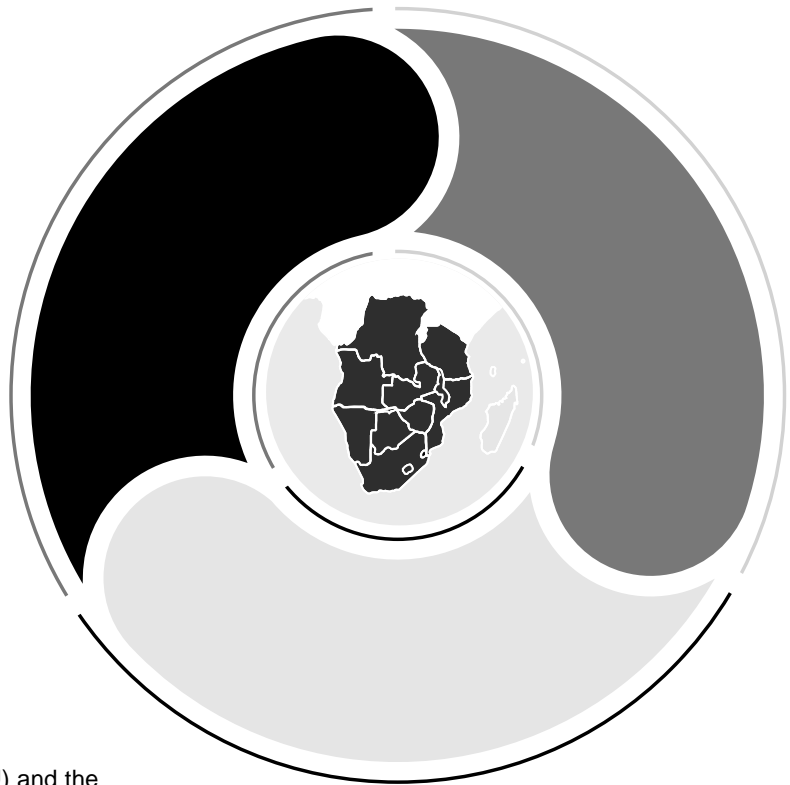


# The SIPS Programme: Regional Value Chains Accelerating Industrialisation and Regional Integration in Southern Africa

An important objective of the Southern African Development Community (SADC) is to exploit the potential for greater value creation and economic integration at the regional level and to improve the cooperation between the SADC Secretariat, SADC Member States and other sector bodies. To contribute towards this, the Support towards Industrialisation and the Productive Sectors in the SADC Region (SIPS) programme was launched, operating from September 2019 to May 2024.

The SIPS programme was funded by the European Union (EU) and the German Federal Ministry for Economic Cooperation and Development (BMZ).



Aligned with the SADC Industrialisation Agenda, the SIPS programme has addressed key constraints that are currently impeding industrialisation in the SADC region. It has tackled market and coordination failures between the national and regional levels, as well as between the public and private sectors. The SIPS programme consisted of two mutually reinforcing interventions to support the development of three selected regional value chains (RVC)s, focusing on three designated results:

Result 1: Enhancing the region's policy, regulatory and business environment at national and regional levels for the development and sustainable operation of RVC for selected products in the agro-processing and pharmaceutical sectors.

Results 2 and 3: Enhancing private sector participation in the RVC for antiretroviral pharmaceuticals (ARV) for HIV/AIDS treatment, the RVC for Covid-19 relevant medical and pharmaceutical products (CMPP), and the RVC for leather and leather products.

As SIPS nears its conclusion, there is much to celebrate in terms of the programme's contribution towards accelerating industrialisation and integration in the SADC region. The SADC Secretariat in partnership with the GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH) have laid considerable groundwork and, going forward, the impact of SIPS gains and achievements will be felt beyond the scope of the programme.



The integrated teamwork between the SADC Secretariat (Result 1) and the GIZ (Results 2 and 3) was hugely successful as a workable model for future cooperation. The collaboration entailed joint planning and the implementation and coordination of key activities, such as awareness and visibility events, and stakeholder engagement and consultations.



The SIPS programme was designed with a holistic approach to value chain development by targeting and supporting all levels of the value chain: policy (macro) OHYHO LQVWLWXWLRQDO PHVR OHYHO DQG çUP P and micro levels, for example by offering support, organising qualitative trainings and providing starter grants to private-sector and institutional stakeholders region wide, allowing the SADC Secretariat to target the larger policy environment.



This holistic approach empowered the SIPS programme to respond with agility to unexpected developments on the ground. For example, Covid-19 arrived within months of the programme's commencement. The SADC Secretariat, the EU, BMZ and GIZ responded rapidly by agreeing to develop and include a Covid-19 Medical and Pharmaceutical Products (CMPP) value chain within the programme's remit. Subsequently, innovative manufacturing projects to produce Covid-19-related medical and pharmaceutical consumables and devices were designed and implemented by the regional companies and institutions who were awarded SIPS grants.



