



Zambia-Malawi-Mozambique Growth Triangle Stakeholders' Meeting Final Report

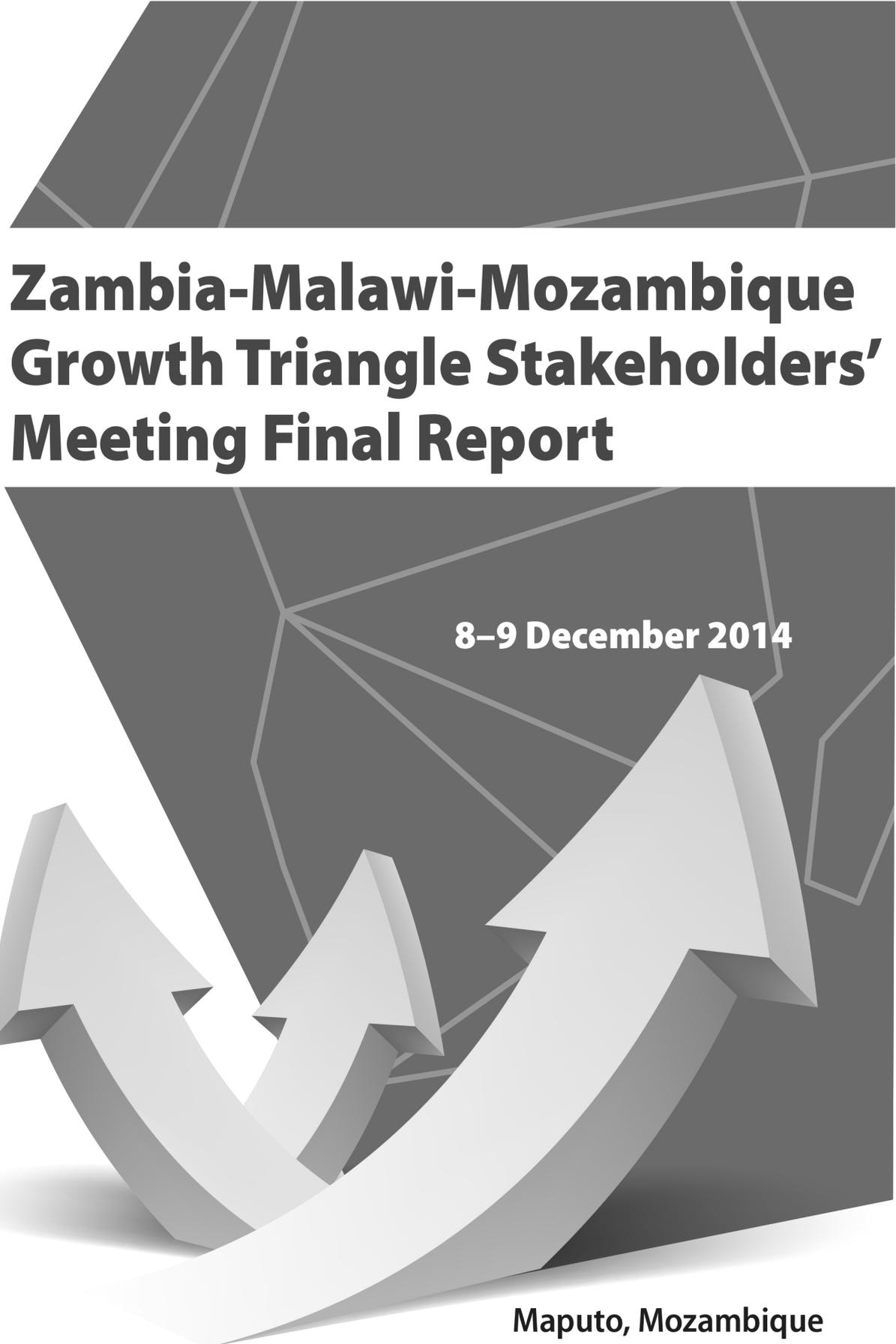
8–9 December 2014



Maputo, Mozambique



United Nations
Economic Commission for Africa



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Introduction

The Zambia-Malawi-Mozambique growth triangle initiative was launched in the Southern Africa subregion by the United Nations Development Programme (UNDP) in collaboration with the United Nations Economic Commission for Africa (ECA) Southern Africa Office in 1999. Creation of the growth triangle was inspired by examples in the South-East Asia region, where the concept was developed in the 1980s as a means of promoting dynamic development among three or more countries.

The rationale for establishing Zambia-Malawi-Mozambique growth triangle was based on key common attributes shared by the area linking the three countries, namely: their geographical proximity; their economic complementarity; their political commitment' and their infrastructure networks. Other significant considerations include prospects for intra-regional trade, investments, commerce, joint public and private ventures in diverse development areas, and economies of scale in huge public and private investment projects.

Following the launch of the initiative in 2000, the governments of the three countries signed a memorandum of understanding in 2003, but the initiative lost momentum. Following its reinvigoration in 2011, the memorandum of understanding was revised, but it is still awaiting the signatures of the participating countries before it can be put into operation.

To drive forward the process of signing memorandum of understanding, a stakeholders' meeting on the growth triangle was facilitated by the ECA Southern Africa Office, in collaboration with the growth triangle's interim secretariat. The meeting was held in Maputo, on 8 and 9 December 2014.

The primary objectives of the meeting were to enable senior government officials dealing with the initiative to discuss and finalize the draft memorandum of understanding and to prepare the document for approval by the ministers respon-

sible for commerce, industry and trade from the three countries. Connected to this, there were secondary objectives, namely, first, to enable the drafting technical committee to ensure that the draft memorandum of understanding incorporates all agreed issues, and is ready for discussion and approval by the senior government officials; second, to afford relevant stakeholders a platform to review the initiative's existing mechanisms, instruments, frameworks and institutions for their relevance and effectiveness; and, third, to enable the stakeholders to make proposals for reforms, improvements, and reorientation of the initiative to achieve its stated objectives.

The meeting comprised both plenary and breakout sessions. The latter were called to enable participants to reflect more deeply on the following areas: updating of the 2014 action plan for the growth triangle initiative; elaborating on the short-to-medium-term resource mobilization strategy for the initiative; and discussing the modalities for the establishment of a permanent secretariat – in other words, reviewing the secretariat's terms of reference and approach.

I. Attendance

The meeting was attended by the following high-level participants: representative of the Permanent Secretary of the Ministry of Planning and Development of the Republic of Mozambique, Roberto Mito Albino, representative of the Permanent Secretary of the Ministry of Commerce, Trade and Industry of the Republic of Zambia, Tobias Mulimbika, and the representative of the Permanent Secretary of the Ministry of Industry and Trade of the Republic of Malawi, Esther Mwimba. In addition, representatives of the following government bodies and private sector organizations also attended the meeting: Ministry of Industry and Trade of Malawi, Ministries of Justice of Malawi, Mozambique and Zambia; ZMM-GT Private Sector Forums of Malawi, Mozambique and Zambia; Malawi Confederation of Commerce and Industry; Malawi Investment and Trade Centre;

Zambezi Valley Development Agency; Eastern Chamber of Commerce and Industry, Chipata, Zambia; Zambia Development Agency; and the Investment Promotion Centre (CPI) of Mozambique. Representatives from the Mozambique country office of the World Bank also attended the meeting

The meeting was chaired by Mr. Albino, Chief Executive Officer of the Zambezi Valley Development Agency, and co-chaired on its first day by Mr. Newton Kambala, of the Malawi Confederation of Chambers of Commerce and Industry, and, on the second day, by Mr. Tobias Mulimbika, of the Zambia Ministry of Commerce, Trade and Industry, and Mr. F. Virgilio Ferrão, President of the Zambia-Malawi-Mozambique Growth Triangle Private Sector Forum. The initiative's interim secretariat served as the rapporteur of the meeting.

II. Programme of the meeting

The meeting proceeded in accordance with the following programme:

Day one (8 December 2014)

Session 1:

Opening of the meeting:

- Introduction of participants
- Welcoming remarks by representatives of ECA and the Government of Mozambique

Session 2:

2014 draft memorandum of understanding on the initiative

Session 3:

Review of the draft memorandum of understanding

Session 4:

Preparation of the agreement on the Zambia-Malawi-Mozambique Growth Triangle initiative for approval

Day two (9 December 2014)

Session 5:

Breakout meetings:

- Updating the milestones and components of the initiative
- Updating the action plan for the initiative developed in March 2014
- Short-to-medium-term resource mobilization strategies for the initiative
- Establishment of a permanent secretariat for the initiative

Session 6:

Presentation of group work

- Group presentations
- Discussion
- Adoption of group work

Session 7:

Ministerial meeting and next steps

Closing of the meeting

A. Session 1: Opening of the meeting

Opening statements were made by Mr. Albino, Mr. Mzwanele Mfunwa, representing ECA, and Mr. Noel Lihiku, representing the interim secretariat of the initiative.

In his statement Mr. Albino stressed that, as 15 years had elapsed since the launch of the initiative, the meeting must produce results. Demonstrated political willingness and action would be critical to the success of the initiative in terms of enabling the establishment of its institutions, mobilizing resources and attracting private sector investment.

In his statement, Mr. Mfunwa emphasized the importance of securing ministerial approval for the memorandum of understanding and affirmed the commitment of ECA to the initiative's success in its objectives of economic development, physical and economic integration, and poverty reduction.

In his statement, Mr. Lihiku reviewed the background and the objectives of the current meeting, which had been organized as a follow-up of two previous meetings. The first had been a technical meeting in March 2014, which took stock of the initiative's progress and the challenges encountered since its revival in 2011; that meeting had enabled consensus and charted the way forward for the initiative by reviewing its objectives, mission and vision, and also the draft memorandum of understanding. In addition, a platform had been established for collaboration with such development partners as the African Development Bank, the Common Market for Eastern and Southern Africa (COMESA), the European Union and the World Bank. The second meeting had been held between representatives of the Zambia Ministry for Commerce, Trade, and Industry and ECA and it had been agreed that, for the initiative to move forward, the memorandum of understanding must be signed and a permanent secretariat formed.

Where the current meeting was concerned, participants would be called on to approve the memorandum of understanding based on their discussion and recommendations; to finalize the 2015 action plan; to approve terms of reference for resource mobilization strategies and for pilot projects; to agree on an approach to the establishment of the permanent secretariat; and to finalize the agenda and follow-up actions for the ministerial meeting.

B. Session 2: Draft memorandum of understanding on the initiative

The representative of the interim secretariat gave a slide presentation on the nature of a memorandum of understanding, which defined it as a legal document outlining the terms and details of an agreement between parties and including each party's requirements and responsibilities. The four tenets of memoranda of understanding were an offer, its consideration, its acceptance, and the legally binding force of the understanding.

To frame the discussion on the details of the memorandum of understanding, he said that the discussion should focus on the current developments and aspirations of the three countries, physical areas of operation, areas of cooperation, responsibilities and obligations of member States, roles of the initiative's various institutions, and clauses to ensure the legally binding nature of the agreement, in order to foster smooth implementation of the initiative's projects. Regrettably, implementation of the action plans already agreed upon had been hampered by the interim status of the secretariat.

Following the presentation, Ms. Thandiwe Daka Oteng, Director of the Zambia Ministry of Justice, commented that a memorandum of understanding was an agreement which was not legally binding, but served merely as the framework for the subsequent elaboration of a legally binding agreement.

Mr. Albino said that, if potential donors and supporters were to commit themselves to providing funds, they needed a legally binding document that established the recipient entity. One of the problems arising with the memorandum of understanding signed in 2003 was its non-binding nature. As a non-binding agreement, it had been difficult to use that memorandum of understanding as a basis for mobilizing resources from member States, the private sector and development partners. The secretariat must exist as a legal entity in order for his agency to transfer funds to it. In addition, development partners such as the World Bank would not be able to provide funding for cross-border projects without a legal agreement.

Ms. Mwimba observed that the growth triangle should be an informal arrangement for trade facilitation and investment. The Asian growth triangles had exemplified that type of arrangement.

Following those observations, participants discussed the possibilities of using different legal institutional frameworks to ensure that the final document was sufficiently authoritative to pass through the countries' respective parliaments and

finance committees. Some argued that, if the agreement was to be legally binding, sanctions against breaches of the contract and a strengthened dispute resolution mechanism would have to be included in the memorandum of understanding. They recommended that the document should be informal in nature, to obviate the need to include those measures.

In conclusion, they agreed that the ultimate objective was a legally binding document, although that may require changing the type of agreement. They also agreed that further detailed discussions by legal teams from the respective countries would be the appropriate forum for determining the best way to proceed in the matter.

Mr. Ferrão observed that there was no lack of political willingness and suggested that, for the initiative to be able to work in an optimal manner, there was a need for Malawi and Zambia to have consulates in Tete, Mozambique, which would facilitate interaction between business people and government agencies and would ease the administrative procedures necessary for engaging in cross-border commerce.

C. Session 3: Review of the draft memorandum of understanding

Introducing the issue, Mr. Albino recalled that the draft memorandum of understanding was a continuation of previous agreements and should be kept broad enough to accommodate future developments, given that the initiative was still evolving.

1. Preamble

Participants recommended that other continental protocols should be mentioned in the preamble and reference made to the growth triangles already existing in Asia. Further suggestions were made regarding the order of governments and that the relevant recital in the preamble should be reworded to read: "Recognizing the previous efforts made in the establishment of the ZMM-GT,..." to reflect the ongoing nature of the initiative, and that the previous agreement of

2003 should be referenced at that point. It was also suggested that a separate recital should be added, explicitly to include government commitments.

2. Article 1

It was noted that a definition of "Tribunal" should be added in article 1, paragraph 2.

3. Article 2

With regard to coverage of the initiative, in article 2, paragraph 1, and in response to a suggestion by Mr. George Tsaka, President of the ZMM-GT Private Sector Forum in Malawi, participants agreed that the entire country of Malawi should be included in the growth triangle since expanding its geographical coverage would harness infrastructural synergies and facilitate endowments between adjacent regions. They also agreed, in response to a suggestion by Mr. Mulimbika, that the coverage area for Zambia should be expanded from eight districts to encompass the entire Northern Province. In general, participants agreed that the initiative's member States should allow for expanded geographical coverage of the growth triangle if such expansion was to the initiative's advantage.

4. Article 4

Under article 4, paragraph 1, a number of suggestions were made to include additional sectors and it was agreed, accordingly, that the legal experts should leave the language broad enough to accommodate such additions.

5. Article 7

Participants suggested that paragraph 2 of article 7 should be moved to article 6, as its paragraph 3, that reference to the Venture Capital Fund should be removed and that the wording should be broadened to take into account additional financial activities.

6. Article 8

With reference to article 8, paragraph 1, participants proposed that the wording should be changed to reflect the secretariat's responsibility for financing the participation in meetings by the head of each member State's delegation, while

the costs of additional participants would be borne by the member States.

7. Article 10

With reference to paragraphs 2 and 4 of article 10, at the meeting in Lilongwe it had been agreed that there should be more flexibility regarding which ministers could participate in the biannual forum. It had been agreed that the text in paragraph 2 should read “minister responsible for trade and investment” instead.

8. Article 11

With reference to paragraph 2 of article 11, participants discussed whether it was necessary to state the membership of each country’s private sector forum, given that a forum that was as representative as possible would ensure national ownership of the growth triangle policies and that its projects would reflect the economic dynamism in each country. Accordingly, it was agreed that the memorandum of understanding would not specify membership of the national private sector forums, but that the forum constitutions should contain those details. With reference to paragraph 3, it was agreed to specify that up to five members of each country’s private sector forum could attend meetings of the growth triangle forum. With reference to paragraph 5, it was proposed that the secretariat should be responsible for organizing not just the ministerial meetings but also those of the private sector forum.

9. Article 13

Participants agreed to add a fourth paragraph to article 13, establishing branches of the secretariat in both Zambia and Mozambique, as that would strengthen information sharing, coordination and harmonization.

10. Article 15

It was agreed that, in paragraph 2 of article 15, explicit mention should be made of the role of the Zambezi Valley Development Agency as the institute responsible for resource mobilization. It was further agreed that, in paragraph 4, reference to the Venture Capital Fund should be removed and replaced by different wording to reflect the broader financial responsibilities of the secretariat.

11. Article 17

In response to concerns that the dispute resolution mechanism in article 17 was not well defined, it was agreed that the legal experts should decide what the best mechanism should be.

12. Approval procedures

It was agreed that each member State should review the procedures that would have to be undertaken for approval of the memorandum of understanding and that, between January and March 2015, all member States should clear the Zambia-Malawi-Mozambique growth triangle agreement at the national level.

D. Session 4: Preparation of the agreement on the Zambia-Malawi-Mozambique growth triangle initiative for approval

Participants were informed that the member States’ legal experts had undertaken a comprehensive review of the 2014 revised draft memorandum of understanding in tandem with the original memorandum of understanding, with a view to updating the memorandum and making the text more mandatory and legally binding.

The participants considered the proposed amendments to the 2014 revised draft memorandum of understanding, provided feedback and observations, and requested the legal experts to undertake a final review of outstanding and arising issues relating to definitions, institutional and structural arrangements, mandates and membership, staffing and financial issues.

They further directed that the review of the amended draft memorandum of understanding should be completed within one week of the end of the current meeting, to ensure that it could be approved by the permanent secretaries of the concerned member States’ ministries and signed by their respective ministers within the first quarter of 2015.

E. Session 5: Breakout sessions

Prior to breaking into groups, participants heard a presentation from the representative of the World Bank on the Bank's involvement in the growth triangle. After explaining the synergies between the growth triangle initiative and the World Bank's Accelerated Program for Economic Integration and Growth Poles, she introduced the preliminary results of a product space analysis conducted by the office to identify products with high potential for exploiting value chains across the three member States of the initiative.

The participants then formed three groups, the first to review and update the action plan for the initiative from March to September 2014; the second to discuss short and medium-term resource mobilization strategies and to review the terms of references for the recruitment of a resource mobilization strategy consultant; and the third to review and comment on the terms of reference for the establishment of the secretariat. The outcome of the groups' work is presented in the following sections.

1. Group 1

The group identified three key areas for future work, namely: finalization of the revised memorandum of understanding, as a legally binding document based on member States' procedures and processes, which should be completed in three months, i.e. by the end of March 2015; preparatory work for the ministerial meeting scheduled for April 2015, which should be completed by 1 February 2015; and inclusion in the secretariat's staff complement of a director of trade and investment.

2. Group 2

Following its consideration of potential sources of funding, the group determined that the first step would be for each member State of the initiative to contribute \$500,000 per year for the revival of the Zambia-Malawi-Mozambique growth triangle secretariat as a signal of their political commitment. Based on each country's budget cycle, each member state should declare the amount of funds as soon as possible. Some delegates suggested that commercial trade and investment

conferences should be used to raise funds for the Secretariat as a revenue generating activity. Further information on funding opportunities from development partners should be made available by the Zambia-Malawi-Mozambique growth triangle secretariat and for the Zambezi Valley Development Agency. Establishing the secretariat as a legal entity would also facilitate the resource mobilization process. Some participants noted that the Agency already had \$180,000 available for value chain analysis from the World Bank, which it could use to identify sectors of interest and, as a next step, it should agree on the value chains to be studied.

With regard to the terms of reference for a resource mobilization strategy consultant, the group proposed a few changes pertaining to sections on facilities to be provided to the client, qualifications and experience, reporting and duration of the assignment.

3. Group 3

Group 3 reviewed the draft terms of reference for the recruitment of a consultant on the establishment of a permanent secretariat; reviewed the draft job descriptions for the permanent secretariat; and drew up a plan for the establishment of the secretariat and state the underlying assumptions. Details of the group's work were considered in the following session, as set out below.

F. Session 6: Presentation of group work

Specific comments and revisions were made by group 3 and adopted by the plenary, as follows:

a. Terms of reference for a consultancy to establish the permanent secretariat:

On item 2.0 – Objectives of the consultancy:

- Delete sub-item 1.6, namely "Develop a strategic plan for ZMM-GT Secretariat", as this will be task of the new management and senior staff of the Secretariat, once appointed;

- Add “Develop programme design for ZMM-GT”, as item 2.1;

On item 3.0 – Scope of work:

- The description should be captured more broadly, as the specific definitions and activities will be determined by the management and senior staff of the secretariat, under the guidance of the Board;

On item 4.0 – Facilities to be provided by the client:

- The last sentence of item 5.0 should be incorporated into item 4.0, which will then read: “The client shall provide such backstopping services as photocopying ...”

On item 6.0 – Qualifications and experience:

- The item should simply state: “The consultancy will require expertise in the following areas: strategic management, finance, economics, law, trade, public finance and investment, human resources, and policy analysis”;
- The team leader should have proven experience with managing teams in similar exercises;
- References and contacts of prior work details will be required;

On item 7.0 - Reporting and duration of the assignment:

- The Consultant shall report to the interim secretariat (Chief Executive Officer of MITC-Malawi);
- Sub-items 7.1–7.6 should be moved and placed under a new heading, “Expected deliverables”, except sub-item 7.5, which should simply be deleted;
- The last sentence should be reworded to read: “the total working days for the project are 90 days and the actual date for the deliv-

erables will be determined when the date of the advert is known”.

On item 8.0 – Expected costs

- This article should be removed altogether.

b. Terms of reference for the Zambia-Malawi-Mozambique growth triangle secretariat staff (job descriptions)

- In the area of “Strategic planning”, the phrase “development of strategic plan, budgets and other planning documents” should be inserted as the first bullet point;
- The job descriptions were deemed as sufficient, and were therefore adopted as outlined in the draft document.

c. Action plan and underlying assumptions for establishing a permanent secretariat
In moving the process forward, the group put forward the following six-point action plan:

- Seek funding three months after the memorandum of understanding is signed;
- Advertise posts (interim secretariat);
- Organize stakeholder’s forum;
- Seek funding for the secretariat;
- Recruit key personnel.

The expected duration for the whole process is 12 months. The group also outlined the following assumed preconditions for a permanent and functional secretariat for the growth triangle initiative:

- Continued commitment of the ZMM-GT technical committee;
- Government and donor commitment, including the provision of buildings and support personnel by the government;

- Signature of the memorandum of understanding by the three member States of the initiative.

G. Session 7: Ministerial meeting and next steps

Given that the legal teams from ZMM-GT Member States still needed to conduct further consultations in their respective home countries, the representative of the interim secretariat said that the final document should be ready within one week.

Participants discussed the respective legal processes in each member State required prior to the ministerial signature that would bring the agreement into force. It was determined that between January and March the participants would report back to their respective authorities on the revised agreement for their concurrence. The document would then be prepared for the ministerial meeting in April, at which it would be signed by each member State of the initiative. After signature, it would be submitted for cabinet and parliamentary approval, subject to each country's procedures.

III. Closing remarks

Closing remarks were made by Mr. Salim Valá, Permanent Secretary of the Mozambique Ministry of Planning and Development, who expressed appreciation for the contributions made by the stakeholders during the meeting and commended them on the progress achieved. He stressed that regional bodies such as the growth triangle initiative played a key role in poverty eradication and conveyed his country's determination, through the Zambezi Valley Development Agency and other stakeholders, to ensure that the model of partnership represented by the initiative was feasible and would attain its goals.

He reviewed recent actions by Mozambique in the regions covered by the initiative which would be conducive to regional integration and facilitate the implementation of the initiative's projects and activities, such as the bypass road and bridge in Moatize, in Tete Province, which would ensure smoother traffic flows in Tete city. The opening of a Malawi Consulate in Tete, which would also enhance diplomatic relations between Malawi and Mozambique, would be a key factor in the success of the growth triangle initiative.

Following the customary exchange of courtesies, the Chair declared the meeting closed.

Annex I

Outcome statement from the Zambia-Malawi-Mozambique growth triangle stakeholders' meeting

Preamble

The Zambia-Malawi-Mozambique growth triangle stakeholders' meeting was facilitated by the United Nations Economic Commission for Africa (ECA) Southern Africa Office, in collaboration with the interim secretariat of the growth triangle initiative. The meeting was held in Maputo on 8 and 9 December 2014.

The primary objectives of the meeting were to enable senior government officials dealing with the initiative to discuss and finalize the draft memorandum of understanding and to prepare the document for approval by the ministers responsible for commerce, industry and trade from the three countries. Connected to this, there were secondary objectives, namely, first, to enable the drafting technical committee to ensure that the draft memorandum of understanding incorporates all agreed issues, and is ready for discussion and approval by the senior government officials; second, to afford relevant stakeholders a platform to review the initiative's existing mechanisms, instruments, frameworks and institutions for their relevance and effectiveness; and, third, to enable the stakeholders to make proposals for reforms, improvements, and reorientation of the initiative to achieve its stated objectives.

Welcoming remarks were made by Mr. Roberto Mito Albino, Zambezi Valley Development Agency. An opening statement was delivered by Mr. Mzwanele Mfunwa, on behalf of the Economic Commission for Africa. The meeting was attended by the following high-level participants: representative of the Permanent Secretary of the Ministry of Planning and Development of the Republic of Mozambique, Roberto Mito Albino, representative of the Permanent Secretary of the Ministry of Commerce, Trade and Industry of

the Republic of Zambia, Tobias Mulimbika, and representative of the Permanent Secretary of the Ministry of Industry and Trade of the Republic of Malawi, Esther Mwimba. In addition, representatives of the following government bodies and private sector organizations also attended the meeting: Ministry of Industry and Trade of Malawi, Ministries of Justice of Malawi, Mozambique and Zambia; ZMM-GT Private Sector Forums of Malawi, Mozambique and Zambia; Malawi Confederation of Commerce and Industry; Malawi Investment and Trade Centre; Zambezi Valley Development Agency; Eastern Chamber of Commerce and Industry, Chipata, Zambia; Zambia Development Agency; and the Investment Promotion Centre (CPI) of Mozambique. Representatives from the Mozambique country office also attended the meeting. The meeting was closed by the Permanent Secretary of the Ministry of Planning and Development of the Republic of Mozambique, Mr. Salimo Valá.

1. Programme of the meeting

The meeting was chaired by Mr. Albino, Chief Executive Officer of the Zambezi Valley Development Agency, and co-chaired on its first day by Mr. Newton Kambala, of the Malawi Confederation of Chambers of Commerce and Industry, and, on the second day, by Mr. Tobias Mulimbika, of the Zambia Ministry of Commerce, Trade and Industry, and Mr. F. Virgilio Ferrão, President of the Zambia-Malawi-Mozambique Growth Triangle Private Sector Forum. The initiative's interim secretariat served as the rapporteur of the meeting.

The meeting proceeded in accordance with the following programme:

Day one (8 December 2014)

Session 1:

Opening of the meeting:

- Introduction of participants

- Welcoming remarks by representatives of ECA and the Government of Mozambique

Session 2:

2014 draft memorandum of understanding on the initiative

Session 3:

Review of the draft memorandum of understanding

Session 4:

Preparation of the agreement on the Zambia-Malawi-Mozambique Growth Triangle initiative for approval

Day two (9 December 2014)

Session 5:

Breakout meetings:

- Updating the milestones and components of the initiative

- Updating the action plan for the initiative developed in March 2014

- Short-to-medium-term resource mobilization strategies for the initiative

- Establishment of a permanent secretariat for the initiative

Session 6:

Presentation of group work

- Group presentations

- Discussion

- Adoption of group work

Session 7:

Ministerial meeting and next steps

Closing of the meeting

Account of proceedings

Participants at the meeting expressed appreciation to the Economic Commission for Africa for organizing the meeting and to Mozambique for hosting it and for the hospitality accorded. They stressed that the finalization and ministerial approval of the memorandum of understanding was critical to addressing key areas in the Zambia-Malawi-Mozambique growth triangle project. Those areas were: the establishment of a permanent secretariat for the Zambia-Malawi-Mozambique growth triangle; and putting in place systems and mechanisms for the mobilization of public and private resources, in particular for

improving economic infrastructure in the area in question.

The meeting was conducted took place plenary and breakaway sessions. The latter sought to reflect more deeply on the following areas: updating the 2014 ZMM-GT Action-Plan Development; ZMM-GT Short to Medium Term Resource mobilization; and establishment of ZMM-GT Permanent Secretariat (Review of TORs and approach).

Observations

During the discussions, participants made the following observations:

- i. Demonstrated political will and action will be critical to the success of the Zambia-Malawi-Mozambique growth triangle initiative, in terms of enabling the establishment of its institutions, mobilizing resources and attracting private sector investment;
- ii. One of the challenges arising with the memorandum of understanding signed in 2003 was its non-binding nature. As a non-binding agreement, it was difficult to use the memorandum of understanding as a basis for mobilizing resources from member States, the private sector, and development partners;
- iii. The current draft memorandum of understanding will greatly benefit from the inspiration of the Abuja Treaty and other continental protocols, and also from the experience of existing growth triangles in Asia;
- iv. The interim status of the Zambia-Malawi-Mozambique growth triangle secretariat has hampered efforts to coordinate implementation of the agreed upon action plans;
- v. Expanding the geographical coverage of the growth triangle will harness infrastructural synergies and facilitate endowments between adjacent regions;
- vi. The absence of consular services in major border towns within the growth triangle has hindered the efficient operation of cross-border commerce;
- vii. A national Private Sector Forum that is as representative as possible will ensure national ownership of Growth Triangle policies and projects that reflect the diversity of economic dynamism within each national context.

Recommendations

The Meeting recommended the following actions:

- viii. Member States should deepen their political will through actions such as committing State resources to institutions and projects of the growth triangle initiative;
- ix. Member States should speedily sign the revised and strengthened memorandum of understanding which will give impetus to resource mobilization efforts and encourage private sector engagement;
- x. Member States should encourage stakeholders to draw lessons from other growth triangles for the implementation of business plans and projects;
- xi. The secretariat should be formally established immediately upon signature of the memorandum of understanding, to facilitate the coordination of policies and implementation of projects. In this regard, member States should also consider establishing growth triangle branches to strengthen information sharing, coordination and harmonization in Zambia and Mozambique;
- xii. Member States should allow for expanded geographical coverage of the growth triangle if that would be is beneficial to the initiative;

xiii. Member States should consider establishing consular services in major border towns within the growth triangle to ease administrative procedures that inhibit the free flow of trade;

xiv. Member States should encourage national private sector forums to be as inclusive and representative as possible in order to secure ownership of growth triangle policies and business plans.

Way forward

The senior government officials will now report back to their respective principals on the revised memorandum of understanding for their concurrence. Each member State will sign the memorandum of understanding during the forthcoming ministerial meeting. After signature, the memorandum will be submitted for cabinet and parliamentary approval, subject to each country's procedures.

**Maputo, Mozambique
9 December 2014**

Annex II

List of participants

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