



Export critical component for economic growth

The seventh annual flagship event of Trade & Investment KwaZulu-Natal (TIKZN) was developed to recognise, promote and assist with growing export opportunities in KZN, thus giving export-ready businesses a platform to enhance their international business development strategies.

While trade is an important engine of economic growth, many African countries have still not realised their full potential, according to Ina Cronjé, Trade & Investment KwaZulu-Natal (TIKZN) Board Chairperson.

Addressing a plenary session during KZN Export Week 2018, she said TIKZN remained committed to assisting companies to grow their brand, enhance their profile and global reach. Hence, delegates needed to capitalise on the opportunity to network with like-minded business people at the event.

"South Africa's export capacity needs to be increased if we are to significantly address the triple challenge of poverty, inequality and unemployment. A three percent share of global trade is simply not enough.

"A low market diversification and export base exists in developing countries, including South Africa. Diversifying trade has a stabilising effect on the economy. Africa trades mainly in primary commodities and low levels of intra-regional trade exist. This impresses the need to work more closely with BRICS countries."

The African Continental Free Trade Area Agreement signed by 44 countries on 21 March 2018 is a market integration

agreement that presents an equal opportunity open market to all participating countries in the region.

Ravi Pillay, MEC for Human Settlements and Public Works, said South Africa remained particularly volatile to the turbulences in global trade.

"Thanks to investments that come to our warm and hospitable city of Durban, Durban was named the fifth wealthiest city in Africa two weeks ago. In its 2018 Africa Wealth Report, the AfrAsia Bank put the city's wealth at R819 billion.

"Through Export Week, we seek to strengthen partnerships, create visibility, and explore market access available to our exporters.

"It is also an opportunity for us as a province to streamline our strategy and approach to export development in line with national imperatives and international best practice," he said.

The national export strategy is geared to achieve the six percent per annum export-led growth by 2030 as envisaged in the National Development Plan.

Pillay cited Durban as South Africa's busiest container handling port and Richards Bay as South Africa's largest break bulk cargo port, placing KwaZulu-Natal at a competitive advantage.

He added that exports were identified as a critical avenue for the growth of SMMEs and massive employment creation.

On the speaking panel, Jacob Twala of the KwaZulu-Natal Provincial Treasury, said: "Despite the technical recession, I am optimistic that a positive growth rate can be achieved and the strengthening rand is testament to this. Exports increase GDP and trade increases economic growth.

"For our economy to prosper, we must embark aggressively in trade - 29% of GDP is derived from the goods that SA sends to the rest of the world. SA's exports are mainly concentrated in the areas of agriculture, manufacturing and mining. We have the competitive advantage of producing and selling to the world."

South Africa has been ranked the 58th most innovative economy in the world - and the most innovative in sub-Saharan Africa - according to the Global Innovation Index 2018.

Lester Bouah, TIKZN's Executive Manager: Export Promotion, said with more than 600 attendees at this year's expo and global trade partners and associations from more than 10 countries, a golden opportunity has been presented for networking with top business minds for expertise on building a global business.

"As your knowledge partner in business, we create the platform for emerging, existing and seasoned exporters to gain access to global markets whilst also creating the necessary linkages to enable their business success," he said. ■