

### GAUTENG DELEGATION TO KINSHASA PAVES THE WAY FOR INVESTMENT COOPERATION BETWEEN THE TWO REGIONS



The Gauteng Department of Economic Development together with GGDA's Trade and Investment team, undertook a mission to the Democratic Republic of Congo's capital city Kinshasa from Thursday, 26 - Sunday 29 November 2015. The delegation was led by MEC for Gauteng Department of Economic Development, Agriculture and Rural Development, Mr Lebogang Maile who was accompanied by a high level business delegation in pursuit of establishing first hand relations to explore the opportunities presented by the economic cooperation agreement.

Following Gauteng Premier, Mr David Makhura's announcement in 2014; Gauteng is embarking on renewed efforts for Africa's industrialisation to be realised. This comes as an affirmation of the need for the province to target specific projects and markets to promote industrialization in Africa. The GGDA has as a result streamlined its strategic programme of action where there are strengthened efforts to entrench Gauteng's economic participation in the broader continent i.e. through:

- Identification of African infrastructure building opportunities.
- Assisting Gauteng based firms to expand their operations in Africa.
- Identify and facilitate mega infrastructure project opportunities in the continent for Gauteng businesses.

The overall purpose of this mission was to introduce Gauteng and Kinshasa business leaders to the proposed cooperation plan; and to also initiate fruitful deliberation between businesses from both countries that would foster economic cooperation between the two provinces.

The delegation was hosted by His Excellency, Mr Guy Matondo Kimboto, who is the Minister of Finance, Economy, Commerce, Industries and Small Enterprises in the Kinshasa region, who presented investment opportunities available in the DRC, specifically within the Kinshasa markets to the South African business delegation.

The engagements concluded with a mutual consensus between the parties on the need to create a cooperation agreement that would serve as a platform to enable exchange and take advantage of each other's comparative and competitive advantages. A joint steering committee was agreed upon to formulate a twinning agreement to which would be considered by the region's government.

### AIDC ENSURING DEVELOPMENT IN SAAUTOMOTIVE INDUSTRY

The Automotive Industry Development Centre (AIDC) in collaboration with the United Nations Industrial Development Organisation (UNIDO) and the International Labour Office (ILO) launched a pilot programme for the development and application of a methodology to upgrade tier 2 and lower suppliers in the South African automotive industry.

The purpose of the programme is to strengthen the South African automotive industry supplier base to become competitive and sustainable. Five companies have been selected to form part of this pilot project and these include: Auto Industrial Foundry, Gasket Manufacturing Corporation, Prevail Engineering, African Electroplating and Feltex Fehrer.

### GGDA SEMINAR LEADS DEBATE ON THE DECLINE OF THE MANUFACTURING SECTOR

Industry leaders gathered at the GIC to deliberate on the decline in the manufacturing sector which is a serious threat to the growth of the South African economy. In attendance were CEO's, Chief Economists from key industry bodies such as Aspen, IDC, SEIFSA (Steel and Engineering Industries Federation of Southern Africa), senior executives as well as some government representatives to look at alternatives and new industries to ensure growth in the economy.

Some recommendations that stemmed out of the seminar:

- Creation of clusters: The creation of industry clusters of SMEs will result in increased competitiveness, market information as well as better business management and economies of scale.
- A deepening of training and development to address skills shortage: Training—including formal classes, informal mentoring, on-the-job experience training, rotational development, special assignments, and international project experiences—this is a significant element in the employee value proposition. This can also help manufacturers to develop the global workforce skills without necessarily requiring relocation or having to spend large sums on expatriate packages.
- Subsidising the industry to support wage, electricity and rent bills should be applied to bring stability to the fledgling firms in the key industries.