

Intra-African trade remains a priority

Intra-African trade remains as a priority for the South African government, Director General of the Department of Trade and Industry (dti), Lionel October, said.



Lionel October, director general of the dti

“The priority for this government in the medium-term is to promote intra-African trade and broaden integration across existing regional communities within a development integration framework.

“As a result, South Africa has acceded to the African Continental Free Trade Area agreement with the African Union and due to these efforts, the rest of Africa is still a major destination for South Africa’s exports, estimated at approximately 30%,” said October.

He was briefing Parliament’s Portfolio Committee on Trade and Industry on the department’s annual progress in meeting its objectives, as contained in its annual report 2017/18.

He said South Africa’s exports to the rest of the African continent were mainly in value-added products, which supports the objectives of industrial development, job creation and economic transformation.

“With regards to the transformation of the economy to promote industrial development, investment, competitiveness and employment creation, exports have doubled in the 10-year period, which has also seen R45 billion worth of investment by

the majority of the world's leading global vehicle manufacturers.

"In the leather sector, 22 new factories were opened, supporting 2,200 jobs," said October.

In addition, 849 enterprises received financial support across all incentives offered by the department.

The incentives would result in over 28,000 jobs projected to be retained and over 15,000 new jobs projected to be created through these approvals, while R36bn of private sector investment was leveraged across all incentives.

October said in the efforts of facilitating broad-based economic participation through targeted interventions to achieve more inclusive growth, the number of investors in four operational special economic zones increased from 72 to 84, and the number of total direct jobs increased from 10,443 to 13,948.

The dti achieved a financially unqualified opinion with no findings, commonly known as a clean audit opinion.

"This means that the dti's 2017/18 financial statements were free from material misstatements and there were no material findings reported on performance objectives or non-compliance with legislation," said October.

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