

AFRODAD's Solidarity Statement at the 17th SADCOPAC Annual Conference and 21st AGM in Lesotho

The Right Hon. Prime Minister Samuel Matekane, the President of the Senate Mamonaheng Mokitimi,, Speaker of the National Assembly of Lesotho Tlohang Sekhamane, Honorable SADCOPAC Chairperson, Hon. Warren Mwambazi, PAC Chairperson and Deputy SG SADCOPAC, Hon. Machabana-Lemphane-Letsie, Honorable Members of Parliament from the Region and Rt Hon. Members of Parliament from the wider continent here present, Heads of Delegations, Government Representatives and members of the Fourth Estate, Good Morning!

On behalf of the AFRODAD's Executive Director Mr. Jason Braganza, it is an honor and pleasure to deliver AFRODAD's solidarity statement during SADCOPAC's 17th Annual Conference and 21st AGM here in Maseru, Lesotho in recognition of the important role that Members of Parliament and Public Accounts Committees play in safeguarding public funds and ensuring borrowed funds are used for intended purposes and advance a country's development agenda and serves the citizens. This is now particularly when Africa's debt has reached a crisis point.

Distinguished Members, the debt crisis is becoming more than a financial challenge. It is becoming a development issue as more countries are allocating more than 50% of their tax revenues to debt servicing than to development financing. It is becoming a social issue as governments are now allocating more funds to debt servicing than to health and education. This will certainly have a negative impact on the socio-economic outcomes for the continent in the region. It is becoming a political issue.

As governments prioritise creditors over citizens, they are breaking the sacred covenant of the social contract, and they are endangering future revenues of our natural resources and assets. This will inevitably lead to breakdown to social cohesion and increased insecurity, public protest as we are witnessing across the continent with far reaching consequences. For context, atleast 22 African countries are either in debt distress or at risk of it and almost half of African countries-24 African countries are spending more on interest payments than health, while 7 are spending more on interest payments than on education. As such, African countries are expected to spend more \$90billion in debt servicing.

The role of parliamentarians -especially Public Accounts Committees against this context becomes crucial to reimagine debt governance-to ensure loan contraction extends beyond audit reviews but entails active scrutiny of borrowing and repayments. AFRODAD congratulates SADCOPAC on the milestones it has achieved so far in providing members the requisite knowledge to enhance their oversight mandate in debt management-ensuring funds borrowed serve the public interest and not to the accumulation of unsustainable debt burdens. AFRODAD's journey with SADCOPAC has been one of mutual collaboration and extends to other PACS across the region including WAAPAC and AFROPAC who are present here today, because elected representatives at a time of great fiscal pressure, must be empowered.

In solidarity, we affirm our partnership with SADCOPAC to strengthen its legislative oversight throughout debt cycles, encourage regional collaboration in advocating for fairer international lending frameworks and ensure today's borrowing promotes sustainable development for future generations.

We thank SADCOPAC's commitment to work with Civil Society and encourage its leadership to bring in more CSO collaboration in supporting parliamentary scrutiny of public debt through PACs and

empowering lawmakers to hold governments accountable for their borrowing practices. We are excited to share ideas with Hon. Members in the next few days and learning more about the “Kingdom in the Mountains”.

By Catherine Mithia, Policy Research & Advocacy Officer - Sovereign Debt Management; on behalf of Jason Braganza, the AFRODAD Executive Director.