



NATGROWTH

NATIONAL, AFRICA AND GLOBAL GROWTH AND INVESTMENT PROGRAMME

Tel 27 11 403-5483; Fax 27 11 403-3237; Email grow@natgrowth.co.za; natgrowth@global.co.za

Report and Project Summary December 2002

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INTRODUCTION AND EXECUTIVE SUMMARY

NATGROWTH is an independent initiative designed to facilitate **Integrated Sustainable Development, Growth, Investment and Employment Programmes and Projects** across industries and regions. Natgrowth aims to build on initiatives such as **Nepad** and the World Summit on Sustainable Development towards and beyond the **Presidential** Growth and Development Summit. This **Report** is an update of Programmes and Projects including the WSSD and the ongoing Growing Beyond the Summits Programme.

Natgrowth was a participant in the WSSD Multi-Stakeholder Consultative Committee and is engaged in a number of follow-up implementation processes. The Natgrowth WSSD Submission supported the full **Programme of Implementation** on a committed and democratic basis (ref www.natgrowth.co.za). The **outcomes** of the Summit provide an agreed platform for implementation, with a range of targets and time frameworks, which require the mobilisation of concrete action and resources at all levels. Various follow-up processes have been initiated, which need coordinated action. The **Nepad** Secretariat is engaged in detailed business planning towards implementation. While the Economic outlook is favourable in SA and several African countries, action programmes are needed to accelerate growth and development. The focus is now on **Integrated Programmes of Action** by all stakeholders.

NATGROWTH PROGRAMMES AND SERVICES

Natgrowth aims to meet the need for action with ongoing **Programmes and Services**, including:

- ☐ Running **Growing Beyond the Summits** Programmes and Follow-up Workshops in various centres
- ☐ Enhancing **Integrated Development Programmes** at National, Provincial and Local levels
- ☐ Designing **Implementation Programmes of Action** with clear targets and timeframes
- ☐ Facilitating **Business Planning and Business Development processes** from local to Global levels
- ☐ Providing **Management Services, Skills and Capacity Development** Programmes at various levels, including Strategic Business Planning, Business Management and Development, Accounting, Financial Management & Budgeting, Human Resources & Organisation Development and Information Technology
- ☐ Facilitating **Project Management** and Performance Management Programmes and Services
- ☐ Facilitating **Development and Investment Banking**: Raising and structuring of finance & investment
- ☐ Providing **Financial Management and Budgeting** Programmes and Services for maximum impact

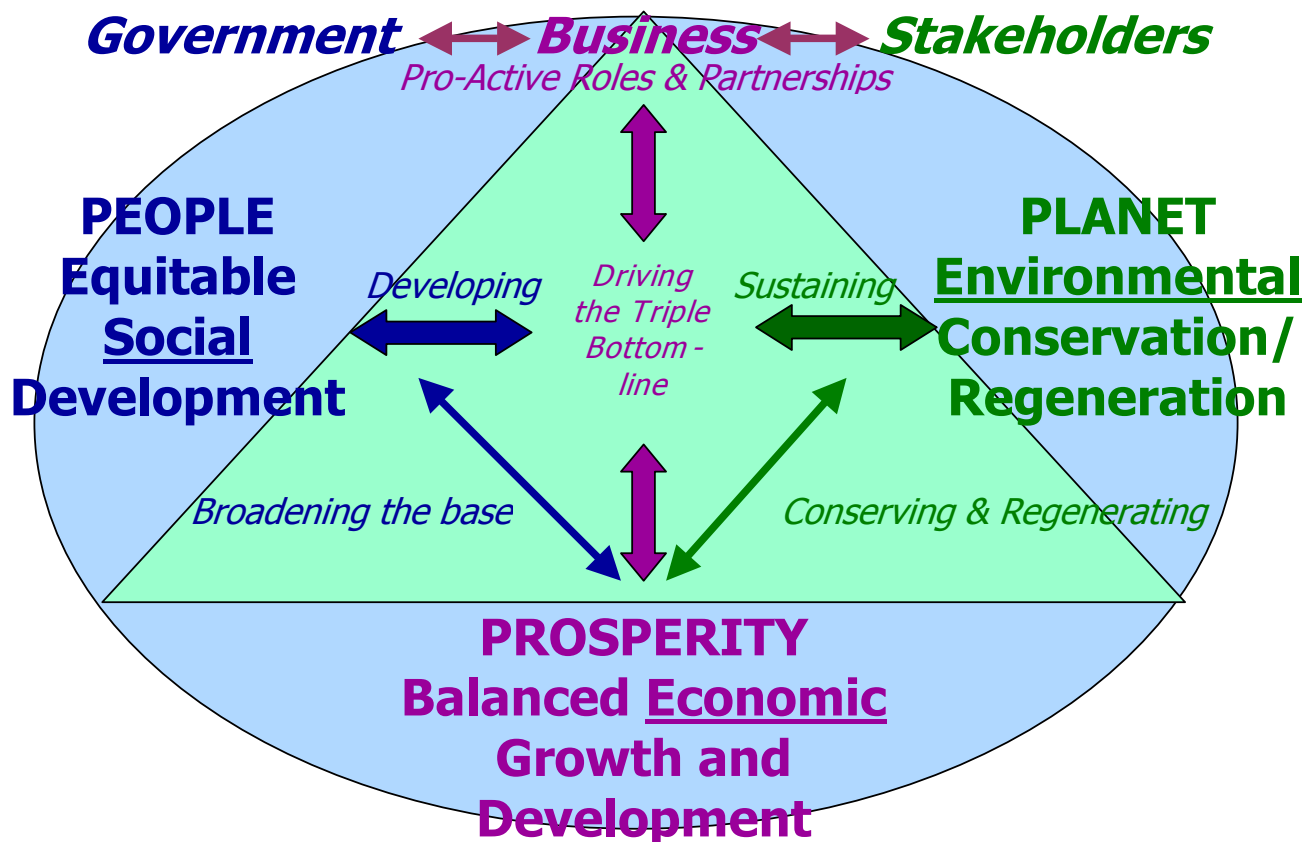
Natgrowth was conceived as an **ECODESA**: Economic Codesa in 1993, and the current Natgrowth Programme was initiated in 2000 by CEO Eric Stillerman B Soc Sc BA Hons MA CA(SA). He is a specialist in Business and Economic Development, Strategic Management and Finance, Education and Training, with over 25 years experience in the private and public sectors. The **Coordinators** include: Desmond Golding MA LL.M London Senior Manager SA Reserve Bank, Chris Hart B Com HDE, Economist ABSA, Given Kakambi BSc MBA, Themba Kirro Kinana ANC; Mahlatse Violet Chirwa MBM; Johan Coetzer B Proc, Colin Lawrence Phd UK non-exec, Elaine Maroos CTH, Daniel Monamodi DMS MBA, Princess Mavundla MBM, Lisantias Mupambireyi AMD Zim; © Natgrowth in association with London School of Business SA, Devgrowth, Natgrowth Devbank & SAYFCOC: SA Youth Federated Chamber of Commerce.

Participants and input have been drawn from a wide range of Organisations including: ABSA, ACSA, AFD France, Afrox, ANC, Banking Council of SA, BHP Billiton, Black Bus Council, British Consulate & Dfid, Canadian Alliance for Business in SA, Cue Marketing, CPPP, CSIR, DBSA, DTI, Ernst & Young, Eskom Enterprises, Gensec, GTKF, Hollard Insurance, IDC, Iscor, Johnnic Publishing, Mazwai Securities, MIIU, M-Stars, Nafcoc, National Government: *Agriculture, Communication, DEAT, Dti, Home Affairs, Housing, Minerals & Energy, Protection, Public Enterprises, Public Works, Social Development*); Provincial & Local Government: *E Cape, Free State, Gauteng, Kwazulu-Natal, Mpumalanga, Limpopo, North West, N Cape, W Cape, Ekurhuleni, Emfuleni, Kungwini, Merafong, Polokwane, Johannesburg, Tshwane*; Nedcor, Nedlac Proudly South African, Old Mutual, Overberg Water, PMR, Proparco, Progress, Rand Water, Reed Exhibitions, Rotary Int, Sabc, Sabs, SA Business Guidebook, Sacob; Sandf; SA Post Office, SA Reserve Bank, Sayfcoc, Siemens, Thabo Mbeki Trust for the Disabled; Xpert Group, TISA; Transnet, Umgeni Water, Universal Services Agency, U S A Embassy, Women's and Youth organisations, World Bank, WorldSpace France.

1. WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

The Summit achieved **multi-lateral commitment** to the aims of better life for all now and into the future, **integrating the pillars of People, Planet and Prosperity in a mutually reinforcing process**. Implementation needs **Integrated Programmes of Action** and resource mobilisation, to be driven Pro-actively and through Partnerships between Government, Business, Civil Society and other Stakeholders at all levels, local, regional, national and global. **With** the uncertainties and divides of the **Global Economy**, the Vision for Sustainable Development highlights the challenges and potential for **synergistic global growth and development**, in which the mature developed countries realise their need for emerging markets in order to grow, as much as the developing world needs the advanced countries for trade and investment.

Vision and Framework for Sustainable Growth and Development



The Aims and Outcomes of the World Summit included the following:

- **The Programme of Implementation** was agreed with certain general targets and timeframes, but **awaits concrete action**, with more detailed timetables and resources, in order to achieve the goals of sustainable development, building on Agenda 21 at Rio 1992 and related agreements, as follows
- **The UN Millennium Goals** which aim to halve key poverty indicators by 2015, generated some practical initiatives, which need to be **expanded**, including the priority **Wehab** sectors: Water & Sanitation, Agriculture & Food, Energy, Education & Technology, Healthcare, Bio-diversity and Environment
- **The Doha Declaration** and the WTO Development Round which aim to eliminate unfair trade barriers were endorsed and the negotiations are proceeding positively. **SA** is playing a leading role internationally, in strengthening the bargaining power of the G77 Developing nations vis a vis Europe and the USA

- **The Monterrey Consensus** on Financing for Development was endorsed but similarly awaits concrete action, including meeting the target of 0.7 % of GDP in Overseas Development Aid, as well as Debt Relief and innovative new sources of finance and investment; no new sources of funding were agreed;
- **The Kyoto Protocol** on climate change and toxic emissions was partly ratified with the main exception of the USA and specific targets on renewable energy, which were substituted by voluntary initiatives;
- **Nepad and Africa** were endorsed as priorities, dependent on the effectiveness of implementation
- **Multi-lateral Democratic Governance** and participation by developing countries in key institutions such as the World Bank, IMF, WTO and UN Agencies were enhanced, with new strategic alliances including the G77, China and Europe, competing with other priorities on the international Agenda. Implementation requires bold leadership and **concrete integrated programmes of action** at all levels

2. ECONOMIC SCENARIOS AND STRATEGIES FOR GROWTH AND DEVELOPMENT

The **Global Economy** demonstrates the problems and opportunities inherent in the Global Divide. Many **developing countries** have been achieving above average growth, including several African economies emerging from conflict. The **developed** economies, including the US, EU and Japan are **struggling to recover** from the problems of excess, including overvalued stock markets and currencies, increasing debt and deficits as well as environmental degradation and poor governance! Strategies for the interdependent Global Economy depend on an integrated framework for sustainable growth and development in which the mature countries can only sustain growth in synergy with the developing world as full and equal partners.

The **SA Economic outlook is favourable** based on sound fundamentals, with 3% Growth, above the global average of 1,5%. The Budget deficit of 1.6-2.1% is below the IMF norm of 3%, with improved tax collection and underspending providing significant scope for productive investment, in addition to tax cuts of R15bn. The recovery of the Rand should assist in correcting inflation from >10% towards the target of 3-6%. Exports and tourism have performed well and net investment has reached R30bn in 2002, including FDI of R8bn, with the JSE offering good value as the best performing market in 2002. **The priority now is to move beyond GEAR to integrated programmes of action** for increased growth towards the **target of 6%+**, to achieve significant job creation, poverty eradication, transformation and social development.

Growth and Development may be accelerated by more pro-active Macro-Economic Fiscal and Monetary Strategies. The **National Budget of R302bn** indicates substantial Government resources and scope for Growth, which require enhanced **capacity** for delivery. Various Micro-economic strategies focus on reducing costs and enhancing competitiveness in key industries are awaiting implementation. The **DTI's** paper Accelerating Growth & Development aims at an integrated industrial strategy for stimulating employment and competitiveness in industrial and service sectors in global context, including a focus on government's role. Strategies for specific Industry Sectors are beginning to emerge. **Coordinated action plans** are needed in all spheres to reallocate and unleash government resources and capacity for growth.

Monetary Strategies for Growth and Development

Monetary policy generally seeks to **balance inflation, exchange rates and growth**. The **SA Reserve Bank Mandate** is unfortunately perceived as **limited** to controlling inflation, with negative effects on both Growth and the Rand. The **sharp decline in the Rand** in 2001 led to **increased inflation and interest rates** which are unlikely to reduce inflation, driven by the Rand, import costs and import pricing, while constraining growth. The strong **recovery** of the Rand in line with sound fundamentals should assist in correcting inflation from >10% towards the target of 3-6%. **Positive** Measures for the Rand and Growth include

- a) A **Pro-active integrated** monetary and economic strategy to balance interest rates, exchange rates, growth and inflation and to improve investment attractiveness
- b) The **Repo rate** is due for **reduction** to stimulate **supply side growth and economies of scale**, thus reducing underlying structural inflation towards the target range
- c) **Continuing Systematic removal** of **exchange controls and the NOFB**: net open forward book
- d) Improving **commodity prices and value-add** eg. through a proposed **Commodities Exchange**
- e) Accelerating the proposed **Banking and Financial Services Charter** to broaden sustainable access; and **Reduction of Retail Bank interest rates with** increased competitiveness and growth without prejudicing the Rand or inflation due to economies of scale, as acknowledged by the SARB

Government Fiscal Strategies for Growth and Development

Fiscal Strategies should ensure the **effective use of the National Budget of R289bn with R23bn** allocated for productive investment, to enhance delivery and economic impact in all departments. The budget indicates **"underspending due to limited capacity"** in all spheres. More substantive **Integrated Development Programmes and Departmental Budgets** are proposed in all spheres of Government and the Public Sector including comprehensive Expenditure Reviews, Business Planning, Performance Management, Capacity Building and specific projects to ensure effective utilisation and re-allocation of state resources for productive economic activities, consistent with The RDP, GEAR, the Public Finance Management Act and Transformation. The Tables below indicate the Budgets by Department in the National, Provincial and Local spheres, totalling **over R303bn**. A **number of projects** are proposed across departments and spheres of government in further sections, awaiting feedback for initiation.

TABLE 1 BUDGET SUMMARY 2002/3 R bn (Revised)

- The Budget shows sound fiscal management and major resources of R302 bn for Growth**

Revenue	284.2	Improved tax collection
Expenditure	302.1	Funds available for delivery
Deficit	17.9	
Deficit to GDP	1.6%	2003 target 2.1%, well below IMF norm of 3%
Budget to GDP	26.6%	Major player in the economy
Growth est	2.6%	Forecasts revised to 3% in 2002 and >3,5% in 2003
Inflation est	9.6%	Linked to the Rand
GDP est	1 124bn!	A Big Economy
Tax Reduction	15.0bn	Some stimulation for growth
Net Foreign Investment	30.0bn	Increasing flows, including R8bn FDI

TABLE 2 EXPENDITURE SUMMARY 2002/3 R bn (Revised)

- Provinces have the highest expenditure, to be used effectively for growth**
- Capital Expenditure available for investment is now R23,5bn**

Rbn	Budget	Personnel	Current	Capital
National	98.8			
Provincial	136.9			
Local + R55bn Own	8.8			
Social Security, Other	16.1			
	260.6	108,5	126,5	25,6
		41.6%	48.5%	9.9%
Interest	47.5			
- Recoveries	-5.7			
Total	302.1			

TABLE 3 BUDGET 2002/3 Rbn by Province and Department (March estimates)

- Provinces have substantial funds for social services, housing and capital investment**
- Local Government includes own revenue in addition to the National Budget**

National	Local	Provinces		Provincial Expenditure
Provincial			105.3	Education
E Cape	3.1	22.0	138.2	50.7
Free State	1.7	9.0		Health
Gauteng	20.2	21.7		32.9
KZN	8.5	26.5		Welfare
Mpumalanga	1.6	9.1		30.3
N Cape	0.8	3.2		Housing/Communities
N Province	1.0	17.4		6.2
N West	1.5	10.7		Other
W Cape	7.9	12.9		18.1
Own Revenue	46.3-55	5.7		Total
Local	8.6		8.6	138.2
Total	54.9?	138.2	252.1	Personnel
Interest			47.5	74.1
Contingency			3.6	Current
Grand Total	54,9	138.2	303.2	57.6
				Capital
				6.5
				Total
				138.2

- R350bn including local government own revenue

TABLE 4 CONSOLIDATED BUDGET 2002/3

- **Social Services has R149.7bn of Budget to develop our people – what’s the problem?**
- **Protection has R53.5bn – how can this be used effectively and productively?**
- **Economic & Infrastructure have R33.2bn – to stimulate growth in key economic sectors**

<u>Consolidated Budget Rbn 2002/3</u>		<u>National</u>	<u>Provincial</u>	<u>Total</u>	<u>%</u>	<u>Revised</u>
SOCIAL SERVICES	Huge	25.4	119.5	144.9	57.5%	149.7
Education, Arts Culture Science & Tech		9.0	50.8	59.8	23.7%	61.3
Health		7.2	32.9	40.1	15.9%	35.6
Social, Welfare, Labour		5.0	30.2	35.2	14.0%	42.8
Housing & Community Development		4.2	5.6	9.8	3.9%	9.9
PROTECTION SERVICES	Too High	50.9	1.5	52.4	20.8%	53.5
Defence & Intelligence		20.6		20.6	8.2%	21.1
Safety & Security		19.2	1.5	20.7	8.2%	32.5
Justice & Constitutional Development		4.2		4.2	1.7%	
Correctional Services		6.9		6.9	2.7%	
ECONOMIC	Low	21.0	10.6	31.6	12.5%	33.2
Water & Forestry		3.6	6.0	13.3	5.3%	
Minerals & Energy		1.8				
Agriculture & Land		1.9				
Environment & Tourism		1.2	4.6	18.3	7.2%	
Transport		5.3				
Communications		1.0				
Public Works		3.7				
Trade & Industry		2.5				
ADMINISTRATION	High	16.6	6.6	23.2	9.2%	24.4
TOTAL ex interest		113.9	138.2	252.1	100%	260.6
Interest		47.5		47.5		47.2
Contingency/other		3.6		3.6		-5.7
TOTAL		165.0	138.2	303.2		302.1

Government clearly has the Resources to lead an Integrated Growth and Development Process – in Partnership with all Stakeholders.

Public Private Partnerships offer the potential to drive growth and investment projects within a workable integrated model, adding value while not detracting from the objectives of stakeholders. The **Private Sector** contribution includes Capital, Management, Entrepreneurship, sustainable Business models and strategies in a global context, with the potential to include Smme’s. The **Public Sector** needs to retain its public policy objectives, including service delivery and employment. **“Privatisation”** should be seen within the context of such an integrated Model rather than as a panacea or demon in isolation. The National Treasury **PPP Unit** has **35 active projects** across National and Provincial departments including the R5bn KwaZulu-Natal Luthuli Hospital, R7,5bn Gauteng Rapid Rail, the R160m Chapman’s Peak restoration in W Cape. ABSA believes PPPs have a key role in alleviating **infrastructure backlogs of some R160bn**. Standard Corporate and Merchant Bank indicated progress on the PPP framework towards realising the substantial opportunities. A **pro-active drive for more extensive PPP’s, including Smme’s, communities and labour** is however necessary.

Chris Hart, Absa Senior Financial Economist highlighted the following issues:

- **Macro-economic indicators are favourable for sustainable Growth**, despite inflationary pressures, the cyclical global slowdown and effects of 9/11
- **Micro-economic conditions require more pro-active integrated strategies** to stimulate Growth, Investment and Employment on a large scale and to reverse the low level of Investment, including: **Increased Competition, Productivity, Incentives** for Employment, Private enterprise and Investment, which follows opportunity not need; as well as addressing **Crime and HIV/Aids**.
- **Nepad opportunities** include: G8 Market access, a global commodity, mining and finance centre, infrastructure, low cost high value manufacturing, with improved business strategies and governance
- The **National Banking and Financial Services Growth and Investment Project** is proposed to stimulate growth and competitiveness through these sectors.

Desmond Golding, SA Reserve Bank Senior Manager echoed many of the above sentiments with an emphasis on the **positive prospects** for national and global growth. The **US and EU** may turnaround soon but Japan is still sinking. Developing countries led by Asia, are outperforming Advanced Economies, off a lower base, despite higher debt and inflation: eg. real GDP growth 5,8% vs 3,9% in 2000; projected 4% vs 1,1% in 2001 and 4,4% vs 1.5% in 2002. Africa achieved 2,8 % in 2000 and projects 3,5% to 2002.

Bill Lacey, Economic Consultant to Sacob highlighted the following issues in August 2001: **Domestic and Foreign Investment** are driven by **Returns exceeding Risks and Costs** on a sustainable basis. This requires a "correct policy mix" to attract and retain investment and skills, including Strong Domestic Growth, Capacity, Security, Business Confidence and Favourable Government Policies eg. towards investors, regulation and Labour environment. **National Business Growth and Investment Projects** are needed to **engage organised business in the pro-active drive for growth and investment across sectors.**

The World-Bank: Policies to Promote Growth and Employment in South Africa Discussion Paper
In order to raise growth to 5% and reduce unskilled unemployment from 50% to 30% over ten years, the paper does not propose a detailed solution but advocates the following policies:

- Improve **investment climate** (address crime, violence, skills, labour relations, HIV/Aids)
- Accelerate **privatisation and market liberalisation** (increased competition)
- Increase **small business** success through better access to finance and skills
- **Ease labour laws** for flexibility (eg. exemptions for youth, high unemployment areas etc)
- **Education and Training** to fill growing skills gap
- **Accelerate rural development with infrastructure programmes**
- **Further trade liberalisation** (eg. reduce number and average level of tariffs)
- **Tariff rebate system** to allow exporters access to lower cost inputs

Nedlac Proudly South African Campaign outline:

The Proudly SA Campaign aims to stimulate awareness and demand for the entire spectrum of products and services with a South African content of a least 50%, in both local and global markets. An initial Budget of R50 million focuses on marketing, to attract qualifying business members with a commitment to quality, fair labour practices and other national goals at a fee of 0,1% of sales, and then to stimulate consumer markets under the common brand. Some 700 companies have joined to date. Similar campaigns have been successful eg. Australia. Success will be judged by sustainable membership. Natgrowth proposes a **Proudly SA Growth and Investment Project** linking Proudly SA to the drive for Growth and Investment.

Issues which need to be addressed within Integrated Strategies and Projects include:

- **The need for Integrated Development Programmes** across departments and sectors
- Ensuring a balance and synergies between **Domestic and Global/Export Growth**
- Ensuring a balance and synergies between **National and Regional/Local Growth**
- Ensuring the inclusion of **Marginalised Communities** in the Growth Process
- Facilitating **Partnerships** between **Smmes, cooperatives and established businesses**
- Maximising **Employment opportunities** to avoid the syndrome of "jobless growth"
- How to bring the **Private Sector on board through PPP's** eg. Pro-active Marketing of PPP's, Attractive Returns, Risk Minimisation, Calling for Proposals and effective project structuring
- The Role of the **Banks and the Financial Services** sector in promoting growth eg. Pro-active Growth and Expansion strategies, joint ventures and community-based cooperatives
- **Communication** needs to be improved across departments and sectors

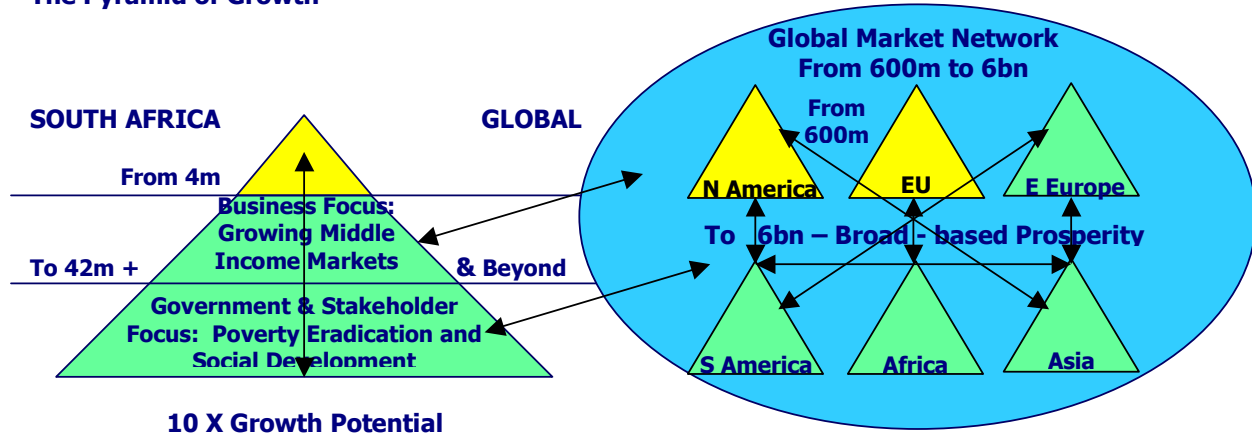
The Pyramid of Growth: Bridging the National and Global Divides

In moving towards an **Integrated Programme for Growth**, WSSD, Nepad and the RDP indicate the **growth and development opportunities** presented by **bridging the divide** from an SA economy built around 4 m people to one of 40 m and beyond into Africa with 650m and a global economy of 6 bn. The opportunities, as demonstrated by the **"Pyramid of Growth" and** in developed economies, include:

- Growth potential in excess of 7-10% pa or over 10 X** over the long-term in SA and Globally
- Growth and Productivity** comprise increases in **Outputs through Adding Volume and Value**
- Growth in both domestic and global markets** is driven largely by **Management** and Technology

- d. **High Volume leads to Lower Unit Costs and Inflation** through supply-side **Economies of Scale**
- e. **Expanding Middle Income Markets** present significant opportunities for viable business growth
- f. **Market expansion offers real opportunities for increasing employment and wages**
- g. **Government** needs to play the lead role in poverty eradication & development in the poorest sectors
- h. **Increased returns and competitiveness attract investment** in growing markets
- i. **Partnerships** combine resources and opportunities eg. PPP's, Civil Society, Smme's Cooperatives etc.
- j. **Pro-active Drive, Business & Project Planning and Implementation** are the **Santa Claus for Growth**

The Pyramid of Growth



3. PROVINCIAL, LOCAL AND AFRICA GROWTH, DEVELOPMENT AND INVESTMENT

Growth, Development and Investment need to be driven aggressively in all Regions, across all Departments, in cooperation with the Private Sector and other stakeholders. Natgrowth recommends a **pro-active integrated approach** and is attempting to facilitate this process through the various provinces and departments. *At Local level, access to budgetary resources, implementation processes and coordination with the provinces* appear to be the main obstacles to economic growth, with wide variations between the major cities and smaller local authorities, and significant challenges ahead. A range of **Provincial and Local Projects** have been identified in all the Provinces and several local areas, which are summarised in the Annexure for follow-up and implementation. Some common elements the process, include:

- The need for **Pro-active Government leadership and commitment in driving** the process
- **Strategic Economic Analysis** of the Province, its cities and districts in National and Global Context
- **Integrated Strategic Development** Programmes with challenging targets and delivery timeframes
- **Innovative High-Impact Projects** with broad-based multiplier effects and competitive advantages
- **Public sector investment** to facilitate PPPs, private sector participation, economic activity & reduce risk
- **Business Planning, Project Evaluation and Structuring** based on factors such as **sustainable economic impact; investment attractiveness, business viability; and job creation** potential
- Attracting local and foreign **Private sector Investment, Financing** and Business Participation
- **Defined Management Teams** with bottom-line Accountability and Performance Contracts

Some of the common **Sector Opportunities and Challenges**, which need to be integrated and accelerated for broad based development across different regions. Government needs to take the lead in **Bridging the divide** between established sectors with the broader community through joint ventures and cooperative initiatives, including access to skills and finance. This applies to diverse sectors, including:

- ▣ **Agriculture, agro-industries and water management** to overcome drought problems
- ▣ **Mining and minerals beneficiation** adding value, volume and job creation
- ▣ **Manufacturing in diverse sectors** for the domestic and export markets
- ▣ **Tourism** including domestic and foreign eco-tourism, business, conferencing, cultural and environmental
- ▣ **Transport and Infrastructure** throughout SA, SADC and Africa
- ▣ **Services including Trade, ICT, Smme and Skills Development**
- ▣ **Integrated Social Development**, including Housing, Community Development and Public Works
- ▣ **Wehab Sectors: Water & Sanitation, Energy, Healthcare, Agriculture & Food and Bio-diversity**

4. NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT: NEPAD - Courtesy Presentation Nov 2002

The **Nepad Secretariat** is engaged in detailed business planning for implementation across regions and sectors in Africa. Detailed overviews of Nepad are available on www.nepad.org and www.natgrowth.co.za.

Progress to date

- 📖 **Policy Framework approved** by the AU Summit of Heads of State and Government (HSIC) July 2001
- 📖 **Heads of State Implementation Committee** mandated by the AU Summit to manage the further development of the programme;
- 📖 **HSIC composed of three Heads of State** and Government from each of the AU regions meets for the first time in October 2001;
- 📖 **The HSIC appoints a Steering Committee and Secretariat** to co-ordinate the preparation of detailed **implementable programmes** covering a limited number of priorities;
- 📖 **The detailed implementation programmes** covering all the areas prioritised by the HSIC were prepared with the support of the AU Secretariat, The African Development Bank, the United Nations Economic Commission for Africa and the regional economic community structures.
- 📖 **Inputs** were sourced also from the United Nations system, the Bretton Wood Institutions, the European Union and the OECD;
- 📖 After endorsement by the OAU Summit in July 2001, the promoters of the programme made a presentation to the **G8 leaders** in Genoa in late July 2001;
- 📖 The **G8** responded to the invitation to build a new partnership with African leaders by appointing a task team of personal representatives to prepare a detailed response to NEPAD;
- 📖 The **G8 leaders** presented their response to the African leaders in the form of The G8 African Action Plan on 27 June 2002 in Kananaskis, Canada

Current Focus

- 📖 Operationalising the African **Peer Review** Mechanism
- 📖 Further developing **Programmes of Action** and specific interventions for:
 - 📖 **Market Access, Industrialization, Intra-Africa Trade and Diversification of Exports;**
 - 📖 **Science and Technology,** and the establishment of Regional Centres of Excellence.
- 📖 **Coordinating and facilitating implementation** of projects

Way Forward (Refer Annexure: Nepad Programmes and Projects)

- 📖 **Complete business plans** for the next twelve months with clear goals and time frames and prepare a plan for the next five years;
- 📖 **Facilitate implementation**
- 📖 **Accelerate Marketing and Communication**
- 📖 **Engage development partners and multilateral institutions**
- 📖 **Establish partnerships with key African and international organisations** that specialise in the NEPAD priority areas.
- 📖 **Call on international partners to commit** to a sustained involvement in a partnership with Africa to address poverty and marginalisation:
 - 📖 **To play an invaluable role as agents** for progressive change;
 - 📖 **To support the implementation** of NEPAD's objectives;
 - 📖 **To champion Africa as a destination for foreign direct investment** and private sector investment.

Observations with a view to Cooperation with Nepad

- 📖 **Integrated implementation programmes** and high impact projects are crucial
- 📖 **Economic,** Political and Stakeholder processes need to run **in parallel,** rather than as pre-conditions
- 📖 **Africa is happening** and will soon be seen as a single major region like the EU or USA
- 📖 **SA is playing a leadership role** which it needs continue to drive for the maximum impact
- 📖 **Substantial progress** has been made in several peace initiatives through intensive engagement
- 📖 **Nepad and the AU** need to engage the more difficult countries and regions on an intensive basis
- 📖 **Business and investment** are proceeding on an encouraging basis giving rise to **Afro-Optimism**

Africa Growth and Opportunities Act (AGOA): *Alan Tousignant & Retha du Randt, US Embassy*

- US Commitment to help Africa create its own wealth and prosperity
- Short-term Priorities: Economic development, Education, Crime, HIV/Aids
- Long-term Priorities: Open markets, US Exports, Global economic growth

- AGOA provides duty and quota free entry to the **\$10 trillion US market for >90% of products**
- Apparel made from US, African or LDC fabrics with special provisions and a visa system
- Market access benefits: 1800 other products added for Africa, with certificates of origin
- **SA exports are rising** already and foreign investment expected in SA and Africa
- Support services for shipments, customs development and Smme's
- **Update:** Trade could grow exponentially, including more benefits and clarifications
- **A new Free Trade Agreement** is under discussion

Comments: More **pro-Active** engagement and projects are needed to make Industries more aware of the opportunities. Some key industry sectors are excluded and further negotiation is necessary to maintain and improve market access. Delegates felt that Country criteria appear arbitrary and should be broadened.

British Consulate Ms Judi Leon Deputy Consul General

Ms Leon indicated Britain and EU support for Nepad and readiness to present trade and investment proposals to interested parties, building on the existing strong base. She noted the very favourable trade agreement in place which was already bearing fruit. **More pro-active projects** are needed to realise the full benefits and opportunities for trade and investment with the EU and UK.

Discussion Points on Africa

Trevor Fowler MEC Gauteng noted that SADC economies have improved since the Copenhagen Summit of 1995 with a coordinated Programme of Action across sectors, reporting to the Council of Ministers. A Regional average Growth of **3%** has been achieved in the past few years, with most states achieving positive growth and some states exceeding **5%** such as Botswana, Mauritius and Mozambique. However, the UN Economic Commission for Africa estimates that a growth rate of **6,2%** is needed to achieve real growth, against population growth of +/- 3,5%. The Employment and Labour Sector report in 2000 notes structural imbalances and underemployment, with some 60% of employment in agriculture generating only 10% of GDP. These challenges now form part of **Nepad** in which S Africa is expected to play a leading role

Paul Pauwen MD Richmond International: Consultants on Africa Investment and Mining made brief comments on the realities of investment in Africa, emphasising:

- **The Will:** commitment by governments and companies to make it happen
- **World-Class:** the need for projects to be competitive in a global context
- **Credibility** of the promoters and projects from pre-feasibility to bankable feasibility;
- The importance of **political risk insurance** eg. MIGA cover for at least a portion of risk
- **Sustainability:** influenced by factors such as **Cost competitiveness** – to be in the lowest quartile of costs; **Long-term markets; Return on Investment > 16% in real terms; Real development impact** eg. jobs, multiplier effects, technology transfers, community support

5. INDUSTRY SECTOR GROWTH AND INVESTMENT

Key Factors for Evaluating Industry Sectors, Clusters and Networks include

- **Strategic Vision, Framework and Process:** Macro & by Sector & Region
- **Growth Potential and Market Trends:** *Regional, National, Global*
- **Industry Size and Potential Impact** on Growth and Employment
- **Competitive Structure and Value Chain:** *Rivalry, Bargaining Power*
- **Competitive Advantages:** Volume; Cost; Value Added; Niches; Innovation
- **Profitability and Viability**
- **Employment Potential**
- **Infrastructure, Technology, Skills and Capacity Requirements**
- **Investment Requirements & Attractiveness:** Growth, Returns & Risks
- **Participants & Roles:** *Government/Public, Private, Smme's, Foreign*
- **Project Structuring, Financing and Implementation**

Substantial Government Budgets are available for Meeting Basic Needs, Service Delivery, Human Resource and Social Development, as well as productive Infrastructure investment. **Public Sector, Private Sector and PPP Projects and opportunities** may be identified across sectors, with a view to their contribution to growth and employment.

EMPLOYMENT AND GDP BY SECTOR (Statistics SA 1999: SA in Transition)

(Note: Latest Stats SA report shows an increase in official unemployment to +/- 27% in 2001)

<u>EMPLOYMENT BY SECTOR</u>	<u>%</u>			
PRIMARY/RESOURCES	15,6	Declining		
Agriculture	11,1			
Mining	4,5			
SECONDARY	20,9	Steady		
Manufacturing	14,6			
Electricity	0,8			
Construction	5,5			
TERTIARY/SERVICES	63,5	High Growth		
Trade	20,3			
Transport	5,2			
Financial	9,1			
Community and Social, Government	19,4			
Private Households	9,5			
TOTAL EMPLOYED	100	76,5%	10,4M	38,4%
UNEMPLOYED Official: Seeking Work		23,5%	3,2M	11,8%
ECONOMICALLY ACTIVE		100%	13,6M	50,2%
NOT ECONOMICALLY ACTIVE			13,5M	49,8%
TOTAL POPULATION 16-65			27,1M	100%

GDP GROWTH BY SECTOR (Stats SA, Feb 2002; SARB Quarterly Bulletin Dec 2001)

<u>Real GDP Change</u>	<u>2000</u>	<u>2001</u>	<u>% of GDP</u>
PRIMARY	2,0	-2,0	9,5% <i>Fluctuations</i>
Agriculture	7,3	-3,2	4,1%
Mining	-1,9	0,1	5,4%
SECONDARY	4,0	2,0	24,1% <i>Still Big</i>
Manufacturing	5,1	2,9	18,2%
Electricity & Water	-2,3	-0,7	3,2%
Construction	2,7	4,0	2,7%
TERTIARY	3,5	2,5	57,8% <i>Big & Growing</i>
Trade, Catering, Hotels	4,3	3,4	12,4%
Transport & Communication	4,9	3,9	9,8%
Financial, Real Estate, Bus Services	5,9	3,8	17,7%
Community and Social	3,4	3,2	2,4%
Government services	-0,9	-0,8	13,1%
Other producers	2,0	2,9	2,4%
TOTAL VALUE ADDED	3,4	2,2	91,4%
Taxes less subsidies	2,8	2,4	8,6%
GDP AT MARKET PRICES	3,4	2,2	100%

- **Primary sectors are declining** or fluctuating, but are **substantial employers** which could create significant further employment. Agriculture has a large impact on GDP, with significant fluctuations.
- The Secondary sectors are **large** with **steady but slow** growth, awaiting a turnaround
- The **Tertiary sector** is **large and growing**, although the large government sector is shrinking
- While official **unemployment** is some **23,5%** of those seeking work, some **50%** of the economically active population (between 16 and 65) are not employed.

MEETING BASIC NEEDS: PUBLIC SECTOR DELIVERY

- **Significant Progress** has been made - see Economy Year Book
- **Policy and Budget are in place** to Drive Major Public Service Delivery Projects
- **The Focus is on the Poorest Sectors:** Unemployed Black, Rural, Youth, Women
- **Performance Management is needed** to Transform Public Service Delivery
- **Budget Re-allocations** are needed from administration to delivery
- **Funds are often unused** eg. Demutualisation Job Creation Fund > R800m; Jobs Summit R1bn

Major Priorities and Project Opportunities

- **Jobs through Public Works: Drive Major Infrastructure Projects** - Roads, Water, Sanitation, Energy, Electrification, Transport, Housing etc.
- **Housing & Services: Public Housing & Township** Development Projects
--National Budget of R4,2bn + Provincial R5,6bn are available for more effective delivery
-Government can play direct role as developer, financier and labour provider
- **Water & Sanitation: Expand Reticulation and Water Management** in urban and rural areas: Pipelines, Irrigation, effective Dams and Catchments
- **Nutrition: Expand Affordable Food Production and Agriculture** -medium technologies eg hydroponic farming: cost, land and water-effective -agro-processing in urban and rural areas
- **Health: Big Budget R40bn is available to Expand and Manage** efficient, effective services and Medical Aid, Major challenges to address HIV/Aids, TB and other communicable diseases
- **Security and Safety: Large Budget R20,7bn - More effective management needed:** Crime prevention and reduction, anti-corruption measures etc.
- **Correctional Services:** Only 5% of **R6,9bn** Budget is allocated to correction and rehabilitation! Re-allocate Budget to productive activities

HUMAN RESOURCE AND SOCIAL DEVELOPMENT

- **Education: Big Budget > R59,8bn + Skills Fund > R3,5bn**
 - What is the Problem? Poor Delivery, Too much Administration
 - Focus on **hands-on delivery and performance management**
- **Arts, Culture, Science and Technology: Budget +/- R1bn**
 - Increasing Tourism and Export Potential
 - Increasing focus on real economic applications
- **Sport & Recreation: Small Budget +/- R100m**
 - Small investment in a Growing Industry
 - Potential to host major events
- **Social Development/Welfare: Big Budget R35bn**
 - The recent **Social Development Summit** initiated encouraging Partnerships between Government, Business and Civil Society, including the presentation of 40 Greenfield Projects
 - An Integrated **Programme of Action** is needed to link the various initiatives of different departments and organisations with coordinated targets for Poverty Eradication

Biodiversity and Environment

- 📖 SA leads in bio-diversity – but also sustains high losses
- 📖 Extensive Conservation initiatives expanding to include cross-boarder parks, eco-tourism marine resources and wetlands
- 📖 Eco-efficiency in Consumption and Production is now on the agenda for the mining, energy and chemical industries
- 📖 Sustainable Development, Environmental Conservation and Upgrading are beginning to appear in processes across sectors including:
 - 📖 strategic planning at all levels
 - 📖 corporate social responsibility and accounting
 - 📖 poverty eradication programmes
 - 📖 Urban and rural development programmes
 - 📖 Provincial, local and community initiatives

PRIMARY/RESOURCE INDUSTRIES

Agriculture and Agro-Industries (Input by Japie Smit Economist Nat Dep of Agriculture June 2002)

The integrated Rural and Agricultural Growth and Development Strategic Plan has been drafted by stakeholders on the initiative of the President. The Plan aims to increase Growth and reduce poverty substantially over the next 3 years. This includes re-allocation of Government expenditure, further funding, improved efficiencies and competitiveness, a unified partnership approach, education and research. Primary farming contributes 4 - 4,5% to GDP; the full Agro-food chain contributes 13,5% of GDP, 10% of exports and 11% of employment. SA has 50 000 commercial farmers, 240 000 small-scale farmers and 40% of the population depends on farming for a living. The sector is however too dependent on rainfall and extensive land, resulting in large swings in GDP. **Action Plans are awaited.** Some additional projects include:

- **Medium-Technology** eg. *Intensive Hydroponic Farming: Cost- effective, land-effective, high-yield, value-added, export potential*
- **Water Management:** Overcome dependence on rainfall: Pipelines, Irrigation, SADC integration, effective dams and catchments
- **Agro-Industries:** *Value-added food processing, packaging, branding*
- **Cooperative Domestic and Global Marketing:** like KVV success story

Mining and Minerals Beneficiation

The recent **Mining Industry Charter** presents exciting opportunities for Empowerment and Growth, which need to be followed through with an Integrated Programme of Action.

Mining contributes some 5,4% to GDP; 4,5% to employment; some 30% of Exports and Stock exchange market capitalisation. The sector has been in **decline due to low prices and increasing costs**, despite improved efficiencies. The declining Rand has increased local profitability in the short-term, while activities in Africa and global markets have been expanding. Platinum has been a success story due to the **value added manufacturing** and exporting of catalytic converters for vehicle exhaust pollution control, pointing the way for future beneficiation projects. An **International Commodities Exchange** could also see SA and Africa playing a more pro-active role in commodity markets and price setting processes.

Major Projects in South Africa and throughout Africa include

- New Mining Exploration to capitalise on untapped reserves
- Expand Beneficiation Projects: Value-added end products eg.
- Further expansion of the Platinum catalytic converter success story;
- De Beers Branding and Global Retailing Joint Venture with LVMH
- Jewellery Manufacturing Cluster
- Mozal Aluminium Smelter
- Steel end Products: Automotive, Components

SECONDARY INDUSTRIES

Secondary industries are major components of GDP and Employment with significant growth potential eg.

- **Electricity and Energy: Continue Expansion**
 - **Continue Electrification Expansion:** *Through SA, SADC and Africa*
 - **Sasol Continuing Global Expansion** in Synthetic Fuel and Petro-chemicals
 - **Oil Exploration Projects up Africa**
- **Construction and Engineering: Speed up Major Projects**
 - **Major Infrastructure projects:** *Through SA, SADC and Africa*
 - **Major Housing and Township Development Projects**
 - Global Project Management saving the big players with > 60% of revenues
 - *Construction Development Programme in place for Smme's*
- **Manufacturing: Add Value and Volume, Industry by Industry;**
 - **Domestic and Global Marketing through Supply Chain Networks;**
 - **Moving the Old Economy into the New** eg.
 - **Automotive: Vehicles** - *Can expand on current 100 000 vehicles for export, achieving cost and quality competitiveness through the MIDP, Blue IQ Auto Centre and Global marketing networks*
 - **Automotive components** - Substantial Export potential despite temporary slowdown

- **Building Materials** - lucrative potential with major projects due to take off
- **Chemicals** - Sasol and AECI are leading the way into world markets
- **Clothing, Textiles & Footwear** - AGOA provides a window of opportunity for these established industries to add value and volume
- **FMCG: Food, Beverage, Personal** – Driven by Consumer disposable income and spending
- **Furniture, Household and Appliances** - lower interest rates should provide a lift to consumer durable spending in the growing middle-income markets
- **Industrial, Machinery and Equipment** - The Capital Equipment Cluster has the potential to be a world-class supplier, particularly in mining, processing and transport where we have the expertise
- **Medical and Pharmaceutical** - Growth should be driven by the high demand for affordable healthcare, medicines, drugs and consumables, together with Government pressure on prices and the economies of scale possible
- **Paper, Packaging and Plastics** - SA has a number of world players who could diversify their markets into stronger growth emerging and niche markets, pending a global recovery
- **Other:** Ceramics, Arts & Crafts, New Economy Electronics, IT Components, Fibre-optics, Bio-genetics.... The possibilities are endless

SERVICE INDUSTRIES

Opportunities abound in the already strong growth service sectors, including:

- **Trade Wholesale, Distribution, Retail and Commercial:** Already a major employer and growth sector. Further growth can be stimulated by lower interest rates and **more aggressive expansion through SA, SADC and Africa** following Metro, MNet, MTN and others all the way to the Middle East eg.
 - Mass marketing and distribution
 - Joint ventures and franchising with local channels and Smme's
 - New Commercial Centre Developments
- **Trade - Export:** Expand on the strong growth outside of commodities; eg.
 - **Export Trading Houses/Corporations** play a major direct role in many countries (eg. Japan and Korea) and industries (such as Steel, Diamonds, Motor), working through global marketing alliances
 - **Trade Agreements** have been set up to access the main markets on a more favourable basis including Europe, the USA, Asia and South America
- **Tele-Communications and Media:** (Refer also ICT Summit June 2002)
 - **Building on one of the main growth sectors** in SA and world-wide, in volume and value, through Fixed and Mobile Telecommunications and related project management and infrastructure; Following MTN Nigeria (with a population of over 120m) up Africa
 - Following MNet up Africa with other Electronic and Print Media, supported by Advertising Revenue
 - Related Smme Marketing and distribution opportunities
- **Information Technology**
 - The recent **ICT Summit** highlighted many opportunities and challenges, which need to be translated into a coordinated Programme of Action
 - The **New Economy will boom** despite the current Global Slowdown; opportunities include:
 - **SA.Com: Mass Marketing of Affordable Computers** – project in planning by Natgrowth
 - **The Blue IQ Innovation Hub** set up to nurture a Silicon Valley in SA
 - **Mass Market Internet Access** and related services - spearheaded by Absa
 - Mass market **affordable entry-level Computer distribution**
 - **B2C E-Commerce** will expand with a broader market and faster access
 - Convergence of TV, Internet and Cellphones could start a revolution
 - **B2B E-Commerce** will continue to grow
 - **Business IT systems** such as Networking, Enterprise Resource Planning, Electronic Data Interchange and Payment Systems will also revive after the temporary slowdown
 - **Software Development** will continue to grow world-wide as systems change, both in generic and specialised niche applications such as security systems
 - **Project Management**, Support, Change Management, IT Education and Training will also continue to grow, as demand for skills resumes
- **Financial Services**
 - will both **lead and follow growth** in the demand for goods and services
 - will be **supported by the growth of IT** and telecommunications
 - **diversification of products and services** for diverse emerging middle-income markets: from savings accounts, to cheque accounts, credit cards, debit cards, home loans, investments, insurance

- *Expansion and increase competition in **Corporate Banking** services*
- **Mobilisation of Pension and Provident Funds for Major National Investment and Empowerment initiatives**
- **Tourism: Further Expansion** of Domestic, African and Foreign Markets
 - *More pro-active and aggressive direct marketing and PR campaigns*
 - *More extensive use of cost-competitive, attractive tourist packages*
 - *Further development of tourism attractions and facilities*
 - *Further development of tourism and hospitality skills: low cost, high yield*
 - *More extensive linkages to tourist spending opportunities*
 - *More extensive linkages to business activities and investment promotion*
 - *Expansion of MICE: Meetings Exhibitions Conferences & Events Markets, like the Earth Summit*
 - *More extensive internet marketing and selling activities*
 - *More extensive linkages to Tourism-related Opportunities for established businesses and emerging Smme's; eg, transport, catering, entertainment, arts, culture, sport, wild-life, heritage sites, curios*
- **Transport:** Serving the need for Efficient and Affordable Commuter and Commercial Transport throughout SADC and Africa, Road, Rail, Air and Sea
 - **Public Transport** - *rejuvenate and synergise buses, taxis and trains*
 - **Cars and LDV's** - *Economies of scale and financing packages can multiply the market*
 - **Major Infrastructure Projects: Road and Rail eg. Gauteng Blue IQ High Speed Rail**
 - **PPP's** will help to facilitate cooperation, financing and delivery
- **Smme's, Private and Informal Sectors: Expand and Support Viability - Smme's already comprise over 40% of jobs in SA vs >80% in the USA**
 - *Expand Smme support and skills development initiatives including Setas and existing institutions*
 - *Facilitate Joint Ventures with established business and franchising*
 - *Viability is the key to accessing finance*
 - *Opportunities abound in all sectors, particularly services*
 - *Enhance Bargaining Power through collective associations*
- **Facilities Management and Outsourcing**
 - **Extend Rapid Growth in many sectors:** *property, transport, distribution, catering, supply chain management etc.*
 - **Leverages expertise** *for cost-effective performance driven delivery*
 - **Creates entrepreneurial opportunities** *for corporate employees*
- **Professional, Business and Management Services**
 - *Pro-active Opportunities for Business Development and Expansion*
 - *Facilitate and Lead Business development with Clients and Associates*
 - *Expand Para-professional sectors eg. para-legal, para-medical etc.*
 - *Drive and management Performance*

5. IMPLEMENTATION, INVESTMENT AND FINANCING

Integrated Programmes of Action are clearly vital to stimulate accelerated growth and development across sectors and regions. Some of the keys to the Implementation and Financing include

- **Coordinated action** to consolidate the initiatives of different departments, clusters and organisations
- **Substantive Development Programmes** with detailed targets, timeframes and budget allocations
- **Focused Capacity Enhancement** through effective Public Private Partnerships
- **Business Planning** is key to viability assessment and raising finance for investment. A broad Strategic Business Planning framework and process was outlined.
- The availability of **Finance is not the limitation**, but rather the ability to offer attractive returns and growth with acceptable risk.
- **Project structures** may take a wide variety of forms ranging from pure private or public sector entities through strategic alliances, joint ventures and public private partnerships.
- **A Balanced Mix of Debt and Equity** is optimum, often at **wholesale rates** on the Capital Markets.
- **Local vs Offshore funding should not matter in principle** - *differences in rates are a reflection of changes exchange rates due to differences in inflation. However, comparison is useful. Foreign Direct vs Indirect Portfolio Investment* both have pros and cons. The Project is key not the funding.

- **Investment Incentives should not be the over-riding factors** to assessing project viability or funding - they may influence the project structuring, location etc. See the DTI List of Incentives available, mainly encouraging export manufacturing, labour utilisation and Smme's
- **Institutions are available** to assist in Business Planning, Viability Assessment, raising finance and project structuring and implementation, depending on an initial assessment of the project
- **Public and Private sector** organisations should thus be far more pro-active in identifying potential projects and engaging professionals with world-class local and global expertise and networks
- **Institutions in turn** should be far more pro-active in stimulating the investment process

ACTION STEPS TO TURN STRATEGY INTO REALITY The X-Pert Group (Pty) Ltd, November 2002

1. **Collaborate with relevant stakeholders** to define and document a strategy, idea or purpose, understanding the reasons 'why' and the desired 'what'.
2. **Allow stakeholders to influence the content**, because people support what they create.
3. **Translate the strategy or idea into clear, realistic and practical chunks of work** (or projects) with clear priorities in terms of what to do first.
4. **Clearly define who has to do what and by when.**
5. **Obtain influential leader support in championing the cause.**
6. **Empower the correct working team** with the above clear goals and the means to do it.
7. **Apply good project management governance** during execution of the work – buy it, borrow it or build the capacity to do it. This includes tracking and monitoring progress as well as resolution of issues. Follow the nine knowledge areas of project management fully – scope and change, time, cost, quality, resources, risks, contracts, integration and communication.
8. **Produce meaningful feedback** (reporting) to the right people at the right time so that progress can be communicated and decision-making can take place.
9. **The leader must have the courage** to take tough decisions during implementation (delivery), focus on doing it right (quality) whilst creating excitement at the same time.
10. **Complete the work** (there must be an end and formal closure before the next initiative begins), measure the results (were expectations met), celebrate the success and identify the lessons learned to apply them in the future.

Investment and Financing Strategies

Attracting sustainable capital flows with high returns and low risk

- ☞ **Investment Capital Flows towards high returns and low risk** – in the interest of ordinary pension funds and investors – a fact of life!
- ☞ **Investment Capital is not Limited for practical purposes** – funds can be raised for investment projects which exceed the cost of capital!
- ☞ **Investment Capital is not Geographically limited, but highly mobile** – it cannot and should not need to be forced or locked in!
- ☞ **Investment Capital Rewards Growth** and Punishes Risk severely
- ☞ **Markets are interdependent** rather than competitive

Strategies for Investment Thus Need to focus on **Projects and Business Opportunities with Attractive Returns, High Growth and Low Risk**

The IDC: A catalyst for development in Africa by Jorge Maia SADC Dept Aug 01 and Loshnee Naidoo Nov 02

- ☞ **Foreign Direct Investment** (FDI) into Africa is still very low, +/- \$11b in 1997 to +/- \$9b in 2000
- ☞ **Nepad** envisages continental and regional initiatives to re-position Africa globally. **Intra-African investment** and linkages are seen as key eg. diversification of exports and production, mineral beneficiation, development of ICT and capital goods sectors.
- ☞ The **IDC Mandate extends** to SADC and Africa, as a state-owned self-financing "policy-based development finance institution that can leverage and catalyse private sector investment for economic development". It is a company with an independent Board. **IDC's role in Africa** includes: Identifying, consulting and catalysing sound **investment opportunities**; assisting in **financing exports** of SA capital goods and services
- ☞ **Sectoral Focus includes:** Manufacturing, Agro-industries, Mining, Mineral Beneficiation, Energy, Tourism, IT, Telecommunications, Selective franchising

Financing criteria include:

- Greenfields Projects, expansions and rehabilitations; Sizeable projects
- Economic merit (profitability and sustainability) and Development impact
- Fixed assets and portion of growth in working capital
- Reasonable equity contribution from owners/promoters and Security
- Environmental requirements

Financial Products include:

- **Equity:** minority investments 20-30% in SADC; maximum of 25% elsewhere in Africa
- **Loans:** generally 5-10 years tailored to cashflow requirements; competitively priced; US dollar loans: Libor-based; Euro loans: Euribor-based; Rand loans: Jibar-based
- **Quasi-equity** structured finance and project finance
- **Export Finance:** 85% of contract, requires 15% direct payment; linked to capital goods and related services; minimum 70% South African content; repayment up to 10 years.

Operational Structure includes sector-based business units including Agro-processing, Tourism, Chemicals, Metal-based Products, Textiles, Techo-industries, Mining and Beneficiation, Empowerment, Wood Paper other

The **Projects Division** focuses on larger projects eg.

- **Beneficiation:** export-focused, new technologies; base metals eg. copper aluminium; non-ferrous metals eg. magnesium, titanium; downstream products; petro-chemicals
- **Minerals, Mining and Energy:** leading role with partners, pre-feasibility to implementation services, risk capital for feasibilities, competitive project financing
- **Agriculture:** new crops, reduce water consumption, agro-processing and market development for specialised products, large rural development job creating projects

The SADC Department steers IDC's involvement in SADC and Africa: pro-actively **identifying investment opportunities, marketing** IDC's products and services, participating in regional policy and investment promotion forums, as a one-stop SADC/Africa contact and information centre;

IDC's Africa Project portfolio: some 40 projects in 13 countries valued at over R6b

DBSA: The Head Private Sector Investment provided an overview of DBSA in South Africa and Africa, as a DFI similar to the IDC, Land Bank, Small Business and Housing Finance institutions. DBSA's main focus is on infrastructure and its clients are mainly local authorities. Assets have increased to some R20bn, creating several thousand jobs. The **MIIU Municipal Infrastructure Investment Unit** has raised some R6,7bn for a number of projects including private sector funds.

Comment: Finance is not the limitation, but rather a flow of good projects and management capacity. As Pro-active Development Finance Institutions, IDC, DBSA and others should aim to **substantially increase their scope and impact** to the required level of growth and investment in SA, SADC and Africa.

Empowerment Structuring (Refer also Black Business Council Summit June 2002)

BEE Deals were generally done through Special Purpose Vehicles (SPV'S) with Debt or Preference Share Funding using the Shares as security. *They worked when Share prices went up (eg. Johnnic, MCell, MTN) but not when the prices went down - many had to sell the shares at a loss to repay debt.* this has been the case since +/- 1999; BEE drying up. Other Options include: **Private Equity** - subject to normal Private Equity criteria; **Convertible Debentures and Share Options** - which remove the short-term risks from SPV's; **National Empowerment Fund** - BEE Com proposals to be clarified; and **National Investment Corporation** - See proposals below.

An Equity Investor's Perspective: Leon Liebenberg: Gensec Private Equity

- **Private Equity / Venture Capital** requires equity related returns at acceptable levels of risk
- **Institutions invest** for various reasons including gaining significant exposure to new areas of business, attractive pricing, value-added through BEE, mileage for their own businesses
- **Mechanisms** include Direct investment, indirect SPV structures, direct SPV agreements, Newco structures, OPIC guaranteed structures facilitating government involvement, franchise structures, using combinations of Ordinary Shares, Preference Shares, Debentures and Loans
- **Strategic Considerations** include Government involvement, stimulating the economy, skills transfer
- **The Ideal Structure includes**
 - Direct access to cashflows which can service the funding structure
 - Access to normal banking facilities eg. asset based finance, overdraft etc.
 - All shareholders facilitate BEE, including vendor financing and by-in pricing
 - Easy exit for financier

- Skills transfer facilitated
- BEE value added is measurable
- BEE participants can realise value at some stage
- Increase in production capacity and/or employment
- Downside risk is shared
- Corporate governance assured

Chris Nissen, Pres W Cape Ch of Com explained how the Cape Empowerment Trust was formed and listed on the JSE as an entrepreneurial empowerment vehicle to fund and add value to acquisitions

Natgrowth Devbank **Investment and Development Banking** **A New Natgrowth Initiative**

Vision: Generating Broad-based Growth and Development through World Class Financial Services

- 📖 Facilitating Business and Economic Growth and Development Projects
- 📖 In Partnership with the Private and Public Sectors and Stakeholders
- 📖 Through World-Class Investment and Development Banking

Products: Raising Finance and Investment

Equity Finance Loan Finance Structured Finance Corporate Finance

Project Finance Property Asset Finance Empowerment Finance

Services: Making Projects Fly through Pro-active Value Add

- 📖 Investment Proposals and Management Services
- 📖 Business and Project Planning and Implementation
- 📖 Corporate Strategy and Financial Management
- 📖 Integrated Development Planning, Implementation and Project Management

Proposals are invited

Natvest: National Investment Corporation Proposals **The Black Sanlam: A Major New Financial Institution**

- 📖 **Pension and Provident Funds** make up a major part of the Financial Institutions which own 80% + of the JSE, property and other assets valued at R600 billion+
- 📖 **Retirement Funds are in fact owned by their members, although workers are not generally aware of their ownership**
- 📖 **Demutualisation** partly took ownership away from policy-holders who were paid out instead of taking shares
- 📖 **Fund Members and Policy Holders still own their funds - which is the key to setting up a major new National Investment Corporation**
- 📖 **The Corporation would be a vehicle** for substantial growth, investment and empowerment. Risk and Asset Management could be professionally outsourced•
- 📖 **Coordinated initiative** to mobilise Pension and Provident Funds within an appropriate structure. Presented to **BEECom, Black Business Council, COSATU** and other Unions

The Process is in Motion

CONCLUSIONS

- Delegates felt that Natgrowth is a **unique and valuable** process which should be continued and expanded with more participation at all levels in the Private and Public Sectors, including key decision-makers. Natgrowth remains **open to participation** by all stakeholders including Government, Private and Public Sector Organisations. Natgrowth is a member of the multi-stakeholder committee for WSSD.
- **Natgrowth Projects** are summarised separately below for follow-up and implementation. **Workshops** are planned to focus on specific regions and industry sector projects. **Natgrowth services** include Business Planning, Project Financing, Implementation and Management. Further Programmes include the planned WSSD Parallel event on 20-22 August 2002, with a global focus.

NATGROWTH FEEDBACK FORM

In order to facilitate continuous follow-up, implementation and action, please send us your feedback, indicating your interest in the various Natgrowth Programmes, Projects and Services to: grow@natgrowth.co.za; or natgrowth@global.co.za; Fax 011-403-3237, Tel 011-403-5483

Name _____ Designation _____
 Organisation _____ Email _____
 Tel _____ Fax _____ Cell _____
 Comments on Natgrowth Programmes, Projects and Services _____

Programmes and Services: Please tick and specify your interest as follows:

Growing Beyond the Summits Programmes focused on integrated development programmes and implementation towards and beyond the Presidential Growth and Development Summit

Johannesburg, 11-13 March 2003	_____	No of delegates _____
Cape Town, 25-27 March 2003	_____	No of delegates _____
Other Centres from June 2003	_____	Please specify _____

Follow-up Implementation Workshops	_____	No of delegates _____
Preferred Dates _____	_____	Focus areas _____

Integrated Development Programmes	_____	Focus areas _____
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Implementation Programmes of Action	_____	Focus areas _____
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Business Planning & Project Management Services	_____	Focus areas _____
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Financing and Investment Services	_____	Focus areas _____
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Natgrowth Devbank Development Banking	_____	Focus areas _____
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Skills Development and Capacity Building	_____	Focus areas _____
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London School SA Programmes	_____	Focus areas _____
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Strategic Alliances	_____	Focus areas _____
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Joint Presentations	_____	Focus areas _____
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Cooperation: Marketing and other areas	_____	Focus areas _____
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Corporate Sponsorship	_____	Focus areas _____
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Potential Projects	_____	Focus areas _____
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ANNEXURE: NATGROWTH PROJECT SUMMARY

Natgrowth is facilitating a series of Working Groups, Programmes and Projects across regions and sectors, including workshops, business planning, financing, implementation processes and project management services. **Feedback and participation are invited from stakeholders and interested parties.**

NATIONAL AND GLOBAL PROJECTS

Fiscal Projects August 2001, November 2001, March 2002, June 2002

- **Public Sector Management Projects:** Full, effective and productive utilisation of Budget resources of **R303bn** including **R23bn** for investment, in all departments, spheres and public enterprises, in line with policy frameworks eg. RDP, Gear, Budget Framework, Public Finance Management Act etc.
Project Definition: Comprehensive expenditure reviews to re-allocate resources from administrative to productive activities, investment and job creation, with full business planning, project management, performance management, financial management, capacity building and public private partnerships
Responsibilities: All National, Provincial and Local Governments and Departments.
Action: Feedback is awaited from Treasury and other departments on projects and working groups

Monetary Projects August 2001, November 2001, March 2002, June 2002: SA Reserve Bank and Banks

- A **Pro-active multi-pronged economic strategy** to balance interest rates, exchange rates, growth and inflation, improve perceptions and investment attractiveness and to counter one-way market speculation. The Commission of Inquiry may indicate the need to change the mandate of the Reserve Bank in the Constitution. **Markets** should be actively monitored as a guide to policy options. The **Repo rate** should move to balance domestic growth and demand inflation – preferably down **and not upward** in a vicious cycle with few positive effects. Systematic reduction of the NOFB in progress (eg. \$1bn bond issue and removal of exchange controls)
- **International Commodities Exchange** (virtual or real) to facilitate a more active role for SA, Africa and other producer nations in commodity markets, pricing mechanisms, related exchange rate movements and associated benefits for the mining industry and employment
- **National Banking Project** to Reduce Retail interest rates and increase competitiveness and growth without prejudicing the Rand or inflation, due to economies of scale, as acknowledged by the SARB

Action: Comments invited from relevant parties to initiate projects & working groups

Presidential Growth and Development Summit scheduled for April 2003

Aims to agree on national growth strategies, integrating and going beyond the RDP and Gear, between government, labour, business and other stakeholders. ICT Summit held June 2002, other sectors planned.

Action: Natgrowth will report on progress and offer contributions.

Nepad August and November 2001, March 2002, November 2002

- **Dakar Summit** April 2002 well received in improving perceptions of risk, return and opportunities
- **G8 Summit** in Canada June 2002 endorsed Nepad pending Action Plans and further negotiation
- **Nepad secretariat** due to produce detailed action programmes by sector and region
- **Projects** emerging eg. DRC, Angola, Uganda debt cancellation, WTO Development round, Nacala Investor Conference, \$1,3bn Nigeria oil from gas, Namibia/Nigeria refinery, new SA projects
- **Action:** Natgrowth will report on progress and offer contributions

Banking and Financial Services August 2001, November 2001, March 2002, June 2002

Inputs by: Chris Hart Absa, Desmond Golding, Louis Venter, Vukani SARB, Colin Young Old Mutual, Ron den Besten Gensec, Kathy Berman Ernst & Young, Collette Chan Nedcor, Danny Nicola GTKF, DBSA, IDC, MIIU

National Banking Project: Significant opportunities exist for growth and competitiveness, including:

- **Banks and Financial Institutions leading and driving** the growth and investment process
- **Expansion of Markets, access and the range of Financial Services** and retail joint ventures
- **Expansion of affordable Computer Access** (see SA.Com project) and Internet Banking Services
- **Expanding the range** of interlinked multiple products for bankable customers
- **International Commodities Exchange** to strengthen SA and Africa's market and pricing position
- **Consumer Bonds** as an attractive source of finance and investment
- **Closer relationship management with Government** at all levels to enhance access to finance
- **Enhanced Competitiveness** in the banking sector and reduced retail interest rates
- **Action: A working group is proposed to follow-up on a series of projects**

National Investment Corporation (Natvest) August 2001, November 2001, March 2002, June 2002
Presented by Natgrowth to BEE Com, the Black Business Council and Cosatu for follow-up

- **Pension and Provident Funds** make up a major part of Financial Institutions which own 80% + of the JSE, property and other assets valued at R 500 billion+
- **Retirement Funds** are in fact owned by their members, although workers are not generally aware of their ownership. Demutualisation partly took ownership away from policy-holders who were paid out
- **Fund Members and Policy Holders** still own their funds – which is the key to setting up a major new National Investment Corporation. A coordinated initiative to mobilise P&P Funds is required
- **Natvest** would be a vehicle for substantial growth, investment and empowerment initiatives
- **Action: A Working Group is proposed to follow-up on the project**

Nedlac Proudly SA Campaign Martin Feinstein CEO, Aug and Nov 2001

Corporate and Consumer campaigns in progress. **Natgrowth** proposes a **joint project** to promote growth and investment with Proudly SA- Ref below. **Action:** Feedback is awaited to set up a Working Group

National Business Growth and Investment Projects August 2001, November 2001 and March 2002
Inputs by: Chris Hart Absa, Desmond Golding SARB, Bill Lacey Sacob, Tisa/DTI Delegates, Mark Poonan and Adele Levin, SA Business Guidebook, Jorge Maia IDC

- Engagement of **organised business** in the pro-active drive for growth and investment across sectors, in collaboration with Industry Associations, Export Councils TISA, DTI, IDC and other agencies
- **Action: Feedback is awaited to set up a Working Group and series of projects**

National Dept of Correctional Services June 2001 Gavin Davids, Wessie Morake and other Delegates

Turning prisons, with a Budget of R6,9bn from overcrowded incarceration camps for repeat offenders into productive centres of **rehabilitation, reintegration, community service** and **productive enterprise** eg

- Significantly **reducing the prison population** from +/- 176 000 by transfers to **community service centres under electronic surveillance** - fewer than one third of offenders are maximum security
- **Farming and food production initiatives** for local communities have recently been announced
- **Other productive enterprises** and work in partnership with communities, public and private sectors
- **Re-allocation** of administration expenditure and personnel to support productive activities
- **Action: Feedback is awaited to set up a Working Group, business plan and series of projects**

National Dept of Public Works August 2001 DG's representative and June 2002 Lydia Bici Deputy DG

- PW manages approximately 100 000 state-owned fixed properties estimated at R120bn
- The Budget is R4bn comprising R2bn capital works and maintenance; R1bn on leasing of properties to state departments; and R1bn on the APOPS Asset Procurement and Operating Partnership System
- The repairs and maintenance programme budget is R1,1b
- The asset disposal programme involves R1bn in properties
- The APOPS to date involves private sector management of two maximum security prisons, in Bloemfontein and Louis Trichardt
- The Community based Public Works Programme budget is R378m on 981 projects, creating 22 619 jobs, with 43% women and 42% youth
- The Independent Contractors Development and Empowerment Programmes are in place

Comments: Public Works appears to be a state owned Property manager, tied up with maintenance of the large portfolio of properties and prisons, inherited from the Apartheid era. It was suggested that State Departments should lease or manage their own properties from their own budgets, freeing up resources for more productive Public Works projects. Public Works investment and job-creation projects should be expanded dramatically with the R4bn budget. Asset Disposals should also be expanded to free resources for productive projects. **Action: A Working Group is proposed to drive a series of new projects**

National Dept of Public Works Western Cape Liziwe G Ramncwana Chief Director November 2002
See also Provincial Projects: Western Cape below

Public Works is seen as having major potential in bridging the divide between advantaged and disadvantaged communities, through **integrated development programmes and projects**, in cooperation with other departments, clusters and stakeholders, as follows

Identification of Economic Drivers in Decision-making

- (a) **All players at different levels**
- (b) **Establish a Minister and Unit of Growth and Development in the Office of the Presidency**
- (c) **Suggested Cluster of Departments: National, Provincial and Local**
 - (i) **Environment Affairs and Tourism**
 - (ii) **Trade and Industry**
 - (iii) **Housing**
 - (iv) **Agriculture**
 - (v) **Water Affairs and Forestry**
 - (vi) **Finance**
 - (vii) **Public Works**
 - (viii) **All others relevant eg. Transport, Minerals and Energy, Public Enterprises, Public Administration, Local Government, Education, Labour, Protection etc.**

National Dept of Defence Nov 2001 SANDF Andrew Mokonotu Deputy Director

Turning major financial resources (Budget R20,6bn) and human resources towards productive enterprise.

Action: A series of **Projects is proposed** to engage a large number of Defence Force personnel in peacetime enterprises, including industry, agriculture, public works and a wide range of other possible areas.

National Dept of Home Affairs Nov 2001 Terence Raseroka Deputy Director

Improving efficiencies in investment and trade procedures, in synergy with other national and provincial agencies. **Action: Feedback is awaited on proposed projects and initiatives.**

National Dept of Housing Dick Von Broembsen Chief Director Policy Planning March 2002

In addition to the National Budget of **R4,2bn**, there is an additional **R5,6bn** allocated to Provincial Housing and Community Development, giving a total of **R9,8bn** in the 2002/3 Budget. This opens up scope to address the housing backlog more substantially through **more extensive projects** eg.

- **increasing the number and scale of housing developments** with both public and private funding
- **broadening the scope of** mixed-use township developments including viable middle-income housing
- **allowing Government to play a direct role as developer**, financier and labour provider
- **leveraging the resources** of the private sector, financial institutions and communities

Action: Feedback is awaited to set up a Working Group and series of new projects

National Department of Agriculture June 2002 Japie Smit Senior Economist

Action Programmes and Projects are needed to accelerate implementation of the Integrated Rural Development Strategy at national and Provincial levels.

DTI/TISA: Trade and Investment South Africa March 2002 Vusi Mveli, Edwin Moloto, Desmond Hadebe, Gugulethu Mashifane, Mary Tstasi, Shereen Osman, Thulani Mpetsheni, Abiel Mohlahlo

TISA, the premier **agency for marketing SA** internationally, is instrumental in implementing the government's vision of a competitive outward-oriented economy. Its core business is to promote and facilitate the successful entry of foreign direct investment into the country and the growth of exports. SA offers a unique combination of "First world economic infra-structure and a huge emergent market economy" (p14). **Trading blocs** have been pursued to improve market access eg. the EU, AGOA with the US, SADC with 190 m people expecting growth of 3,5% pa; Nigeria, South-South partnerships and Mercosur via a free trade agreement with Brazil. Trade is growing at a rapid rate. **Incentives** include: **Strategic Investment Programme** for assets over R50m; **Smme** 10% establishment grant; **Motor Industry Development Programme** – import credits against exports; **Critical Infrastructure Fund** 30% underwritten by DTI; **Skills** support: up to 50% of training for new investment or expansion; **R&D** Incentives; **17** Spatial Development Initiatives- SDI's and 6 SADC SDI's; 6 Industrial Development Zones - IDZ's including duty free imports, tax and other incentives, logistics networks etc. as well as **Export Marketing** Assistance and related Schemes. The **Export Credit Insurance Corp** has now been allocated **\$799m** for export credit and **\$166m** for investment guarantees. Foreign Direct Investment – **FDI** is still considered low with **R14,5bn** in 2000, with **R95bn** since 1994, with increases expected in 2001/2. TISA **markets industry sectors** as well as **investment destinations** (provinces cities and metropolitan structures).

TISA identifies gaps by pro-active analysis, company targeting and feasibilities, and then markets through its world-**wide offices** and **one-stop-shop** investor services. On discussion it was noted that TISA is mainly organised around **industry clusters** working with export councils eg.

- 1. Chemical**, Pharmaceutical & Biotechnology;
- 2. Information** and Communication Technologies;
- 3. Agro-processing**;
- 4. Clothing**, Textiles & Footwear;
- 5. Metals** and Minerals;
- 6. Mining, Minerals and Beneficiation**;
- 7. Automotive**

Cooperation with Provinces and regions is a **challenge** which needs to be addressed in order to **improve FDI and exports** to the target levels, eg. by **improving communication between TISA and Provincial Investment Promotion Agencies as well as Smme's**. Other challenges include more extensive marketing, transport costs and logistics and processing of applications eg. by SARB.

Action: A Working Group is proposed to facilitate improved communication and marketing

Agoa Alan Tousignant US Embassy Economic Officer, Aug 2001- March 2002, Retha du Randt June 2002

Agoa opens up major opportunities for manufacturing and duty free exporting from SA and large parts of Africa to the USA. While progress has been made, significant scope exists to expand the opportunities available. **Eg.** Textile exports have reached R791m with a 20-30% cost advantage, but are still only 50% of quota with room to treble capacity (Engineering News 18/4/02) **Action: A Working Group** is proposed to drive a more **extensive marketing and facilitation process and series of projects**

UK & EU Aug and Nov 2001 Judi Leon British Consulate General, Paul Barbour UK DfiD

Ms Leon indicated Britain and EU support for Nepad and readiness to present trade and investment proposals to interested parties, building on the existing strong base. She noted the progressive free trade agreement in place which was already bearing fruit. **Action: A Pro-active working group and projects** are needed to realise the full benefits and opportunities for trade and investment with the EU and UK.

Cabsa: Canadian Alliance for Business in SA Nov 2001 Dominic Schofield and Luqman Ahmed
Cabsa is pursuing numerous business development and investment initiatives and will follow-up on projects in the automotive, agriculture, smme and cooperative banking sectors. Awareness of Cabsa is however limited. **Action: A Pro-active Working Group is proposed** to expand project and business opportunities

Development Finance Institutions (DFI's):

DFI's play a major role in facilitating and financing growth and investment in SA and Africa. As finance is not the limitation, the scope and scale of DFI activities projects could be expanded to make an even greater impact on GDP and employment by **more aggressive marketing and communication** with prospective public and private sector clients. **Action: Working Groups are proposed to develop and implement more extensive marketing and expansion programmes and projects** - refer Report for profiles:

IDC Industrial Development Corporation Aug 2001 Jorge Maia, Loyiso Jiya

DBSA Development Bank of SA Aug 2001 Head Private Sector Investment

CPPP Community Private Public Partnerships Nov 2001 Zandile Ndaba

MIIU Municipal infrastructure Investment Unit June 2002 Asha Bassa and Danai Magagumela

National Treasury PPP Unit – June/August 2002 35 major projects in progress

CSIR Africa Business Development Nov 2001 Mabatha Mphomane

CSIR also plays a significant role in commercialising technologies and facilitating business development in SA and Africa, including agri-business and mineral beneficiation, which could be expanded more broadly.

Action: A Working Group is proposed to drive more extensive marketing and projects

All the above public sector and international agencies are available to provide expert assistance to Provinces, Local authorities, Smme's and the Private sector in project identification, feasibilities, requests for proposals, marketing, financing and management. Finance and capacity are not a constraint!

Action: Working Groups are proposed to facilitate dramatic moves into action from all sides.

PROVINCIAL PROJECTS

Provincial Profiles (Source: SA Business Guidebook 2001/2002; own table & emphasis)

Province	E Cape	Free State	Gauteng	KZN	Limpopo	Mpumala-langa	North Cape	North West	West Cape	Total
Popul. 2000	6.8m	2.8m	7.9m	9.0m	5.5m	3.0m	0.9m	3.6m	4.2m	43.7m
% of Total	15.6%	6.4%	18.0%	20.6%	12.6%	7.0%	2.0%	8.2%	9.6%	100%
Area Sq km	169.6	129.5	17.0	92.1	123.9	79.5	361.8	116.3	129.4	1 219.1
% of Total	13.9%	10.6%	1.4%	7.6%	10.2%	6.5%	29.7%	9.5%	10.6%	100%
Ggp1999 bn	52.7b	39.8b	269.1 b	93.2 b	33.9 b	43.7b	12.6b	43.4 b	139.5b	727.9b
% of Total	7.2%	5.5%	37.0%	12.8%	4.7%	6.0%	1.7%	6.0%	19.2%	100%
Ggp p capita	R7 721	R13 743	R32 843	R10 240	R6 386	R14 341	R13 961	R11 772	R33 120	R16 656
Economically active										
1999m	1.8m	1.1m	4.0m	3.0m	1.3m	1.1m	0.3m	1.4m	1.8m	15.8m
% of Pop	27.4%	41.4%	50.9%	33.9%	23.8%	35.1%	38.0%	37.7%	44.2%	36.1%
Budget										
2002/3 R bn	22.0b	9.0b	21.7b	26.5b	17.4b	9.1b	3.2b	10.7b	12.9b	138.8b
Key Industries & Opportunities										
Agriculture	√ fruit Forestry & Agro- processing	√various	√ various	√ fruit forestry sugar cattle	√ fruit nuts veg timber sugar	√ fruit sugar forestry tobacco wool	√ fruit karakul fishing sea products	√ fruit maize cotton tobacco livestock	√ fruit wine fishing	√
Mining, Metals, Beneficiation, Energy	√	√ Steel & Allied products	√ Alumin	√ Coal	√ Gold Platinum group other	√ Steel & vanadium coal power	√ Dia- monds asbestos mangan	√ Gold platinum chrome other		√
Construction Infrastructure	√	√	√	√	√	√	√	√	√	√
Manufact- uring	√ glass bricks ceramics plastics sanitary rubber	√ farm equip jewelery	√ various	√ alum product s paper plastic wood	√ various	√ various	√ various	√ benef- iciation	√ ships – repair contain ers	√
Auto & comp.	√		√	√		√				√
Chemicals	√	√ petro	√	√ petro		√ petro			√ petro	√
Cloth & Text	√		√	√		√			√	√
Leather-wear	√	√						√		√
Electronics	√			√						√
Pharmaceut.	√	√	√							√
Services										
Trade	√	√	√	√	√	√	√	√	√	√
Fin & Business			√						√	√
ICT	√		√						√	√
Tourism	√	√	√	√	√	√	√	√	√	√
Transport & Logistics	√	√	√	√	√	√	√	√	√	√
Other	√	√	√	√	√	√	√	√	√	√

Eastern Cape

Arthur Nomnganga **Premiers Office**, Azwell Banda **ECSEC** March 2002

E Cape is second largest province with a population of **6,85m** (15,5% of SA), GGP of **R52,7bn** (7,5% of SA), with the **second lowest GGP per capita of R7 721** and 1,83m economically active (27,4% of population) – **the lowest rate of employment**. However it has the **second largest budget of R22 bn, which needs to be channelled for development**. **Cities:** PE and East London developed around their harbours; Umtata; Bisho (Capital); Grahamstown, Port Alfred, King Williamstown, Queenstown.

Industry sectors and investment opportunities include:

- **Auto Cluster:** EL and PE are the **hub** of the SA **auto industry** with VW, Delta/GM, DaimlerChrysler, Ford/Samcor and Goodyear Tyres, and exports of cars and components such as catalytic converters. **Opportunities** include:
 - **Expansion** of the high volume and value industry for export and domestic markets
 - **Supply** of further components, leather goods, seats, cat converters etc.
 - **Smmes, Labour** and Human Resource Development Strategy: **Skills** Development programmes
- **IDZ's and Coega** 3rd deep water port 20k from PE will make EC an ideal export centre for manufactured and value added goods. **Opportunities** include:
 - **Construction Phase:** Infrastructure, PPP's, Employment
 - **Sustainability: Auto** expansion, **Agro-industries, Mining & Beneficiation, Ship building, Intergovernmental synergies, attracting Service industries**
- **Tourism: Wild Coast SDI** Expansion of this world-class destination for
 - **Domestic and foreign tourist** markets
 - **MICE:** Meetings, Incentives, Conferences and Exhibitions
 - **Smme and community involvement**
- **Agriculture forestry and agro-processing opportunities:** livestock farming & leather, fruit, pineapples, chicory, dairy products, coffee, tea, tobacco, hemp, maize, sorghum and 60% of world mohair production, wool, aquaculture, proposed Irrigation Scheme, Smme and Community involvement
- **Manufacturing opportunities:**
 - **Chemicals**, pharmaceuticals, rubber & plastics
 - **Clothing**, footwear, leather & textiles,
 - **Electrical** & electronic,
 - **Glass**, bricks & ceramics, sanitary ware
- **Metals, mining** & quarrying, mechanical & beneficiation,
- **Transport:** Proposed National Toll Road
- **Infrastructure, Housing and Community** development projects

Threats to be addressed through consultation processes include:

- **Environmental** issues
- **Labour:** union cooperation to remove barriers to employment
- **Skills:** low skills base to be addressed by HRDS

Action: Proposed Workshops to develop strategies, business and project plans

Free State

Social Development Ms B Marshoff **MEC** and Delegation September 2002

Economic Affairs and Tourism Thembeka Nhlekwa Director, JJ Mavuso Deputy Director, Moipone Nkosi Senior Advisor, November 2002

An **Integrated Development and Implementation Programme** is proposed for Free State, designed to achieve the overall targets of Growth, Development, Investment, Employment and Poverty Eradication over a realistic timeframe.

Free State has many strengths and opportunities on which to build towards a vision of broad-based prosperity, social and economic development within a well conserved environment. This will require coordinated effort, pro-active initiatives, enhanced capacity and partnerships between stakeholders.

Economic Affairs and Tourism can play a leadership role in facilitating the **IDP, coordinating the budget allocations** between different departments and clusters, with major potential impact beyond the department's own limited budget. **Social Development** can also extend its budget impact through more effective cooperation across departments.

A number of **projects in various sectors** are awaiting further planning, marketing, branding and implementation towards expansion and/or diversification of the economic base, including:

- 📖 **Agriculture and agro-industries: The Breadbasket Province**
 - Maize and Milling, including mini-mills in various communities
 - Livestock and Leatherwear
 - Apple and Fruit Farming and Processing
 - Wine Farming, Processing, Marketing and Exporting
- 📖 **Mining and minerals beneficiation: The Golden Province**
 - Revitalisation of the core Mining industry
 - A major Jewellery Industry initiative
- 📖 **Manufacturing**
 - Clothing and Textiles
 - Footwear and Leather
 - Meat Processing
 - Chemicals
 - Pharmaceuticals and related Clinical Medical Trials
- 📖 **Investment and Export Promotion**
 - **Expansion** of existing initiatives
 - **Cooperation with TISA and the Private Sector**
- 📖 **Tourism, Transport and Environment**
 - **More extensive Marketing** and Development of the diverse attractions for Domestic and Foreign Tourists in the Free State, including eco-tourism, tranquil resorts, water facilities and game parks
 - **Optimising Strategic Advantages as a Central Gateway Province**, both within South Africa and linkages to Lesotho and the SADC region

Gauteng

Blue IQ Initiative Aug and Nov 2001 Trevor Fowler MEC and Oren Fuchs – 11 Mega Projects, at various stages of progress from planning to Investment Proposals and implementation, eg.
 High Value **Manufacturing**: Auto Cluster – expansion; Wadeville-Alrode Corridor: marketing & development
Services: ICT: Innovation Hub – marketing and development; **Gautengonline** schools computer project
Tourism: Constitution Hill; Newtown – in progress; Dinokeng; Cradle of Humankind – development phase;
Transport: Gautrain – planning phase; JIA IDZ; City Deep IDZ: infrastructure development phase
Action: Report on progress in engaging private sector and other stakeholders

Gauteng Department of Finance and Economic Affairs and Department of Labour Nov 2001

- **Strategic Thrusts** include: **Services: IT** and **Tourism**; **Transport**; **Manufacturing**
 - **Critical Success Factors for Implementation** include: **Partnerships** for Empowerment, Capacity Building, Skills Transfer and Smme's, with upfront involvement of the Community and labour
 - **Smme Opportunities** include: Manufacturing Advice Centres, Mentorship, Township Tourism
 - **Implementation Agencies include**: Blue IQ, Geda, Gauteng Tourism and the Gambling Board
 - **Replication of Projects** is required in different districts and local areas
 - **Skills Development**, Education, Training and Business Planning are necessary to give direction
 - **Steel Products and Auto components** are opportunities for Smme's to be pursued with Iscor, Emfuleni Council, Blue IQ Auto Cluster and the Canadian Alliance for Business in SA
 - **Infrastructure, Housing and Community** development projects
 - **Tourism**: various projects eg. Africa Theme Park, Training and upgrades for the World Summit
- Action: A Working Group**, follow-up Workshops, Business Plans and Action Programmes are proposed

Gauteng Economic Growth and Investment Programme: Trevor Fowler MEC Development Planning & Local Government and Oren Fuchs, Blue IQ Initiative GM Finance and Viability

Gauteng is a key engine for national and regional growth, generating 38% of South Africa's GDP, 26% of SADC's GDP and 9% of Africa's GDP. By comparison, Kwazulu-Natal generates some 15% of National GDP followed by Western Cape at 14%. Gauteng comprises some 64% of national purchasing power, is an attractive market for the region and is seeking markets into SADC and Africa, with significant potential multiplier effects for investment and employment. Growth in **1998/1999** was only some **2%**, below the national average. The Provincial Government (GPG) decided in 1999 on 3 specific objectives over a five year period: **Increasing Growth** through Infrastructure Investment; **Good Governance** and **Service** Delivery. In 2000, GPG **Investment of R1bn generated 18 000 jobs** and the Growth rate was 3%, above the national average. **Foreign Investment of R1bn** was attracted generating **4 700 jobs. For 2001/2 a**

further **R1,3bn** is expected, creating 3 500 jobs. Gauteng Economic Development Agency (**GEDA**) was amongst the Government institutions instrumental in this process. **Gauteng** Growth and Investment Strategy focuses on creating a business environment for investors that is “innovative, stimulating, supportive and rewarding”, identifying the potential of specific locations to attract global investment within the framework of Spatial Development Initiatives (SDI’s). GPG Departments and Agencies play crucial roles in addressing infrastructure needs, supporting investment and maximising the benefits for local communities.

Gauteng Blue IQ Initiative is a driving vehicle to implement the Provincial Economic Development Strategy, comprising **R1,7bn** investment in **10 mega-projects**, unlocking economic potential in four vital sectors: Technology, Transport, High value-added Manufacturing and Tourism. The Province provides the infrastructure investment and framework, reducing the risks in attracting local and foreign investors, who have already shown interest. Blue IQ emerged from Gauteng’s Economic, Trade and Industrial Strategy, seeking to enhance its competitive advantages in a global context including people, land, technology, infrastructure and enterprise, differentiating Gauteng. The strategic thrusts were “Smart” Industries; High value-added manufacturing; and Services: Tourism and Transport. Blue represents solid infrastructure and technology; IQ represents intellectual capital, knowledge, society and people. A unique approach by Government required innovativeness, fast-track results-driven delivery and a separate small professional management unit on performance contracts with financial accountability. The 10 projects are as follows:

1) The Innovation Hub (R258 m allocated) Located between the CSIR and University of Pretoria, as joint venture partners with Blue IQ. Focused on “smart” industries such as Information technology and Telecommunications. Facilities and investment potential include an IT incubator, R&D facilities, Information and back-office support centres, Venture Capital Funds, Business and Financial services. In aiming to be a “Smart Province” Gauteng will in addition seek to create knowledge workers, bridge the knowledge divide, broaden ICT awareness and the local ICT industry eg. Gautengonline.com: a government-funded education portal, 25 computers in all 2500 urban and rural schools, free internet access to learners, training for teachers, creating a new consumer market and access to employment opportunities.

2) Johannesburg International Airport Industrial Development Zone (IDZ) - R110m invested to facilitate clustering of innovative export-oriented light manufacturing, avionics and related technology-based industries; benefiting from direct access to the high volume airfreight terminal, expedited customs, freight handling arrangements and IDZ bonded warehouse facilities. **Investment Potential** includes: Electronics, IT and telecom production and distribution; Air freight distribution and logistics; Plastics and packaging; Tourism and associated opportunities; Aerospace, avionics and related industries

3) City Deep Container Depot IDZ (R60m) Upgrade of existing key transport infrastructure into a world-class inter-modal transfer facility and gateway to national, regional and African markets; with expedited customs, warehousing and once stop investor facilities for the industrial park. Projected output is R50bn pa. **Investment potential** includes: industries locating near an inland port; time-sensitive manufacturing; logistics, freight and transport services

4) Gauteng Rapid Rail Link (Additional R7,5b) High Speed Train between JIA, Johannesburg, Sandton, Midrand and Tshwane/Pretoria enhancing these high growth areas through high speed mass transit, covering 79 km in 38 minutes. Construction is planned for 2003-2006 generating 62 000 temporary jobs and 40 000 sustainable jobs. Impact assessments and cooperation with Transnet/Metrorail need clarification. **Investment potential** includes: International Financing partners using build-operate-transfer and other PPP Models; Construction work and station developments; Feeder and distribution systems; Technology applications; Rolling stock, track and stations; and property development.

5) Gauteng Automotive Cluster (R103m) Enhancing the Rosslyn Autocluster to world-class export standards from its already thriving base, including further growth in associated businesses, an “urban port” logistics centre for the industry, facilitating exports and linkages through the region. **Investment potential** includes: Local procurement by international automotive industry; Technology and licensing agreements with local component manufacturing; Investment to address gaps in local supply chains; Cost-effective automotive engineering, design and testing; Research and Development projects

6) Wadeville-Alrode Industrial Corridor (R72m) Regeneration of the 15km manufacturing through investment in infrastructure and manufacturing advice centres, optimising transport links and industrial

potential. **Investment potential** includes: Metal fabrication; Food and beverages; Containers; packaging; Plastics; Machinery; Chemicals; Logistics service providers; Transport, warehousing and distribution

7) Cradle of Humankind World Heritage Site (R200m) Development of world-class facilities to support the anticipated large influx of tourists as a must-see attraction, following declaration as a world heritage site in 1999. Located in the northwest including Sterkfontein caves and other paleo-anthropological sites. Anticipating 280-600 000 visitors pa, with multiple business and community spin-off opportunities.

Investment potential includes: Establishment of visitor and tourism potential; Hospitality industry and conference services; Bulk infrastructure and roads; and Scientific research

8) Constitution Hill (R357m) Development of the Old Fort site into a significant 95 000 sq m tourist attraction with the Constitutional Court and commissions, legal professional offices, political and historical libraries and archives, information centres, retail shops and a residential component. Bulk construction has commenced. Partners include National Government, Johannesburg and prospective foreign donors.

Investment potential includes: Cultural tourism initiatives, museums, heritage sites, archives, libraries, recreation; Commercial and housing developments; Hotels, restaurants and retail space

9) Newtown Cultural Precinct (R238m) Attracting further investment in cultural industries, enhancing existing museums and theatres with creative tourist oriented activities such as Jewellery, multi-media production, film-making and the arts. The Metro Market, Nelson Mandela Bridge and other construction work should be completed in 2002, generating significant retail trade and easy access to Newtown, as a key to the revival of the Johannesburg CBD. **Investment potential** includes: Cultural tourism, creative industries, informal enterprises and support services; Hotels, restaurants and retail space; Conversion of existing historical buildings for business use

10) Dinokeng (Ecotourism/Game Park) (R140m) Development of an "All of Africa in a day" eco-tourism resort with "Big Five" game reserves, lodges, conference centres, nature, historic and culture based activities, easily accessible to business and leisure tourists, on 180 000 hectares in a currently depressed area in the North East of Gauteng. **Investment potential** includes: Establishment of visitor and tourism facilities; Hospitality industry and conference facilities; Bulk infrastructure and roads

The **Impact of Blue IQ Projects** is targeted as follows over the next ten years:

- **Economic Growth:** Targeted to a new plane of 3-6% pa
- **Job Creation:** 100 000 short-term and sustainable jobs (Rail-link comprising the bulk)
- **Foreign Investment:** Interest already expressed from Singapore, Germany and Japan particularly in the Innovation Hub, IDZ's, Rail-link, Auto Cluster and Newtown
- **Tourism:** The four projects should boost tourist inflows, hospitality and related industries
- **Infrastructure: Industrial and Transport:** Road and Rail in strategic areas facilitating economic activity and mobility, the Nelson Mandela Bridge to Johannesburg CBD and links to the M1; the IDZ's including transforming Atlas Road into a double carriageway through to Kempton Park
- **Regional:** Blue IQ aims to put Gauteng on par with leading global economic centres, forming part of the New Africa Initiative and serving as a role model and gateway for Africa to the world. **Regional integration** will be enhanced eg. through the IDZ's giving the region enhanced access to global markets. The **Industrial** corridor will enhance opportunities for SADC economies to diversify their production and exports. The Innovation Hub will give access and capacity for innovation and knowledge based industries.
- Government's **Return on Investment (ROI)** targets include **R100bn** in local and foreign **investment; 100 000 new jobs;** increasing economic **growth to 4-6%;** and **world-class infrastructure** to support all sectors of the economy.
- **Economic Conclusions:** Blue IQ presents ten mega-projects with strategic impact on key sectors designed to enhance the economies of Gauteng, South Africa and SADC, reduce poverty and improve the quality of life. Blue IQ integrates various government departments, municipalities, the private sector and academic institutions, as a partnership of stakeholders striving together for growth, and enhancing the prospects of success.
- **Local Government and Districts** outside of the Blue IQ main centres: In answer to questions, further projects need to be generated along the lines of Blue IQ based on the economic conditions and investment potential in all districts and areas of local government.

KwaZulu-Natal

Prof. Siphon Tshabala **Advisor to the Premier** Nov 2001

- **KZN** comprises 9-10 million people with the third largest economy. **Strengths** include **Tourism, Transport, Manufacturing and Agriculture including cattle, sugar and forestry**
 - **Weaknesses** include **unemployment, marginalized rural communities, HIV/Aids**, the decline and inefficiency of many cities and industries including **clothing, footwear, textiles & agriculture**
 - **Challenges** include **reviving** existing industries with the participation of communities and youth
 - **Opportunities** include:
 - **Tourism & Transport:** the MICE industry, R2bn Airport and Port expansion, Ship Building
 - **Improving Agriculture, Agro-processing** and land utilisation
 - **Reviving Clothing, Footwear and Textiles**, particularly in view of AGOA;
 - **Services:** IT, Education, Skills and Smme development;
 - **Mining and Industry:** Coal, Anthracite and Petrochemicals Projects
 - **Infrastructure, Housing and Community** development projects
- Action: A Working Group**, follow-up Workshops, Business Plans and Action Programmes are proposed

Umgeni Water, KZN: Umesh Natha, Strategic Planner, November 2002

- ☞ **A Coordinated IDP** is proposed to stimulate economic growth and development, and to bridge the divide between advantaged and disadvantaged areas, sectors and communities in KZN, including
 - **All Provincial Government Departments and the Premier's Office**
 - **All Local Authorities** – to be included in the Agenda for the **Kwanalogo** Imbizo early in 2003
 - **All Parastatals**
 - **The Private Sector:** Industry associations and business organisations
 - **Community Organisations**
 - **Labour and other stakeholders**
- ☞ **Umgeni Water** is active in a number of areas, which could assist in facilitating the IDP eg.
 - **Water, Sanitation and Agriculture** projects
 - **Community Development** projects
 - **Project Management** Services
 - **Financial Management** Services
 - **Local Government** projects

Limpopo Province

Northern Province SMME Support Centre August 2001: Mr Albert Moloto

Northern Province Investment Initiative: Nov 2001 Renier Bester, Owary Khan, June 02 Amos Shiburi

Local Government and Housing March 2002 Alfred Netshifhefhe

Finance, Economic Development, Tourism & Environment. March 2002 Modile Boshiello, KS Mashalane, Lehlegake Mothapo, Moses Modjajdji, Edward Mtlala, Moloto Nchabeleng, Reuben Leboho, S T Hlungwane, S Tlaka, Stanley Mathabatha; June 2002: Charles Shongwe, Owents Ntlemo, Zacharia Nemutanzela; **MEC Mufamadi** Sep 2002

Department of Transport MEC Rev Dr T S Farisani Aug, Sept and Nov 2002

Limpopo is **one of the poorest** provinces with the lowest Ggp p capita of R6 386, second lowest GGP of R33,9 bn, the **lowest employment** rate of 23,8% with the **fourth largest** population pf **5,5m** and budget of **R17,4bn** which needs to be channelled to economic development. Limpopo has however been achieving **one of the highest growth rates**, of +/- 6% over the past year. **The Economic Cluster**, including Finance, Economic Affairs and Tourism, Transport and Agriculture is leading the process of growth and development, which should lead to an **Integrated Implementation Programme**. A large number of **Projects (60+)** have been identified, awaiting **action plans and implementation**. Opportunities include:

- **Mining** has shown rapid growth recently, particularly in Platinum group metals, as well as gold, diamonds, phosphates and coal, with **Beneficiation** and related **Industrial** opportunities beckoning
- **Agriculture, agro-processing and water management** have further growth potential eg. citrus, nuts, tropical fruits: avocados, mangos, hydroponic farming, irrigation schemes etc. Cooperatives are useful to facilitate joint marketing, exporting, skills and smme's. **NPII** is seeking investment and value-added processing Major **R1bn sugar** project:
- **Tourism** opportunities include more effective marketing of the existing attractive facilities and packages

- **Transport and Trans-border trade** opportunities include a gateway to Africa by road, rail and air
- **Smme Support Centres** in 5 districts, to be **coordinated** with **Ntsika** accredited local centres and **Incubation project**, which should not wait for specific infrastructure to move ahead
- **Infrastructure, Housing and Community** development projects in planning
- **Communication** needs to be enhanced to facilitate action between all roleplayers, including government spheres, departments, investment agencies, parastatals, banks and the private sector.
- **The Premier** has announced a **R30m Marketing project for Limpopo**

Action: Working Groups, follow-up Workshops, **Investment Conference** and Action Programmes are proposed for prioritisation, business planning, viability assessment and project management.

Mpumalanga

Mpumalanga Investment Initiative August 2001: Mandla Sibiyi and Paresh Pandya

Mpumalanga Youth Commission / Premiers Office March 2002 Mxolisi Dladla Chairperson

Dep of Finance, Economic Affairs & Tourism June 2002 JM Minisi Dep Dir, M Makgamatha Ass Dir

Mpumalanga has a population of some 3m with GGP of some R44bn, R10 1240 per capita. **Opportunities abound** in **expanding all key sectors and** export trade and investment, requiring **pro-active business planning and investment promotion** including Smmes, Youth and Women

- **Industries eg. Downstream manufacturing expansion eg.** Columbus Stainless Steel, Secunda Petrochemicals, Ngodwana Paper and Packaging Products; Forestry, Clothing, Textiles, Granite products
- **Agriculture and agro-processing eg.** Expanding the range of high value crops and processed foods eg. sugar, fruits, juices and related products based on excellent quality bananas, mangoes, oranges etc.
- **Tourism: Expanding** on the existing game and sightseeing attractions with integrated, value-added and well-marketed tourist packages, including a gateway to Swaziland and Mozambique
- **Maputo Corridor:** maximising the opportunities along the corridor to Maputo, eg. in terms of trade, commercial activities, tourist and property development
- **Transport facilities:** need to expand and speed up access to Mpumalanga by air road and rail
- **Infrastructure, Housing and Community** development projects to be accelerated
- **Action: A Working Group is proposed to pursue Business Plans and Action Programmes**

North West

Central District Municipality Nov 2001 and June 2002 Clr MJ Kgomo

Dep of Economic Development & Tourism March 2002 Frank Kakona Tlhomelang

Dep of Agr, Conserv & Entrepreneurial Development March 2002 Neo Rampagane, Phindi Mokoena

North West has been plagued by poverty, unemployment and withdrawal of companies since 1994.

Progress is being achieved towards **the goals of 5% Growth**; significant opportunities have been identified, calling for project scoping and proposals including:

- **Mining** is over 40% of Gdp: The "Platinum Province", Gold, Diamonds, Granite, Marble, Cement and Beneficiation eg. Jewellery and Crafts. While only 3 of 21 projects submitted to IDC were evaluated as "bankable", strategic input is required to refocus the projects to qualify for investment and funding
- **Tourism:** The Heritage Province with many Game Reserves, Leisure, Gaming and Event attractions, linking Hartebeespoort Dam, Sun City, Rustenburg, Taung, Mafeking and Botswana
- **Agriculture** and agri-business including fruit, maize, cotton, tobacco, wheat, beef, livestock, leather
- **Manufacturing:** Mining commodities, auto and components, Industrial Parks
- **Transport:** The new N4W R2,4bn project, various corridors and IDZ's pending eg. Mafikeng
- **Infrastructure, Housing and Community** development projects

Action: A Working Group, follow-up Workshops, Business Plans and Action Programmes to be confirmed

Western Cape

June 2002 Chris Nissen Pres W Cape Ch of Commerce, Dir of Maritime Safety Ass and other companies

- **The Sea** is our 10th Province. **Maritime** industries are major and affect the broader economy. Growth must be properly managed to conserve marine resources. **Opportunities** include expansion of Tourism, Ports, Trade, ship-building and repairs, and related support industries
- **Business and Government are both drivers** of growth and investment, including new and existing industries such as wine, fruit, clothing and textiles as well as local development
- **Cape Empowerment Trust** was an example of empowerment through entrepreneurial drive, constant learning, adding value to acquisitions and funded by a listing on the JSE.

Action: Cooperation is proposed to stimulate further growth and empowerment projects

The following potential initiatives and projects were proposed for the Western Cape for follow-up

1. Economic Initiatives / Alternatives / Sector Focus Areas for the Western cape

Expanding thriving sectors to the broader community through cooperative initiatives eg.

- (a) **Tourism and Eco-Tourism**
- (b) **Agriculture and Agro-industries**
- (c) **Manufacturing (eg Clothing and Textiles)**
- (d) **Bridging the divide lines been rich and poor**
- (e) **Integrated Development Programmes** for cooperation and cross-cutting issues

2. Strategies

- (a) **Alliances / Partnerships between stakeholders**
- (b) **Re-allocation / redeployment of resources**
 - (i) **Human**
 - (ii) **Financial**
 - (iii) **Infrastructure**
- (c) **Community involvement**

3. Identification of Economic Drivers in Decision-making

- (d) **All players at different levels**
- (e) **Establish a Minister and Unit of Growth and Development in the Office of the Presidency**
- (f) **Suggested Cluster of Departments: National, Provincial and Local**
 - (ix) **Environment Affairs and Tourism**
 - (x) **Trade and Industry**
 - (xi) **Housing**
 - (xii) **Agriculture**
 - (xiii) **Water Affairs and Forestry**
 - (xiv) **Finance**
 - (xv) **Public Works**
 - (xvi) **All others relevant eg. Transport, Minerals and Energy, Public Enterprises, Public Administration, Local Government, Education, Labour, Protection etc.**

LOCAL PROJECTS

World Summit Events Aug/Sep 2002

Natgrowth has been invited to assist in developing more effective Integrated and Local Economic Development Programmes and Projects, including municipalities such as *Merafang, Kungwini, Disobotla, Ekurhuleni, Emfuleni and Polokwane, as well as Johannesburg, Tshwane and North West Central District Council.*

Merafang was discussed as a pilot project, indicating the need for a **more substantive Integrated Development Programme** to turn around the declining regional economy as a result of the decline of the core mining industry. Potential areas for investigation within the broader vision for **Gauteng and North West Provinces, with the participation of all stakeholders**, include

- ☞ **revitalising** the **mining** industry and related **beneficiation** industries in cooperation with the mining houses;
- ☞ development of **agriculture, hydroponic farming and agro-processing**;
- ☞ development of **manufacturing and distribution industries** along the N12 Highway, as well as a possible airport and IDZ, as a strategic logistics gateway in all directions;
- ☞ development of the **tourism industry** including existing game parks and archaeological caves, as well as sports and recreational attractions

The City of Johannesburg 2030 Vision was discussed in the light of the WSSD and the accelerated implementation of short- and medium term initiatives and projects, with the participation of all stakeholders, including

- ☞ an effective **integrated public transport system**;
- ☞ capitalising on the large international Meetings, Incentives, Conferences and Exhibitions **(MICE) Market**;
- ☞ stimulating the development of Johannesburg and Sandton as **major centres for Financial Services and Commodity markets**;
- ☞ accelerating investment in the **Blue IQ** projects in Newtown, City Deep, Wadeville-Alrode, the CBD and Braamfontein – together with new private sector initiatives;
- ☞ integrating the development initiatives in **Alexandra, Soweto** and other regions

Emfuleni Metro Council August 2001: Mayor Clr Johnny Thabane and Clr Simon Mofokeng

- Emfuleni is in the Midvaal area, including Vereeniging, Vanderbijl Park and two rural areas
- The population is around 1,3 million and the unemployment rate is approximately 51%
- The main companies Iscor and Sasol have been shedding jobs over the past few years
- There is an urgent need for a combined programme of regeneration
- The Vaal Research Group is investigating several initiatives
- Economic Development and Industry opportunities as an SDI of Gauteng include the following
- **Industry:**
 - Building on the existing industries including steel, petrochemicals, equipment etc.
 - Downstream manufacturing activities in the above areas
 - Partnerships between major companies, Smme's and Government
 - Establishment of an Industrial Development Zone
 - Utilisation of the existing airport for more extensive freight and passenger services
- **Tourism, Leisure, Gaming and Entertainment**
 - A major marketing drive to increase the flow of visitors to the existing attractions, eg.
 - The Vaal River as an ideal local tourism, conference, sports and event destination
 - The Casino, Game Park and related entertainment facilities
- **Agriculture and Agro-industries**
 - Substantial land and water are available for conventional and new farming methods
 - Organic and hydroponic farming proposals are awaiting full business plans
 - Land and air transport facilities are available for rapid local and export market access
 - Agro-processing activities are suitable both for the urban and rural areas

Action: A pro-active Strategic drive is necessary to integrate and drive the various opportunities towards successful implementation; A **leaders summit** will engage the major companies and stakeholders; **Business Planning** should be pursued with urgency as one of the keys to **raising finance**.

Kangwini Council August 2001: Mayor Clr Alfred Nkabinde

- The Mayor presented a brief outline of opportunities in the Kangwini/Bronkhorstspuit area including
 - Mining and minerals beneficiation industries
 - Tourism, game and leisure resorts
 - Agriculture, agro-processing and water management

Action: The opportunities need to be **work-shopped and followed up** with integrated Business Plans

Ekhuruleni Council Mayoral Committee representatives

- Ekhuruleni comprises the **major towns of the East Rand** with **established** urban mining, industrial, commercial and residential infrastructures
- **Blue IQ** Projects affecting Ekhuruleni include **Alrode Wadeville** Industrial Corridor, the **JIA** IDZ, and linkages to the City Deep IDZ

Action: A Working Group is proposed to develop **Business Plans and Action Programmes**, to engage the private sector and to realise the full potential of the existing infrastructure and projects.

City of Tshwane Council August 2001: Mayor's representative G Chisholm

- A brief discussion was held on Tshwane/Pretoria, which is already involved in the major Blue IQ projects such as the **Innovation Hub** and the **Auto Cluster**
- **Further project opportunities and implementation processes** need to be **work-shopped** in order to have a real impact on economic growth, investment and employment in the region
- **Marketing of Tshwane** as a leading African City with its own distinct positioning is under discussion

Action: Natgrowth will report on progress and is available for input, business planning and facilitation

Joburg 2030 (Public presentations February 2002 Ref: Bohani Shibambu) The new long-term vision of Joburg as a world-class city will lead to strategies and projects in the short-term. Current initiatives include:

- A focus on **development nodes and delivery priorities**
- **Blue IQ** projects proceeding: JIA IDZ, City Deep IDZ, Wadeville-Alrode, Newtown, Constitution Hill
- **JDA:** Johannesburg Development Agency
- **Central City Partnership:** eg. crime and grime projects to attract business
- **Alexandra** redevelopment: R1,7bn integrated presidential priority project proceeding
- **Soweto** Development Initiatives: infrastructure, specific projects and funding proposed

Action: Natgrowth will report on progress and is available for input, business planning and facilitation

INDUSTRY SECTOR PROJECTS

Various *sector initiatives* have recently been emerging such as in agriculture, water, energy, mining, environment, information and telecommunications, banking and financial services, trade and industry. A significant Public Sector ICT Project to bridge the digital divide is one example which holds great potential (Refer 5 below). The business models and drivers of these initiatives have yet to be fully articulated and coordinated for sustainable growth.

It is recommended that *sector initiatives be coordinated within a National Growth Programme*, with definite targets and timeframes and be driven by the Public and Private sectors and other stakeholders. The Public Sector is able to channel substantial departmental budgetary resources to productive activities investment. The Private Sector is able to marshal substantial investment resources to attractive growth projects.

ACSA's role in Tourism Aug 2001 update April 02:

Siva Pillay Marketing & Business Development Manager

- ACSA manages the main airports in South Africa, as a profitable PPP company, presenting the face of South Africa to business and private tourists, and a wide range of commercial activities
- Overall Tourist inflows have shown an increase to over 6 million over the past few years
- However, the rate of growth has slowed and foreign tourist inflows are below 20% of total
- Despite slow growth, the **R2bn** Durban airport and **R500m** W Cape projects are going ahead
- ACSA thus engages with the tourism industry to promote the increased flow of tourists
- Tourism Marketing could be more effective to gain a greater share of the growing global industry eg.
 - greater emphasis on intermediaries such as tour operators and travel agents
 - more attractive, competitive and specialised tourist packages
 - expansion of the MICE market (Meetings, Incentives, Conferences and Exhibitions)
 - specialised charter flights and packages to better utilise available facilities
 - efficiencies required by Home Affairs and Customs in speeding up the flow of tourists and goods

USA is a significant Public Sector ICT Project to bridge the digital divide which holds great potential. USA was established by the National Department of Communications some 2 years ago.

USA's Mandate and Vision are to provide **universal access to telecommunications** services, particularly to un-served communities, in order to facilitate empowerment and participation in economic development activities. The specific targets vary over time, eg. in terms of increasing tele-density, the range of services, and reducing the physical distances to facilities.

USA appears to operate two types of Tele-centres, based on initial assessments of the needs of different communities, ie.

Standard Tele-centres which comprise a range of facilities and resources, supported by USA over a longer period of time

Min-Tele-centres which are operated on a smaller smme basis with fewer resources, supported by USA over a shorter period of time

The Business Models in both cases appear to require further development, building on a number of core strengths such as infrastructure and access to expertise. A number of **challenges** were apparent for the sustainable development of the tele-centres towards achieving USA's vision eg.

Resources for expansion

Income generation for sustainability

Remuneration of staff

A number of **strategies** were discussed for investigation, including

Marketing and Expansion including:

More effective communication to communities and youth in and out of school as the primary target market on an affordable basis

Reaching broader markets such as government, companies, schools and other organisations on a more viable commercial basis

Product Extension including:

Core ICT services such as telephones, fax, scanning, internet, photocopying

Related services such as printing, design and typesetting

Broader services such as ICT, Computers and other Training, such as in business skills, designed to empower people for self-employment and smme development

Business Sustainability

Improvements appear to be needed in **Business Management, Marketing and Financial Management Skills** among the Tele-centre operators, for which a **business management training programme** is proposed;

Improvements appear to be needed in the remuneration structure of the Tele-centre operators, as related to productivity, income generation and the level of support available

It is recommended that the above strategies be considered for further investigation, elaboration and implementation by USA

IT: SA.Com: Mass Marketing of Affordable Computers

Natgrowth, Absa and others

Business plan and investment proposals in progress to set up a national distribution network

Iscor Flat Steel Products Nov 2001:
PA Markstrom Business Development Manager

- **Iscor is a world-class steel producer** with 3,7m tons capacity, with only 1,6m tons used locally
- **1,1m tons** are available for **export** (in slow markets) and **downstream manufacturing** eg. Auto components in cooperation with Smme's – **to be followed-up** with the Auto Cluster, Canadian Alliance; Local councils such as Emfuleni; and Gauteng Department of Labour
- **Action:** Working Group, follow-up Workshops, Business Plans and Action Programmes are proposed

HIV/Aids August 2001

Dr Clive Evian MD Aids Management and Support (Natgrowth summary)

- Southern Africa is the HIV/Aids capital of the world with some estimates at 20% or more of the population being HIV positive
- South Africa has the single largest HIV positive population in the world, with over 4 million people
- Awareness is sadly lacking partly due to the slow onset of Aids symptoms over a number of years
- The problem is only really beginning, with Aids symptoms only starting to become apparent
- Statistics are inadequate due partly to ignorance and the reluctance to undergo testing
- Aids is devastating physically due to the fact that it destroys the body's immune system
- HIV as a virus does not have a likely cure, although vaccination is feasible
- A number of drugs can slow down or limit the effects, but are presently not affordable
- The social and economic effects are equally devastating, with the likely impacts on the economically active population, markets, communities, dependants.
- In effect HIV/Aids will wipe out gains in Economic Growth over the coming decades
- The environmental causes of the syndrome include the social and economic chaos in Southern Africa over the extended past, with extensive migration, lack of stable family lives and sexual promiscuity
- **Positive initiatives** include:
 - **Unequivocal commitment** at all levels to address HIV/Aids affectively
 - **Organisations facilitating anonymous testing** to improve the base of information
 - **Awareness campaigns** about the basics of transmission and to change sexual behaviour patterns
 - **Extended use of condoms** as an effective preventative
 - **Extending the productive lives** of HIV and Aids sufferers through broader acceptance
 - Extended initiatives to **bring down the cost of effective drugs**
 - Extended research and **development of effective vaccines**
 - **Progressive testing** and roll out of available drugs such as **Nevarapine**
 - **Social and Economic Growth and Development** to stabilise communities and family life

Progress Magazine, Johnnic Publishing, Karyn Richards Nov 2002

A new publication in the Johnnic stable, to be launched in January 2003 on a quarterly basis. While attending Natgrowth as observers, the opportunity was taken to learn about the state of the game and to strategise the publication towards its objectives, as follows:

- 📖 Vision: to sustain the momentum of the World Summit for Sustainable Development in Africa
- 📖 Mission: a catalyst for stimulating and extending concrete projects and initiatives
- 📖 Target Markets: leading decision-makers in business, government, ngo's and other organisations
- 📖 Strategies include:
 - building a high powered network of readership and leadership
 - an authoritative source and showcase of leading edge initiatives
 - a must read with relevant value-adding information
 - building circulation and advertising revenue through exceptional value

Professional Management Review Africa Barbara Meyer-Wood CEO, November 2002

PMR is a leading and successful management publication, built on entrepreneurship, customer focus, a bias towards action, together with extensive planning, persistence and flexibility – to change and re-invent itself on a daily basis. As such PMR is looking to extend its reach and influence throughout Africa and aligns itself with likeminded initiatives to promote growth and development. This recipe for success serves as a beacon to entrepreneurs and facilitators of business development.

Thabo Mbeki Development Trust for the Disabled August 2001 Clarence Esau for Suzanne Daniels

- **The Trust raises funds** for organisations and projects for the disabled, comprising some 10% of the population or 4 million people
- **Targets** include raising R300 million and processing some 2000 applications in the next few years
- The **overall aims** include integration of the disabled with in the mainstream economy and society, so contributing significantly to economic growth and employment
- **Immediate priorities** include increasing awareness of the needs and capabilities of the Disabled, extending the Trust and its work, ensuring the effective implementation of projects and capacity building

The Role of Standards in MAP and Global Competitiveness: MG Kellerman SABS

Global trade requires conformity to international standards. Unfortunately, there is a confusing plethora of different standard setting bodies in different countries and regions. These tend to work in favour of certain countries and impose unnecessary costs on emerging countries. SABS works with the various bodies worldwide and serves as the secretariat for the African standard setting bodies. Immediate priorities as part of Nepad include: harmonising standards in SADC and Africa and **negotiating improved global recognition, harmonisation and market access.**

Youth Projects

SAYFCOC: SA Youth Federated Chamber of Commerce, November 2002: Michael Masalesa, Artie Phatlane, Zama Qampi, Brando Shabe, Amos Maleka, associates and affiliates

- ☞ Vision and Mission: to substantially **reduce the +/- 50% unemployment** among youth
- ☞ Creating and sustaining **a culture of entrepreneurship**
- ☞ Facilitating **Skills Development** through the Sector SETAS
- ☞ Strategic Alliance with **Natgrowth** to stimulate SMME Business and Economic Development
- ☞ Strategic Alliance with **London School SA** for broad education, training and skills development
- ☞ **Maximising Opportunities and Linkages** as a door opener to diverse organisations in government, business, communities and other youth organisations

Other Projects and organisations discussed include:

AFD: Agence Francaise de Developpement & Proparco: Sep 02 French investment in Africa

Agriculture, Tourism, Mining and Transport: eg Limpopo, N Cape and North West

Banking and Financial Services eg. Community Reinvestment Bill, SA Reserve Bank, Mazwai Securities, ABSA and the Natvest National Investment Corporation "Black Sanlam" Project. The GM Transformation of the banking Council of SA, Cas Coovadia indicated that the industry is committed to **broadening access to financial services** on a viable and sustainable basis. The committee of CEO's will be meeting every week until a viable set of innovative strategies and implementation processes is in effect.

Bhp Billiton March 2002 Joe Mollo: Major Mining projects proceeding **Energy: eg.** Alternative Energy: Eskom Amazing Amanzi Systems; Eskom Enterprises

Conlog March 2002 D Miller active engagement payment systems throughout Africa

Contred Nov 2001 Jakes Fennie: active engagement in tyre supply throughout Africa

Datapoint Multi-Media Systems August 2001 Maura Maciver

Education, Skills Development and Technology: eg. Boston, Siemens and London School

Education & Skills: Orhouelani Education Centre, Voslorus Greeter Phahla; June 2002: Self-funded Pre-school for learning disabled has grown to over 200; ABET skills project is also growing. Smme/Skills project to focus on market-driven opportunities such as small farming, clothing, carpentry etc.

Education & Skills: Vaal Area June 2002: Salome Chirwa, Merriam Mulutsi, Paul Maboe will try to follow above examples to enhance viability and growth.

Education, Communities, Skills and Smme Development: eg. Thembelihle, Vucosa, Mandaba, Zakheni, Masemanyane, Sifisa, Maletswai, JJM, Curling Centre and Rotary International

Eskom Enterprises August 2001 Cecil Ramonotsi, Consultant: Smme and Entrepreneurship projects within a R2bn operation with 24 non-regulated businesses and several joint ventures across the globe

Food Processing Cooperatives: Derrick Bradley, Absa Customer Relationship Manager

Housing Consultants, Soweto June 2002 Rockafella: Mpumalanga Housing project for 4000 houses – obstacles to be investigated. Soweto Tourism projects to be pursued for WSSD.

Itsoseng Young Women's Development June 2002 Matseko Magalemele: projects in progress

Public Sector Restructuring was discussed by the Deputy DG, Malixole Gantsho

Reed Exhibitions June 2002 Jo Melville, Dev Naidoo, Aldean, Lynn to explore new opportunities contributing to growth eg. Public Sector, Agriculture, Provinces, Africa, Mobile/Permanent Exhibitions

SA Post Office June 2002: Frans Pale, Isaac Mokhatla, Sydney Jessop. **National Database** essential for delivery, with cooperation of Local Gov, Stats SA, Telkom, Eskom etc. **Internet cafes** to be explored

St Gobain Pipelines Aug 2001 Fanus Le Roux Mervyn Murray-Smith, Derrick Hall

Transnet / Metrorail: March 2002 Billy Manamodi, Matlhodi Magoete; Aug 2002 Mafika Mkwana Group CEO, Domestic and Africa expansion projects

World Bank: Mats Karlson Sep 02: Reshaping the World Bank for broad based sustainable development

Water and Sanitation: Rand Water programmes for expansion of access to water and sanitation; Overberg Water community projects in the Western Cape; Umgeni Water, KZN

NEPAD BACKGROUND

Introduction: Background and Challenges

Nepad arises from the history and challenges of Africa, including: **Colonialism**, Mineral Exploitation, Dependency; **Post Colonial neglect**, *Unequal Relations, Impoverishment*; **High Debt**; **Development Aid Decreasing**; **Poverty**: 340m People/ Half Population less than \$1 per day; **Health**: High Mortality, Malnutrition, TB, HIV/Aids; **Poor Infrastructure**; **Conflict, Corruption, Mismanagement**; **Divides**: Political, Social, Technological, Knowledge, Skills; **Globalisation: Marginalisation and Imbalances**

Commitment to a Common Vision and Values

- **African Solutions**, Ownership, Leadership, Management
- **Sustainable Development** = People Centred Empowerment
- **The common goals** of Peace, Democracy, Human Rights, Rule of Law
- **Economic Fundamentals**, Market Forces, Competitiveness
- **Cooperation and Integration**, Expansion, Based on Regions
- **Building on the Rich Cultural History** and Creative Potential
- **Protection of Environmental Resources** for Development

Nepad Objectives include

- **To Eradicate Poverty and Build Prosperity**
- **To Place African countries, both individually and collectively, on a path of sustainable growth and development and thus halt the marginalisation in the globalisation process**
- **To Promote the role of Women in all activities**

Nepad Goals include

- Achieve and sustain average **GDP Growth above 7%** pa for 15 years
- Achieve Agreed **International Development Goals** 1990-2015:
- **Reduce** proportion of people living in **extreme poverty by half** by 2015
- **Full primary school enrolment** by 2015
- **Eliminate gender disparities in school enrolment** by 2005
- **Reduce infant and child mortality by two-thirds** by 2015
- **Reduce maternal mortality by three-quarters** by 2015
- **Full access to reproductive health services** by 2015
- **Implement National strategies for sustainable development** by 2005

NEPAD STRATEGIES AND PROGRAMMES OF ACTION

A) **Preconditions for Development** (Natgrowth: these may be seen as parallel initiatives)

1) Peace, Security and Political Governance Initiative strengthen institutions - detailed measures due for Conflict Management, Peace-making, Enforcement, Control of Arms and land-mines. (Immediate challenges include DRC, Angola, Sudan and Zimbabwe)

2) Economic and Corporate Governance Initiative, Public Finance Management: Practical measures to implement, institutionalise, monitor and build capacity for: Rule of Law; Public Finance Management; Administrative Reform; Participatory Decision-making; Combating Corruption and Embezzlement; Judicial Reform

3) Regional Cooperation and Economic Integration: Building economies of scale and critical mass for competitiveness and enhanced market access; Focus on **North, East, West, Southern and Central** Regions; President Mbeki is already driving the process in **SADC**

B) **Sectoral Priorities**

4) **Human Resource Development Initiative**

4.1) **Poverty Reduction:**

- Work with World Bank IMF and UN to accelerate implementation of of the **Comprehensive Development Framework** and **Poverty Reduction Strategy**
- Task Teams on **Poor Women and participatory and decentralised processes** for the provision of **Infrastructure and social services**

4.2) **Health:**

- Strengthen processes for supply and delivery of **affordable drugs and services**
- **Mobilise resources** for effective disease interventions and health systems eg HIV/AIDS and other communicable diseases;
- **At least R10bn** expected from WHO and donors
- **Country Budget allocations**
- **Joint capacity building**

4.3) **Education**

- **Review** Unesco, donor and National Budget initiatives
- **Task Teams** to achieve goals of universal primary education access to secondary education, ICT, curricula relevance, standards, quality and research capacity

5) **Infrastructure Initiative**

i **All Infrastructure Sectors**

- **Sector-specialised agencies** to assist in enhancing access, affordability, connectivity, competition, reliability, harmonised regulation and market enlargement
- **Increased Investment** in refurbishing existing and new infrastructure
- **Training institutions and networks** to enhance skills
- **End-user involvement** in construction, maintenance and management
- **Sustainable Financing** working with African Dev Bank and others
- **PPP's** to attract **private investors**; **public funding** to focus on **poor**
- **Sector-Specific Infrastructure Strategies:** Working with regional Agencies, Development Finance Institutions, Task Teams, PPP's and other specific initiatives

ii ICT: Information and Communication Technologies

- To Double density to 2 lines per 100, lower cost, improve reliability, e-readiness, youth proficiency, local content software
- Work with regional Agencies and DFI's on policy models, protocols, training institutions

iii Energy: Increase access to reliable affordable energy 10-35% in 20 years, reverse environmental degradation, increase hydropower, integrate grids & systems

iv Transport: Improved linkages and reliability through **Task Teams and PPP's**

v Water and Sanitation: Improve Access and Water Management, sustain eco-systems, resource sharing, enhanced irrigation, address climate change

vi Science and Technology Platforms: Cross-border cooperation, adaptation, development, training, institutions in targeted areas eg. Geo-science, Food, Bio-technology, Engineering etc.

6) Diversification of production and exports

i Agriculture:

- Cooperate to improve Productivity, security, sustainability, environment, net exports, integration of rural poor, market access, strategic science and technology
- Increase security of water supply, management and irrigation
- Enhance agricultural credit and finance schemes
- Redress imbalances in Public spending between urban and rural areas

ii Mining Harmonise and collaborate on resource information, incentives, beneficiation, and Skills: African School of Mines for optimising extraction and outputs

iii Manufacturing

- Cooperate to Increase production, competitiveness, diversification, exports, employment, harmonised standards including agro-industrial, mining and manufacturing
- Facilitate partnerships, training institutions and technology transfers

iv Tourism Cooperative partnerships for development and marketing of key regional anchor projects, products and services with community participation, safety and security

v Promoting the Private Sector

- To ensure conducive environment for Smme's, Foreign Investment and Trade
- Enhance capacity, Chambers of Commerce, Associations, Networks, Shared Vision of Economic Development Strategies, Enterprise support and financing

vi Diversification of African Exports

- Cooperate to Promote Trade within Africa and Globally, liberalisation & harmonisation
- Strengthen bargaining power and capacity for Global access

7) Market Access Initiative

- **Active cooperation and participation in World Trading System & WTO**
 - **Open, Predictable, Diversified market access for exports**
 - **Collectively call for structural adjustments in developed world**
 - **Transparency and predictability as preconditions for investment**
 - Concrete Steps to **enhance negotiation capacity** in WTO and multi-laterally
- Identify **Strategic Areas for Intervention**, including
 - Key areas in export production with serious **supply-side impediments**
 - **Diversification and value-added** production for exports
 - Further **liberalisation** in manufacturing areas with high growth potential
 - **Political action** for integration and access

8) Mobilising Resources: Savings and Capital Flows Initiative: > \$64 bn;

- To achieve **7% Growth** and fill resource gap of 12% of GDP **\$ 64 bn pa**
- **Increase Domestic Savings and Revenue Collection**
- **Need for External sources: Debt Reduction, ODA and Private sector, conditional on participation in governance initiatives**

i Debt Initiative

- **Extend debt relief** to resource gap, linked long-term to poverty reduction
- **Interim ceilings** for debt service to fiscal revenue
- **Combined negotiation** with creditor governments beyond existing terms

ii ODA Reform Initiative

- **ODA Forum** counterpart to the OECD Development Assistance Committee
- **Increase flows** based on principles of governance, poverty relief etc.
- **Independent assessment** of Performance and outcomes

- iii **Private Capital Flows Initiative**
 - **Task team audits** of legislation to **Reduce Risk Perception**
 - **Feasibility studies** on **risk mitigation mechanisms**
 - **Enhance capacity to establish PPP's**
 - **Financial Market Integration Task Force**

9) **Environment Initiative**
Priority Interventions, based on sound role models and labour intensive methods eg. Combating Desertification, Wetland Conservation, Invasive Species, Coastal Management, Global Warming monitoring, Transfrontier Conservation Areas, Governance and Financing

- 10) **NEW GLOBAL PARTNERSHIP**
- **Mutual Responsibilities and Benefits**
 - **Global Technological Revolution** needs expanded base of resources, markets, science and knowledge, within a well-managed ecological system
 - **Africa offers Vast Resources, Growing Markets and Investment Opportunities** especially in Infrastructure, ICT, Transportation, Beneficiation, Agro-industries, Tourism, Human Resource Development, Urban renewal and Urban Development, Cultural Creativity and Environmental Resources
 - Commitment to **South-South Partnerships**
 - **Negotiate New Relationship** with Industrialised countries and multi-lateral Organisations, with Africa country programmes and agreed Performance Management
 - **Rationalise and Optimise existing Partnerships and Responsibilities** to support the various agreed initiatives eg. with UN New Agenda for Development of Africa, Africa-Europe Cairo Plan, World Bank-led Strategic Partnership, IMF Poverty Reduction Strategy Papers, Tokyo Agenda for Action, AGOA, and the Global Compact with Africa

IMPLEMENTATION OF NEPAD Immediate Priority Programme already in process:

- Communicable diseases
- Information and Communication Technologies
- Debt Reduction eg. Italy has cancelled Uganda's debt based on compliance
- Market Access

PROJECTS (see www.mapstrategy.com) A number of projects are in progress or planning eg.

- i **Agriculture** Integrated land and water management action plan; and Agricultural Research and Extension systems
 - ii **Private Sector** National Business Incubators
 - iii **Infrastructure** and Regional Integration Needs Assessment in 5 Sub-Regions and Key Sectors
- Other:** eg. **Nacala** Corridor Investor Conference, \$1,3bn Nigeria oil from gas project

NEPAD PROJECT UPDATE

NEPAD Funding Commission

- ☞ Proposed alignment with NEPAD, Investment Advisory Council (IAC) and International Chamber of Commerce (ICC)
- ☞ To facilitate investment of funding by development partner agencies into infrastructure projects in Africa

Establishment of African Energy Fund

- ☞ Proposed fund to invest in energy and related projects in Africa;
- ☞ Primary aim to develop interconnections between African countries;
- ☞ First project identified:
- ☞ Western Corridor Transmission Project (DRCANSA HV Tx Line)
- ☞ Status: Feasibility study underway
- ☞ Linked projects include telecommunications, computer centers of learning, smelters, roads, schools, and clinics.
- ☞ Costs: Between US\$500 million and US\$ 1.6 million

ICT Infrastructure Project Example: SAT3/WASC/SAFE cable project (Marine Fibre Optic Cable)

Benefits:

- ☞ Improved and additional intra-Africa connectivity and trade in communication services;
- ☞ Broadband state-of-the-art infrastructure for high volume multimedia communications;
- ☞ Global connectivity to African countries that otherwise may not have been able to do so individually.
- ☞ Cable landing points: Portugal, Spain, Canary Islands, Senegal, Cote d'Ivoire, Ghana, Benin, Nigeria, Cameroon, Gabon, Angola, South Africa, Reunion, Mauritius, India, Malaysia

Initiative on Pharmaceutical Technology Transfer IPTT

Vision:

- ☐ To contribute to generic pharmaceutical development in Africa to improve access to essential drugs at affordable prices for HIV, Tuberculosis, Malaria and related diseases;
- ☐ To establish a technological platform that will provide value-added benefit to countries by back integrating from importation of finished products to local manufacturing and ultimately to research and development.

Benefits:

- 🔍 Foster national scientific and technological capacity;
- 🔍 Create a focal point for a knowledge and skills oriented society, and for a transition into value-added manufacturing;
- 🔍 Increase skilled employment and improve health-seeking behaviour;
- 🔍 Enhance economic self-sufficiency;
- 🔍 Provide long-term sustainable conditions for research and development for drugs for other neglected diseases.

Current Status:

- 🔍 Two manufacturing sites to be selected in each Uganda, Ethiopia, South Africa and West Africa;
- 🔍 Uganda, Ethiopia, South Africa have identified project teams;
- 🔍 Project costs per manufacturing site estimated to be US\$2 million;
- 🔍 Supply of essential drugs to the public sector scheduled to commence end 2003.

Tourism Anchor Project Example

Expanded Okavango Upper Zambezi International Tourism Spatial Development Initiative (Expanded OUZIT Project)

- ☐ Integrated tourism strategy aimed at establishing a comprehensive coast-to-coast tourism and resource development zone, built around a core network of Transfrontier Conservation Areas.
- ☐ OUZIT will deliver 15 resorts of US\$100 million each by 2010. The project is expected to:
- ☐ Facilitate the development of projects that will attract more than 17 000 new tourists to Africa per day, which translates into approximately 6.5 million per annum;
- ☐ Create direct employment opportunities for 90 900 people; and
- ☐ Provide an estimated US\$1.1 billion in fiscal revenue.

Current Status

- ☐ Phase I: Scoping study completed
- ☐ Official approval for Expanded OUZIT as a regional project
- ☐ Phase II: Identify Key Projects (2002-2003)
- ☐ Identify at least 3 new large scale investments in resort hubs
- ☐ Support capacity in the management and expansion of Gateway/Resort hubs in participating member states
- ☐ Identify and engage high profile and active global investors
- ☐ Address bottlenecks
- ☐ Phase III: Project Rollout/Implementation (2003-2012). Estimated cost USD 5 Billion

Integrated Project Approach: Example: Great African Rift Development Strategy

🔍 Potential Key Sectors:

- ☐ Agriculture and Agro-Processing
- ☐ Tourism
- ☐ Minerals

🔍 Potential Outcomes:

- ☐ Regional Integration
- ☐ Extreme Poverty Relief
- ☐ Infrastructure Development and Continental Integration
- Electricity Grid
- Rail/Road Network
- Inland waterways
- Liquid Fuels/Gas Grid
- Telecommunications



Great African Rift/Great Lakes Corridor

- S. Sudan
- Uganda
- E. Congo/Rwanda
- Burundi
- W. Tanzania
- NE Zambia
- Malawi
- Central Mozambique

Alternative:

- Zambia
- E. Botswana
- W. Zimbabwe
- N. South Africa

Country	Natural Resources	Principle export commodities (2000)
Burundi	arable land, leisure tourism, nickel, uranium, peat, cobalt, platinum, vanadium	coffee, tea, sugar, cotton, hides
DRC	arable land, cobalt, copper, cadmium, petroleum, diamond, gold, silver, manganese, coal	diamonds, copper, coffee, cobalt, crude oil
Malawi	arable land, leisure tourism, uranium, coal, aluminium	tobacco, tea, sugar, cotton, coffee
Mozambique	arable land, leisure tourism, coal, titanium, natural gas, tantalum, graphite, aluminium, gemstone	prawns, cashews, cotton, sugar, citrus, timber
Rwanda	arable land, leisure tourism, gold, tin, tungsten	coffee, tea, hides, tin
Tanzania	arable land, leisure tourism, gold, tin, phosphate, coal, iron, gemstone, nickel	coffee, cotton cashews, minerals, tobacco
Uganda	arable land, leisure tourism, cobalt, copper	coffee, fish, tea, electrical products, iron, steel
Zambia	arable land, leisure tourism, copper, cobalt, emeralds	copper, cobalt, tobacco
Sudan	arable land, petroleum, copper, chromium, zinc, tungsten, mica, silver, gold	oil and petroleum goods, cotton, sesame
Botswana	leisure tourism, diamonds, copper, nickel, salt, coal, soda ash	diamond, vehicles, copper, nickel, meat
Zimbabwe	arable land, leisure tourism, coal, chromium, asbestos, gold, nickel, copper, iron, platinum	tobacco, gold, ferroalloys, cotton
S. Africa	Arable land, leisure tourism, platinum, gold, coal, chromium, iron, diamond, manganese	gold, diamond, other metals and minerals, chemicals, fertilizer

NATGROWTH CONTACT AND PROJECT FOLLOW-UP LIST

*Please indicate feedback on Proposed Workshops, Projects and Business Planning

ORGANISATION	CONTACTS	TEL	FEEDBACK AND FOLLOW-UP
ABSA Corporate & Merchant Bank	Chris Hart, Derrick Bradley, James Henderson, Percy Rundle, Allan Sproule	011-221-9215 011-350-3794	
ACSA	Siva Pillay Group Exec	011-723-1473	
African Broadcast Network	Savannah Maziya CEO	011-293-6342	
Afrox Healthcare	Zith Mahaye Corp Affairs	011-490-0400	
Agoa: US Embassy	Allan Tousignant, Retha du Randt	012-342-1048	
Aids Management	Dr Clive Evian	011-786-6492	
ANC	Themba Kirro Kinana	082-416-3149	
BEECom	Cyril Ramaphosa Chair, Invited	011-783-8910	
BHP Billiton	Joe Mollo Manager Public Pol	011-376-2330	
British Consulate	Judi Leon		
Business Report	Quentin Wray	011-633-2644	
Canadian All for Bus in SA	Luqman Ahmad, Dominic Schofield	011-884-9009	
City of Johannesburg	Bohani Shibambu Corp Plan	011-407-7011	
Community PPP Unit	Zandile Ndaba Reuben Matlala	011-313-3047	
Conlog	D Miller GM	031-268-1117	
Contred	Jakes Fennie Dir Bus Dev	041-581-5793	
Correctional Services	Gavin Davids, Wessie Morake & others	012-321-2105	
Cosatu	Z Vavi Gen Sec, Jan Mahlangu invited	011-339-4911	
Cosi Outsourcing	Graeme Leach CEO	051-403-3715	
CSIR Business Development	Berenice Lue Marais, Mabatha Mphomane Lerato Mmutlana	012-841-2583 012-841-3727	
DBSA	Landiwe Mahlangu, Barney Maleke	011-313-3507	
Dep of Transport	MEC Rev Dr T S Farisani	015-295-1015	
E Cape Premiers Office	Arthur Nomnganga Dep Dir	040-6096085	
Ecsec	Azwell Banda Progm Officer	040-6351589	
Education	Prof K Asmal Min & DG Invited	012-326-0126	
Ekhuruleni	Mayoral Committee	011-871-7444	
Emfuleni	Clr Johnny Thabane Mayor, S Mofokeng	016-950-5452	
Engineering News	Martin & Kenneth Creamer	011-622-3744	
Environment & Tourism	Dhesigen Naidoo, JP Louw, Maria Moate	012-310-3628	
Ernst & Young Corp Fin	Kathy Berman Director	011-498-1525	
Eskom Dev Foundation	George Mahlaela	011-800-2340	
Eskom Enterprises	Cecil Ramonotsi Bus Consultnt	011-871-2943	
Eskom New Bus Dev	Tshifularo Masotsha	011-800-5430	
Foreign Affairs	Ronnie Mmamoepa M Ehrenbeck Invited	012-351-1426	
Free State Social Dev Econ Affairs & Tourism	Ms B Marshoff MEC Tembeka Mhleka, JJ Mavuso, Moipone Nkosi	051-405-5000 051-403-3575	
French Chamber of Comm	Helene Bezuidenhout	011-884-4893	
Gaut Dev Plan & Loc Gov	Trevor Fowler MEC	011-407-6380	
Gaut Education	Godfrey Mothibe 082-8713570	082-871-3570	
Gaut Finance & Eco Dev	Mpho Ramafolo, Dan Mogami Charles Morolo, S Sekgobela	011-355-8035	
Gaut Labour	Fakir Charles Seabelo Molefe, Freda Tlaka, Buli Kapa	011-497-3055/ 3166/3078/39	
Gauteng Blue IQ	Oren Fuchs GM	011-355-8462	
Gensec	Ron den Besten	011-778-6234	
Grant Thornton Kessel Fn	Danny Nicola, Gillian Saunders - invited	011-322-4547	
IDC	Loyiso Jiya Chief Economist Jorge Maia Head SADC Dept Loshnee Naidoo SADC Dept	012-337-4217 011-293-3100 011-269-3575	
Iskor Flat Steel Prods	P A Markstrom Manager	016-889-8803	
Itsoseng Y Women Dev	Matseko Magalemele, Chairperson	011-906-5792 072-472-6650	
Kangwini	Clr Alfred Nkabinde Mayor	013-932-6200	
KZN Premiers Office	Prof Siphoshe Shabalala	035-874-2012	
Limpopo Finance Eco	MEC Mufamadi	015-298-7000	

Development, Tourism & Environment	Modile Boshielo, K Mashalane, Moses Modjadji, Lehlegake Mothapo, S Tlaka Stanley Mathabatha; S Hlungwane; Edward Mtlala, Moloto Nchabeleng; Charles Shongwe, Owents Ntlemo, Zacharia Nemutanzhela	014-717-2340 015-633-5969 015-295-3334	
Limpopo Investment Init	Renier Bester Ovary Khan Amos Shiburi 082-894-9474	011-807-3934 011-807-3935	
Limpopo L Gov & Housing	Alfred Netshifhefhe	015-295-6851	
Mpum Fin, Eco & Tourism	JM Mnisi, M Makgamatha	013-766-4595	
Mpum Office of Premier	S M Shabangu	013-766-2323	
Mpum Youth Commission	Mxolisi Dladla Chair	013-766-2334	
Mpumalanga Investment	Mandla Sibiyi, Paresh Pandya	011-482-5728	
M-Stars for Life	Martin Sweet	011-728-6150	
Municipal Infrast Inv Unit	Asha Bassa, Danai Magugumela Mgrs	011-313-3134	
Nat Arts Culture Sci & Tec	Dr Joseph Matjila	012-337-8467	
Natgrowth	Eric Stillerman & Coordinators	011-403-5483	
National D T I	Alistair Reuters DG Invited	012-310-9479	
National Dep Agriculture	Garfield Whiteboy, Japie Smit	012-319-6954	
National Dep Home Affairs	Terence Raseroka Dep Dir	012-392-1069	
National Dep Housing	Dick von Broembsen Chief Dir	012-421-1480	
National Dep Public Works	Min Stella Sigcau, Dr Thami Sokutu DG Lydia Bici Dep DG Liziwe Ramncwana	012-325-6380 012-337-2400 021-402-2172	
National Land Committee	Zakes Hlatshwayo CEO	011-403-3803	
National Treasury	Maria Ramos DG Invited	021-315-5033	
National Treasury PPP Unit	Aijaz Ahmad Chief Advisor	012-315-5891	
Natvest	Eric Stillerman	011-403-5483	
Nedcor	Colette Chan Manager	011-294-3157	
Nedlac Proudly SA Campgn	Martin Feinstein CEO	011-482-4650	
Nepad	Ginny King (Courtesy presentation)	011-313-0000	
North West Agric, Conserv & Entrep Dev	Neo Rampagane Asst Director Phindi Mokoena Director	018-389-5403 082-565-4254	
Northern Cape	Invited		
NW Central District Munic	Clr J Kgomo, Tiro Mmokwa	018-889-8803	
NW Eco Dev & Tourism	Frank Tlhomelang Asst Dir Thabo Thulare Dep Dir	018-392-2307 018-384-1022	
Old Mutual Properties	Colin Young New Bus Exec	021-531-1231	
Orhouelani Educatn Centre	Greeter Phahla	011-906-5964 083-686-7927	
PMR Africa	Barbara Meyer-Wood	011-880-4720	
Presidency, Nepad	Prof Wiseman Nkuhlu Invited	012-319-1515	
Progress Magazine	Karyn Richards	011-280-5064	
Protection: Defence	Andrew Mokonoto Dep Dir	012-355-6506	
Reed Exhibitions	Jo Melville, Dev Naidoo, Aldean, Lyn	011-789-3191	
Richmond International	Paul Pauwen MD	011-728-8282	
SA Business Guidebook	Mark Poonan, Adele Levin	011-728-6902	
SA Post Office	Frans Pale, Isaac Mokhatla, Sydney Jessop	012-401-7079	
SA Reserve Bank	Desmond Golding Strat Man DR Xolile Guma Dep Governor Louis Venter, Vukani	012-313-4017 012-313-3845 012-313-3625	
SA Youth Federated Chamber of Commerce	Michael Masalesa, Zama Qampi, Artie Phatlane	011-833-7397	
SA.Com	Eric Stillerman	011-403-5483	
SABC Corporate Youth Programmes	Solly Mokoetle COO Lebo Ranasoko Proj Mgr	011-714-4120 011-714-6604	
SABS	Paul Macloins, Randall Carolissen	012-428-6022	
SACOB	Bill Lacey	011-446-3806	
Saint Gobain Pipelines	Fanus Le Roux MD, Mervyn Murray-Smith	012-386-1711	
SASOL OIL	Sam Manamela	011-889-7697	
South African Tourism	Ray Nkwe	011-778-8086	

Thabo Mbeki Dev Trust	Suzanne Daniels CEO Clarence	011-726-4481	
The X-Pert Group	Dana Brennan, Dee Ahlo, Ivana Goldfein	011-803-4676	
TISA Refiloe Nkabinde, Gugu Mashifane	Mary Tstasi, Shereen Osman, Thulani Mpetsheni, Abiel Mohlahlo, Desmond Hadebe, Edwin Moloto, Vusi Mveli	012-428-7919	
Transnet & Metrorail	Mafika Mkwanazi CEO Billy Manamodi, Matlhodi Magoete	011-308-2309 011-774-3494	
Tshwane	Kgomotso Mahlala GM Sizakele Mmutlana	012-337-4361 012-308-2380	
UK Dep of Foreign Dev	Paul Barbour	012-431-2160	
Umgeni Water	Umesh Natha	033-341-1396	
Vaal Education Centres	Salome Chirwa, Merriam Mulutsi, Paul Maboe	016-986-1906 016-590-1773 072-254-8807	
W Cape Ch of Commerce	Chris Nissen President	021-402-4300	
Western Cape Housing	MEC Hlangana	021-483-4249	

Natgrowth World Summit Parallel Events

Absa	Chris Hart	Senior Economist	011-350-7251	
Agence Francaise de Develop	Edouard Danjoy	Director	011 784 0956	
Agence Francaise de Develop	Pierre Jacquet	Executive Director	011 784 0956	
Agence Francaise de Develop	Philippe Lecrinier	Director	011 784 0956	
Agence Francaise de Develop	Luc Rigouzzo	Director	011 784 0956	
Agence Francaise de Develop	Jean-Michel Severino	CEO	011 784 0956	
Airports Company SA	S Mdlalose			
Airports Company SA	Siva Pillay	Group Ex Bus Dev	011-723-1473	
Amazing Amanzi Sys Eskom	Leon Horne	Managing Director	011 663-1300	
Amazing Amanzi Sys Eskom	Peter Tawana	Financial Manager	011 663-1300	
Beachhead Media	Mr Ravin Maharaj	Account Director	011 214 2400/4	
BKG	Patrick Eke		083 769 3885	
Boston City Campus	Ari Katz	Principal		
Care Link	Michael Nkomo	Special Projects	082 623 1031	
Cater Hire	Ditshedi Mabe	Financial Director	011 882 6623	
Central District Municipality	M W Mohulatsi	Executive Mayor		
Central District Municipality	M J Kgomo	Counsellor	018 381 0586	
Cifisa Organ	Nomsa Twala	Coordinator	011 909 9226	
Cifisa Organ	Sally Peterson	National President	011 909 9226	
City of Johannesburg	L Bethlehem	Director	082 464 4254	
City of Johannesburg	Nazina Chachalia	Project Manager	011 407 7137	
City of Johannesburg	Thomina Madinanae	Economist	011 407 7169	
City of Johannesburg	Mayer Maganlal	Specialist	011 407 7133	
City of Johannesburg	Lonwabo Mqualwa	Econ Facilitator	011 407 7134	
City of Johannesburg	Flora Mokgohloa		011 407-6750	
City of Johannesburg	L Perneeger	Project Manager	011 407 7031	
City of Johannesburg	Rashid Seedat	Director	011 407 7012	
City of Johannesburg	Vinod Singh	Project Manager	011 407 7031	
City of Johannesburg	Neville Smith		011 407-6718	
City of Johannesburg	Thokozani Thwala	Project Manager	011 407 7108	
City of Johannesburg	D van Niekerk	Project Manager	011 407 7544	
DBSA	L Mashaba	COO	011 313 3144	
DBSA	Admassu Tadesse	Senior Advisor	011 313 3144	
DEAT	Dhesigen Naidoo	Deputy DG	012-310-1009	
Dep of Public Enterprises	Malixole Gantsho	Deputy DG	012-431-1116	
Ditsobotla Municipality	L J Bogatsu	Mayor	018 632 5051	
Dr. Frans Kekana Devel Inst	Derek Gallowitz	PA	011 674 1755	
Dr. Frans Kekana Devel Inst	Dr. Frans Kekana	CEO	011 674 1755	
Dr. Frans Kekana Devel Inst	Enver Buys	Marketing	011 674 1755	
Dti	Xavier Carim	Deputy DG	012-310-3842	
Eskom	MC Ramonotsi	Senior Advisor	011 871 2943	

Free State Social Development	Ms B	Marshoff	MEC	051 405 5000	
Hollard Insurance	Martin	Sweet	Strategist	083 700 4502	
Kilpatrick Thomson Int.	Anne	Thompson	Director	021 418 7240	
Kilpatrick Thomson Int.	Marsha	Wulff	Director		
Kungwini Local Council Att Busi	Clr Alfred	Nkabinde	Mayor	011 932-6214	
Limpopo Dept of Fin & Eco	G	Knill	Gen. Manager	015 298 7000	
Limpopo Dept of Fin & Eco	J	Mahlala	Gen. Manager	015 298 7000	
Limpopo Dept of Fin & Eco	C	Maluleke	Gen. Manager	015 298 7000	
Limpopo Dept of Fin & Eco	S	Mashalane	Gen. Manager	015 298 7000	
Limpopo Dept of Fin & Eco	S	Mathabatha	Gen. Manager	015 298 7000	
Limpopo Dept of Fin & Eco	M B	Mphahlele	HOD	015 298 7000	
Limpopo Dept of Fin & Eco	Mr TA	Mufamadi	MEC	015 298 7000	
Limpopo Prov Dep of Transport	Dr. T S	Farisane	MEC	015 295 1015	
Limpopo Prov Dep of Transport	R C	Nwedamutswu	Manager	015 295 1015	
Limpopo Prov Dep of Transport	Mr S S	Masemola	CFO	015 295 1015	
Limpopo Prov Dep of Transport	Mr T H	Ramogale	HOD	015 295 1015	
Limpopo Prov Dep of Transport	Ms V	Komape	Snr. Secretary	015 295 1015	
Limpopo Prov Dep of Transport	R C	Nwedamutswu	Manager	015 295 1015	
Manadaba Development	Nomvume	Mzwakali		047 531 3942	
Masimanyane Community Dev	Alexis	Rajwili	Project Officer	072 536 4986	
Masimanyane Community Dev	Bukiwe	Mvana	Project Coordinator	072 536 4986	
Mazwai Securities	Andile	Mazwai	CEO	011-537-2700	
Merafang City Local Municipality	Clr Ellen	Mabile	Exec Mayor	018 788 9505	
Merafang City Local Municipality	Adv GCM	Masemola	Municipal Manager	018 788 9505	
Merafang City Local Municipality	Clr K L	Mofokeng	Counsellor	018 788 9505	
Middleeast United Holdings	Hamed	Fotovats	COO	012 392 4000	
Moeletsi Self-Help	Thabang	Moeletsi	Chairperson	083 771 0938	
Moroccan Club of Pop & Envi Ed	Ftouhi	Mohammed	CMEPE	615 46 594	
Mpumalanga Dep Agri & Conserv	GR	Batchelor	Director	013 766 6061	
Mpumalanga Dep Agri & Conserv	Ms. J	Mlotshwa	Director	013 766 6119	
Mpumalanga Office of Premier	Ms. Bethabile	Madonsela	Office of Women	013 766 2323	
Mpumalanga Office of Premier	Mr. Robert	Masambo	Office of Disabled	013 766 2323	
Mpumalanga Office of Premier	Mr Solly	Masilela	Traditional Leaders	013 766 2323	
Mpumalanga Office of Premier	Mr. Sabello	Shabangu	CD Transformation	013 766 2323	
N Cape Dep Housing & L Gov	O P	Dikgetsi	MEC	053 830 9424	
N Cape Dept. of Social Services	Y	Botha	Chief Director	053 831 4917	
N Cape Dept. of Social Services	K	Nogwili	Deputy Director	053 871 2441	
N Cape Dept. of Social Services	D	Samson	Deputy Director	053 871 2441	
N Cape Dept. of Social Services	L	Standaar	Director	053 831 4917	
N Cape Dept. of Social Services	M B	F Wyngaard	Minister	053 831 4917	
N West Dep of Local Gov	Mr Darkey	Africa	MEC	018 387 3688	
NAFCOC	Buhle	Mthethwa	Asst Sec General		
National Council of NGO's Kenya	Stephen	Mwamba	Prog. Officer:	(254) 574 657 /72	
National Productivity Institute	Dr. Yvonne	Dladla	Executive Director	012 341 1470	
Niger Delta Dev. Commission	Prince Shad	Akolokwa	Commissioner	(234) 84 238 167	
Overberg Water	Yusuf Joe	Emeran	Dep Chairperson	082 737 5250	
Plaaskem	Eugene	de Wet	Area Manager	011 823 8000	
Polokwane Local Gov & Housing	A M	Mahosi	General Manager	015 295 6851	
Primary Education Board, Nigeria	Dr Doris	Fisher	Chairperson	(234) 84 238 167	
Proparco	Gilles	Peltier	CEO		
Proparco SA	Gilles Genre-	Grandpierre	Head	011 784 0956	
Rand Water	Thabani	Myeza	New Bus Dev	011 682 0910	
Rand Water	David	Gadd			
Rand Water	Sefako	Mamabolo	Project Manager	011 682 0687	
REFADD / RDC	Henri Paul	Eloma Ikoleki	S.G	243 981 81010	
REFADD / RDC	Philo	Mwamba			
Rotary International	Judy	Prather	District Governor	1 562 6969610	

SA Post Office	Isaan	Mokhatla	Liason Officer	011 359 0835	
SA Post Office	Sydney	Jassop	Liason Officer	011 359 0832	
SA Reserve Bank	Desmond	Golding	Senior Manager	012-3134017	
Siemens Training Institute	Lennox	Tshwete	Director	012 431-2756	
Thembelihle Development	Dunmark	Maseko	Vice Chairperson	036 631 4834	
Thembelihle Development	Thandi	Maseko	Secretary	036 631 4834	
Thembelihle Development	Themelihle	Shezi	Chairperson	036 631 4834	
United Vulindlela Community SA	Phumelele		President	011 337 3463	
United Vulindlela Community SA	Siphiwe	Qawu	National Organiser	011 337 3463	
Universal Service Agency	Ms Xoliswa	Bani	King Williamstown		
Universal Service Agency	Mr Abel	Dlikilili	Cape Town		
Universal Service Agency	Mr Peter	Lebepe	Tzaneen		
Universal Service Agency	Mr Andile	Lindi	Umtata		
Universal Service Agency	Pontsho	Mafole	Coord Free State		
Universal Service Agency	Joshua	Manamela	Coord Gauteng		
Universal Service Agency	Aubrey	Mathinwa	Special Projects	011 877 6604	
Universal Service Agency	Mr Solomon	Molefe	Kimberley		
Universal Service Agency	Katharina	Pillay	Research Officer		
Universal Service Agency	Ms Malebu	Ramaphoko	Pietersburg		
Universal Service Agency	Ms Juwit	Selemela	Pietersburg		
Universal Service Agency	Mr Van	Staden	Kimberley		
Universal Service Agency	Mr Andrew	Tatas	Kimberley		
Universal Service Agency	Jeanette	Xamesi	Procurement Off		
Universal Service Agency	Mr George	Xwazi	Sterkspruit		
Universal Service Agency	Mr K	Monwegape	North West		
Universal Service Agency	Mr S	Dube	Kwa Zulu Natal		
Universal Service Agency	Ms Mampho	Maruping	Free State		
Universal Service Agency	Mr D	Mashigo	Mpumalanga		
Universal Service Agency	Mr G	Mthimunye	Mpumalanga		
Universal Service Agency	Mr N	Mthinkulu	Kwa Zulu Natal		
Universal Service Agency	Mr Clement	Ntlebi	Free State		
Universal Service Agency	Miss E	Phello	Gauteng		
Universal Service Agency	Mr T	Radebe	Guateng		
Universal Service Agency	Mr J	Skosana	Gauteng		
USA Embassy	Retha	du Randt	Economic Officer	012 342-1048	
World Bank	Katarina	Gergiada	Head Env Affairs	1 202 458-2841	
World Bank	Mats	Karlson	VP UN Affairs	1 202 458-2841	
Worldspace France	Pierre	Casadebaig	Managing Director	33 561 438282	
Zakheni Skills	Blessings	Cebisa	CEO	036 712 3412	
Zakheni Skills	Fikile	Tshabalala	Facilitator	036 631 4846	

NATGROWTH FEEDBACK FORM

In order to facilitate continuous follow-up, implementation and action, please send us your feedback, indicating your interest in the various Natgrowth Programmes, Projects and Services to: grow@natgrowth.co.za; or natgrowth@global.co.za; Fax 011-403-3237, Tel 011-403-5483

Name _____ Designation _____
 Organisation _____ Email _____
 Tel _____ Fax _____ Cell _____
 Comments on Natgrowth Programmes, Projects and Services _____

Programmes and Services: Please tick and specify your interest as follows:

Growing Beyond the Summits Programmes focused on integrated development programmes and implementation towards and beyond the Presidential Growth and Development Summit

Johannesburg, 11-13 March 2003	_____	No of delegates	_____
Cape Town, 25-27 March 2003	_____	No of delegates	_____
Other Centres from June 2003	_____	Please specify	_____

Follow-up Implementation Workshops	_____	No of delegates	_____
Preferred Dates	_____	Focus areas	_____

Integrated Development Programmes	_____	Focus areas	_____
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Implementation Programmes of Action	_____	Focus areas	_____
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Business Planning & Project Management Services	_____	Focus areas	_____
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Financing and Investment Services	_____	Focus areas	_____
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Natgrowth Devbank Development Banking	_____	Focus areas	_____
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Skills Development and Capacity Building	_____	Focus areas	_____
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London School SA Programmes	_____	Focus areas	_____
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Strategic Alliances	_____	Focus areas	_____
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Joint Presentations	_____	Focus areas	_____
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Cooperation: Marketing and other areas	_____	Focus areas	_____
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Corporate Sponsorship	_____	Focus areas	_____
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Potential Projects	_____	Focus areas	_____
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