

The Continental Free Trade Area Is Paramount In Unlocking Africa's Economic Growth Potential

JOHANNESBURG, 29 FEBRUARY 2016 – The Continental Free Trade Area and its implications for manufacturing in Southern Africa need to be top on the agenda of businesses operating within the metals and engineering sector, Steel and Engineering Industries Federation of Southern Africa (SEIFSA) Chief Executive Officer Kaizer Nyatumba said today.

Speaking ahead of the 2nd annual Southern African Metals and Engineering Indaba scheduled to take place in Sandton on 26 and 27 May, Mr Nyatumba said that the Continental Free Trade Area presented many opportunities for African countries to trade among themselves and was paramount in unlocking Africa's economic growth potential.

Turbulent economic conditions that the world was currently experiencing made it even more necessary for African countries to trade with one another in order to boost economic growth, create employment and ultimately eradicate prevalent poverty in the continent.

"Africa is the last frontier for growth owing to its rich mineral resources. This is evident

in the number of international companies conducting exploration and mining activities in the continent," Mr Nyatumba said.

He added that mining activities create opportunities in other economic sectors such as retail and manufacturing. Therefore, it was of critical importance that African countries take full advantage of opportunities presented by the Continental Free Trade Area.

Mr Nyatumba said that although intra-African trade has increased over the years, a lot still needed to be done to improve in this regard.

According to various research findings, exports by African countries to their peers on the continent have surged by 32% since the 2008 economic downturn, compared to growth of just 5% in exports to the rest of the world. Nevertheless, in 2011 intra-African trade accounted for merely 9% of the continent's total trade with the world, compared to 25% for Latin America and almost 50% for Asia.

"Infrastructure, red tape and boarder restrictions are but some of the serious challenges currently halting intra-African trade from thriving. These challenges need to be addressed and ultimately eradicated in order for trade among African countries to thrive," Mr Nyatumba said.

The Continental Free Trade Area and its Implications for Manufacturing in Southern Africa will be one of the main topics for discussion at the 2016 Indaba scheduled to take place at the Industrial Development Corporation (IDC) Conference Centre in Sandton.

Assessing the implications that the implementation of the Pan-African Continental Free Trade Area will have for the Manufacturing sector in Southern Africa will be:

Common Market for Eastern and Southern Africa Secretary-General Mr Sindiso Ngwenya,

SacOil Chief Executive Officer Dr Thabo Kgogo

and Independent Director of Companies Mr Mike Spicer, among other speakers.

The Southern African Metals and Engineering Indaba will be attended by policy and decision makers, business owners, senior executives and other stakeholders in the metals and engineering sector in the SADC region, and will focus on the

following topics, among others:

Government Policy Interventions for a Sustainable, Globally-Competitive Steel Sector

Partners, Not Adversaries: How to Forge A Stronger Partnership Between Business and Labour to Improve Southern Africa's International Competitiveness

A Delicate Balancing Act: The Link Between the Metals and Engineering Sector and the Mining, Construction and Car Manufacturing Industries

Parasitic or Symbiotic: Relations Between Small Business and Big Business in the Metals and Engineering Sector

Southern Africa and the Huge Infrastructure Backlog - How to finance it. Organised and hosted by SEIFSA in partnership with the IDC, the Indaba is aimed at encouraging growth in the metals and engineering sector, which has under-performed over the past five years.

The list of the 2016 Indaba speakers and panelists includes Former President Mr Kgalema Motlanthe, Scaw Metals CEO Mr Markus Hannemann, Black Business Council Vice-President Mr Sandile Zungu, International Monetary Fund Senior Resident Representative Dr Axel Schimmelpfenning, Centre for the Study of Democracy Director Professor Steven Friedman, Executive Chairman of the EU Chamber of Commerce and Industry in Southern Africa Mr Stefan Sakoschek, US Embassy Economics Minister Mr Laird Trieber and Massmart Chairman Mr Kuseni Dlamini.

Delegates booking before 31 March will enjoy a 25% discount.

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