

Continued Infrastructure Development Essential In Unlocking Africa's Economic Growth Potential

JOHANNESBURG, 9 MARCH 2016 – With infrastructure development playing a fundamental role in accelerating any country's economic growth, governments' spend on infrastructure development not only provides a stimulus to a country's economic growth, but it can also crowd in private sector and foreign direct investment (FDI). This important topic will be one of those discussed at the 2016 Southern African Metals and Engineering Indaba, scheduled to take place at the IDC Conference Centre in Sandton. Special attention will be paid to the thesis that countries that boast highly-developed infrastructure tend to do better than their less-developed counterparts when it comes to attracting private sector investment and FDI. Speaking ahead of the conference, Steel and Engineering Industries Federation of Southern Africa (SEIFSA) Chief Executive Officer Kaizer Nyatsumba said that over the years South Africa's world-class infrastructure, among other contributing factors, has played a crucial role in positioning the country as the entry point to the rest of the African continent.

"In order to fast-track economic growth in South Africa and the rest of the Southern African Development Community (SADC) region during the prevailing turbulent economic conditions where competition is rife, countries within SADC have to develop infrastructure and transport logistics that would enable them to compete globally.

"Accelerated growth necessitates road and rail links that are continually improving," Mr Nyatsumba said.

However, current difficult economic conditions make raising money to finance SADC's huge infrastructure backlog difficult.

"African countries in general and countries within the SADC region in particular are in dire need of FDI. This is one of the contributing factors which saw Finance Minister Pravin Gordhan this week embarking on an international roadshow to lure foreign investment into South Africa. Infrastructure development has the potential to play a positive role in attracting FDI and private sector investment, but the difficulty in raising finance for infrastructure development poses a threat to accelerating economic growth," Mr Nyatsumba said.

He added that without reliable infrastructure, it is almost impossible for any developing economy, including South Africa, to prosper.

"It is, therefore, of crucial importance that various stakeholders from government, labour and business get together to deliberate on strategies aimed at unlocking SADC's economic growth through infrastructure development, among other things," Mr Nyatsumba said.

"Southern Africa and the Huge Infrastructure Backlog – How to finance it" will be one of the topics which will be robustly discussed at the 2016 Metals and Engineering Indaba. Debating this crucial topic will be:

International Monetary Fund Senior Resident Representative Dr Axel Schimmelpfennig,

Development Bank of Southern Africa Group Executive Manager Sinazo Sibisi, and

Industrial Development Corporation Head of Basic Metals and Mining Mazwi Tunyiswa, among others.

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

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 Group CEO Mr Markus Hannemann, Black Business Council Vice-President Mr Sandile Zungu, 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.

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