

**GAUTENG BUSINESS CONSULTATIVE FORUM**  
**SESSION: CAPITAL EQUIPMENT**  
**DATE: 26 October 2016, GIBS, Illovo**

“At the heart of firms’ competitiveness and a country’s competitiveness is a much closer alignment between government and business, and the solution is to bring the parties together,” said Abdullah Verachia, GIBS Senior Faculty and Programme Director, at the first of a series of consultative forums bringing government and business together.

On 26 November 2016, The University of Pretoria’s Gordon Institute of Business Science hosted the first Gauteng Business Consultative Forum (GBCF) which saw a number of stakeholders within the capital equipment sector come together to discuss constructive ways in which to take the sector forward.

Attending the event were a number of Gauteng government officials including Gauteng Health MEC, Qedani Mahlangu, standing in for the Economic Development MEC, Lebogang Maile, who was away on business. The private sector was represented by Eric Bruggeman, CEO of South African Capital Equipment Export Council (SACEEC), along with number of CEOs and entrepreneurs within the capital equipment sector.

In an attempt to drive and enhance the business competitiveness of Gauteng Province, and indeed South Africa, capital equipment has been identified as a key area of growth. During the forum, both government and the private sector highlighted key challenges and opportunities facing the sector and outlined what action steps had been set out to address both private and public sector concerns.

All parties agreed that universities play a major role in facilitating dialogue and introducing innovative solutions to move industry forward. It was also acknowledged that the Gauteng government is taking the lead in ensuring growth across the province and the country as a whole. During the session Bruggeman commented: “Working with the Gauteng government is one of the best things that has happened to our industry in years. The Premier [David Makhura] has a very good understanding, along with the MECs who work with economic development, of where we are.”

MEC Mahlangu highlighted government’s need to boost skills and employment and to encourage economic activity, not only in industrial pockets, but throughout the province, with a special need to boost investment and economic productivity within the townships themselves. She highlighted the province’s strategy to boost economic development including: increasing the gross value added in the province, technical and artisanal skills development, increased exports, and greater investment into research and development.

Bruggeman, speaking for the private sector, highlighted crime, unemployment and job losses, high interest rates, corruption, the possibility of South Africa’s sovereign rating being downgraded to ‘junk status’, electricity and steel prices, as well as infrastructure and transport costs as major challenges facing the industry. The challenges were acknowledged by government when MEC Mahlangu said: “It is time for listening more and talking less. We have been talking a lot in the last 20 years and we now need to act.” She added: “As the Premier says, we need to be an evidence based government, informed by the numbers.”

The partnership between the capital equipment sector and government has already seen targets put in place to drive the sector forward. SACEEC outlined the strategy, which focused on the following: Job creation and stemming job losses, skills development, developing a supply chain management

programme to boost local procurement, the development of black industrialists, and, finally, the establishment of a trade-hub with Zambia to develop markets for export.

Government has committed to backing this strategy and, in collaboration with industry, has set up a task team to ensure cooperation between all stakeholders. The task team's objectives include:

- Synergising interventions and initiatives
- Identifying opportunities for R&D
- Facilitating partnerships within the sector
- Developing a working plan to implement SACEEC's strategy
- Monitoring and evaluating the strategy.

After the discussion, the task team members were nominated together with a commitment for ongoing collaboration to drive economic development in Gauteng Province and across South Africa and the rest of continent.

-ends-