

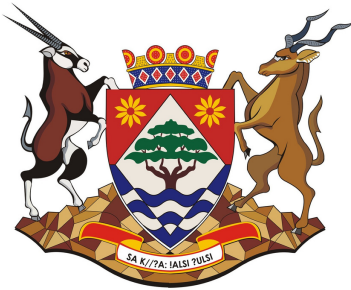


ECON NEWS

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Department:
Economic Development and Tourism
NORTHERN CAPE PROVINCE

FEATURED ARTICLES

Departmental strategic Session, Highlights of the Budget Speech, Build-up to the budget speech, Visit to the Beauvallon Farm, Minister of Small Business Launch SMME Roadshow, Green Hydrogen Project in Boegoebaai, Kimberley Diamond Cup 2021 Apex Event, Textile and clothing training for women, youth and people living with disabilities, Launch for Northern Cape Cricket Dressing room, Meeting with Roggeveld and Soetwater/Karu SA windfarmer, Northern Cape Mining and Minerals Investment Conference 2022

MORE INSIDE



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EDITORS NOTE | MS THANDI MODIBELA

What an unpleasant awakening when Russia invaded Ukraine in February this year. The invasion of Ukraine by Russia would hamper South Africa's economic recovery, which is expected to slow growth in what was supposed to be a post-pandemic recovery year. South Africans will start to feel the effects of increased fuel, wheat, and maize costs, as well as Eskom's difficulty obtaining diesel to power its turbines.

Concerns about the Omicron variant, electricity shortages, a poor job outlook, and material fiscal restrictions do not bode well for South Africa's planned economic rebound. The unemployment rate in South Africa has risen by 0.5 percent to its highest level since 2008. Our unemployment rate has risen to 46.6 percent when using the wider definition of unemployed, which includes individuals who have given up looking for work. 66.5 percent of young people are unemployed.

In 2022, the country's actual Gross Domestic Product (GDP) is predicted to expand by 2.1 percent on average. According to the National Treasury, headline inflation is expected to be 4.8 percent in 2022 and 4.4 percent in 2023. Food and energy prices, particularly municipal rates from rising electricity prices, as well as high domestic food inflation and high fuel prices, are predicted to be the main sources of inflationary pressure in 2022.



"Due to rising global crude oil prices, fuel costs increased by 40.4 percent in the year to December 2021." Global supply-demand imbalances have caused a spike in the price of raw materials and intermediate inputs, which will continue to push consumer inflation higher.

Minister Stella Ndabeni Abrahams and MEC Vosloo launched the SMME roadshow in this quarter, with the goal of unlocking opportunities for SMMEs and cooperatives to expand and create jobs. The MEC also delivered the budget speech in order to ensure that the unaddressed needs are prioritized in order of importance.

In the coming quarter, we will be commemorating Nelson Mandela's birth, and each of us may make a small impact. If we all work together to make a difference, we can genuinely change the world. Mandela Day is an opportunity for all of us to choose humanity, to roll up our sleeves and participate actively in the development of our communities.

This is an opportunity for each of us to express our visions for a brighter future for everyone. We're also looking forward to commemorating National Woman's Day on August 9, 2022.



DEPARTMENTAL STRATEGIC SESSION



The year has geared on a great start as MEC, HOD and Management staff embarked on a strategic session to ensure the success of the department on the 25th to the 26th of January 2022 at the Kalahari Lodge in Kimberley. The objectives of the strategic session as set out by the HOD is to ensure that we work towards a common goal, make sure that programme support the objectives of the department, align and integrate the calendar of events with our departmental goals.



It is at this session that the MEC indicated that the unemployment rate is very high and that it is the responsibility of our department to come up with programmes that will assist in curbing unemployment and improve in the GDP of the province and the country. "Facing 70% youth unemployment, it is our responsibility for job creation in the economic sector and we should also respond to the people because that is who we serve" said MEC Vosloo. The MEC also mentioned the Green Hydrogen project as a high impact project that was introduced by Minister Mondli Gungubele in the presidency earlier this month. The MEC highlighted the potential economic impact this project has for the province and encouraged staff to embrace this opportunity as this is the project that will put the country on the map. He indicated that it is high time that we look closely at beneficiation and that we should stop just being an extract province.



The HOD encouraged staff as they presented their annual work plans that they should embrace the culture of sharing information. He also encouraged staff to link-up with the projects that the department is in operation with and that management should inform and involve staff in these projects. The key focus is to improve on Township Economy and SMME development in the province.

The HOD also encouraged research on township economy by different research centres so that we can develop programmes based on informed and correct economic analysis in this regard. It is at this strategic session that the HOD proposed that quarterly review session with the managers for reporting and progress tracking on the projects. The colleagues also suggested that an electronic memo system should be looked at to improve efficiency and effectivity of departmental operations.

The strategic session ended on a high note with the colleagues showing much enthusiasm to the year ahead and showing positive energy that they all bring in ensuring that the departmental objectives will be achieved as a collective. The HOD closed with this powerful message by Mariana Mazzucato "government must transform itself into an innovating organisation with the capacity and capability to organise and be the catalyst in the economy, to be more purpose driven"





During the recent Tabling of the Provincial Budget Speech by MEC Abraham Vosloo in Douglas, an amount of R30 Million was allocated to the Department of Roads and Public Works. The allocation is geared towards upscaling job opportunities in response to resolving the challenge of unemployment through the Expanded Public Works Programme and would continue to support such initiatives through other methods of a similar nature.

Furthermore an additional amount of R20 Million was put aside to assist the Department of Roads and Public Works with rates and taxes of municipalities which will increase the baseline to R120 million for the 2022 MTEF.

He further announced an additional amount of R 410 million that has been set aside to mitigate inherent challenges and various pressures faced by the Department of Education.

Earlier this week, the Premier-Dr Zamani Saul and MECs of Education and Finance, Economic Development and Tourism had an engagement with the South African Democratic Teacher Union (SADTU) to resolve challenges faced by the department, and it is through that engagement that R410 million has been set aside.

The money will be prioritised for frontline posts in education which translates to 740 critical posts in the 2022/2023 financial year specifically for the absorption of educators, officials at district offices, support staff in schools and hostels.

This budget speech lays an important foundation to work towards resolving inherent socio-economic challenges which confronts our people across the length and breadth of our province. This is demonstrated by our commitment to create jobs opportunities across the spectrum.

The 6th Administration has identified health and education as apex priorities of service delivery. Amid pressures in the provincial fiscus, we will continue to make additional allocations to these two critical departments.

Other important announcements included allocations for the Department of Social Development, specifically focusing on the Non-Governmental Organizations (NGO's) which plays a critical role in supporting our programmes across our communities.

The MEC hereby extend his heartfelt gratitude to the citizens of the Northern Cape Province who took time to submit inputs for the 2022/2023 Provincial Budget Speech which was tabled on the 9th March 2022 in Douglas, Pixley Ka Seme District.

As the Provincial Government, we have adopted this approach primarily to do away with top-down bureaucratic rendering of services to our people. We need to increase public participation and greater involvement of our people, especially the organised civil sector formations in our daily activities.

"This approach is ground-breaking and the intention as the Provincial Government is to involve our people in decision-making processes and further wish to encourage our people to increase their involvement and participation in the work of the Provincial Government" stated MEC Vosloo.



BUILD-UP TO THE BUDGET SPEECH



As a build-up programme to the budget speech the MEC Vosloo of Finance, Economic Development and Tourism donated R30 000 to Ikamva La Bankswana and R30 000 to Outreach crèche which is based in Douglas. These donations will contribute positively in the development and learning of children at the centers.

VISIT TO THE BEAUVALLON FARM

Mr. Thami Mabija, Head of Department of Economic Development and Tourism, and his team paid a visit to the Beauvallon Farm in Alexander Bay on January 15, 2022. Richtersveld Growers is a partnership between the Richtersveld community and a group of private investors. This organization's main goal is to support agricultural development and social advancement in the Richtersveld region.

The Richtersveld Growers project, which is situated at the banks of the Orange river, is owned by the Richtersveld CPA, who are owners of the irrigation farms; Dunvlei, Beauvallon, Brandkaros, Beesbank and Arriesdrft. Maize, raisin grapes, almonds, lucern, and seed potatoes are among the crops grown on the farm

The goal of the tour is to see how the R3.5 million grant from NCEDA was used, as well as the farm's current state and future plans. The project is strategic because it has the potential to link up with other major projects in the region, such as the Green Hydrogen (GH2) project, and help the region achieve food security. "The R3.5 million in financing for the 2021/22 financial year was used to purchase seed, fertilizer, insecticides, and harvesting fuel," Peter Beckett the farm's manager, explained. In the 2021/22 financial year, they were also allocated R16 million by the Department of Agriculture, Environmental Affairs, Rural Development and Land Reform, which was utilized to acquire a John Deere tractor, with the harvester still to be purchased. More than 60 employment opportunities have been created as a result of the initiative, with the possibility for many more in the following years. We are pleased with the effort done by the CPA and key partners in ensuring that the project becomes an economic powerhouse for the province" Mr Mabija said.



MINISTER OF SMALL BUSINESS DEVELOPMENT LAUNCHES SMME ROADSHOW

On March 15, 2022, the Minister of Small Business Development, Hon. Stella Ndabeni - Abrahams, and the Northern Cape MEC for Finance, Economic Development, and Tourism, Hon. Abraham Vosloo, launched the Small, Medium, and Micro Enterprises (SMME) Roadshow in Concordia, Namakwa District, "Unlocking opportunities for SMME'S and Co-operatives for economic growth and job creation" to support the District Development Model (DDM).

These meetings should be viewed as business meetings aimed at providing SMMEs and cooperatives with prospects for economic growth and job creation. The dialogues should also identify critical areas of focus, with government and development financing institutions collaborating to improve corporate economic positioning throughout the province.

During a four-day marathon roadshow, the Minister, MEC, and other government leaders visited three (3) districts, including Namakwa (Concordia), Pixley Ka Seme (Carnavon and De Aar), and Frances Baard (Phokwane and Sol Plaatjie), to interact with small businesses.

The Roadshows are part of information sessions for small businesses, as well as the handover of equipment to identified SMMEs who meet the funding criteria. "This engagement could not have come at a better time following the destruction of COVID-19 pandemic, which has had a negative impact on many SMME's across the board. We would like to express our sincere gratitude to the Minister and her team for choosing the Northern Cape as the location for this roadshow." MEC Vosloo stated "We are also pleased to report that some of our SMMEs have been able to utilize the COVID-19 relief fund, despite the fact that many did not comply; this is why, as a department, we have begun a procedure to ensure that SMMEs are tax compliant, registered with the CSD, COIDA, UIF, and so on."

Premier of the Northern Cape, Dr Zamani Saul and Deputy Minister of Small Business Development Sdumo Dlamini joined the marathon in Pixley Ka Seme District when MEC Vosloo handed over equipment to SMME's at Hopetown as part of the drive. The MEC also presented Douglas Primary School students with learning materials and laptop computers. The Informal and Micro Enterprise Development Programme (IMEDP), which targets entrepreneurs in the informal economy, was the centre of the discussion. Its goal is to create an environment that promotes long-term economic growth in the informal economy, as well as to bring the informal economy into the mainstream, eliminating vulnerability and exclusion for people who work in it. The SMME sector has been identified as vital in achieving the government's primary developmental goals, namely, sustainable livelihoods (poverty), job creation (unemployment), and gender equality (inequality).

"We're encouraging our small businesses to take advantage of these services and posture themselves to take advantage of government and finance development agency funding and other incentives." Vosloo stated. This program, which is being led by the Department in collaboration with other finance development agencies including SEDA and SEFA, will go a long way toward ensuring Small Business's sustainability and profitability.



GREEN HYDROGEN PROJECT

Following the signing of a Memorandum of Agreement (MoA) between the Northern Cape Provincial Government (NCPG), which is responsible for driving industrialisation in the Northern Cape, and Sasol, the lead project integrator and developer of the planned Boegoebaai Green hydrogen Special Economic Zone, pending a detailed feasibility study, Minister in the Presidency, Mondli Gungubele saw it as a step forward to visit the province on 17 January 2022. The Minister was at Port Nolloth for a stakeholder engagement and site inspection at Boegoebaai with a delegation from SASOL, Infrastructure South Africa, and the Northern Cape Provincial Government.

Green hydrogen was highlighted as a "Big Frontier" that represents both future and existing growth and investment prospects for South Africa during the Sustainable Infrastructure Development Symposium South Africa (SIDSSA) in October 2021. Green hydrogen (H₂) and green hydrogen-based goods such as ammonia and synthetic jet fuels are in high demand around the world.

This is off the back of national and corporate net zero commitments aimed at keeping global warming below 2 degrees above pre-industrial levels. Due to multi-sectorial implications of green hydrogen, the Presidency plays a convening and coordinating role across government with respect to green hydrogen.

Not only did Sasol and NCPG sign a Memorandum of Agreement, but also the NCPG and the Port of Rotterdam (PoR) signed a Head of Agreement for the PoR to act as a demand aggregator for green hydrogen in Europe and the Gauteng Provincial Government (GPG) and Sasol signed a Memorandum of Agreement for Sasol to develop green hydrogen production facilities aimed at decarbonizing domestic industry.

The parties remain committed to moving forward with the feasibility studies in order to unlock South Africa's potential as a green hydrogen and green ammonia producer and exporter in the future, with the potential for sustainable aviation fuels, and this visit serves as a tangible demonstration of that commitment.



KIMBERLEY DIAMOND CUP 2021 APEX EVENT

5 MARCH 2022



On the 5th March 2021 Skaters from diverse backgrounds flocked to the skate park to compete in the KDC 2021 Apex event. It had been a day filled with adrenaline and much excitement. The Kimberley Diamond Cup is a premium extreme sport and lifestyle event hosted in Kimberley, the capital of the Northern Cape Province. The Kimberley Diamond Cup featured 24 national athletes. Skateboarders competed for the prize purses in the Men, Women and Junior divisions.



Fans were also entertained with a music concert with local and national artists, as well as other extreme sports codes such as BMX flat and FMX show. The festival culminated with the finals, where the winners were awarded cash prizes. In the Mens finals Devandre Galant took 1st place and walked away with R50 000, the Women's final Boipelo Awauh who was the youngest member of the South African team that represented SA at the Olympic in Tokyo took 1st place and walked away with R20 000 lastly at junior finals Marci Rodrigues took 1st place and walked away with R10 000.



The Department would like to congratulate the 2021 KDC Apex event winners. The Northern Cape is now the definitive home of extreme sport in South Africa.



TEXTILE AND CLOTHING TRAINING FOR WOMEN YOUTH AND PEOPLE LIVING WITH DISABILITIES

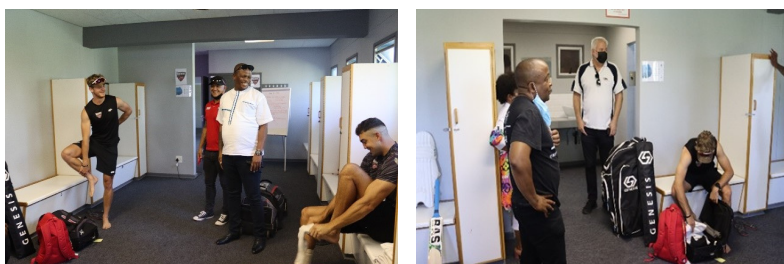
The department of Economic Development and Tourism, Empowerment unit held a textile and clothing training on the 22-28 March 2022, for ten women owned enterprises. The main objective of this training was to assist women owned enterprises in the industry in upgrading their skills and to re position women to compete effectively against bigger manufacturers. The focus of the training was to prioritize marketable products also outline procurement opportunities that can be accessed, to ensure that the training has an impact that can change the lives of beneficiaries. The training targeted groups of women, youth and people living with disabilities. The training supported the objective of the empowerment sub-programme of creating an enabling environment in which enterprises are developed and flourish through the financial and non-financial support.



LAUNCH OF NORTHERN CAPE CRICKET DRESSING ROOM



The Diamond Oval is a beautiful stadium in Kimberley, it plays the host to local domestic teams Griqualand West and the VKB Knights. On the 10 February 2022 the head of Department of Economic Development and Tourism Mr. T Mabija with the Northern Cape Cricket CEO, Eugene Jacobs launched the upgrading of Northern Cape Cricket dressing room after the department funded the project.



According to Mr Mabija “the Project rationale is to develop tourism enabling infrastructure, in this case in support of mass sports event tourism. At the same time the DEDAT funded upgrades contributed to a higher grading of the stadium thus attracting teams of a higher quality and more cricket world cup games”.

MEETING WITH ROGGEVELD AND SOETWATER/KARUSA WINDFARMERS

The Department of Economic Development and Tourism, (DEDAT) officials conducted a site visit at Roggeveld, Karusa and Soetwater windfarms. The Roggeveld windfarm is Located along the straddling boundaries between the Western Cape and Northern Cape Provinces near the towns of Laingsburg, Matjiesfontein and Sutherland, and Karusa and Soetwater windfarm are both located in South Africa's Karoo Hoogland District, Northern Cape province. The aim of the engagements with the windfarmers and the local SMME's was to give the Department a sense of their current and future plans and to find ways to maximize the accrual of benefits to the local SMME's around the windfarm developments on post construction business opportunities for SMME's. Furthermore, to get a sense of the type of challenges the local SMME's face and how as the Department would be in a position to assist them.

According to Libbey Coughlan "On behalf of SMME's in Sutherland, I would like to extend our Gratitude to you all for taking the time out of your busy schedules to come and engage with us but most of all to assist and share information so we can all grow and be able to add to the Economic growth of Karoo Hoogland and the Northern Cape Province"



NORTHERN CAPE MINING AND MINERALS INVESTMENT CONFERENCE 2022



The Northern Cape Provincial Government and the Department of Mineral Resources and Energy hosted the Northern Cape Mining and Minerals Investment Conference on 10-11 March 2022 in Kimberley. The conference was hosted under the theme, “Growing a globally competitive and transformed mineral resources and energy sector”. The programme director for the two day event was the Head of Department for the Department of Economic Development and Tourism, Mr. Thami Mabija.

Optimistic about the sector and the outcomes of the conference for the Northern Cape Province, the Premier, Dr. Zamani Saul reflected on the state of mining in the province. A commodity rich province, the mineral resources can help grow the economy and GDP of the Northern Cape. Dr. Saul also emphasised that the mining sector was growing at a steady rate in the province and that at present the mining sector is the second largest contributor to the provincial economy, standing at 22.9%, the largest contributor being government services. 75% of the world's manganese is extracted from the NC. Therefore mining houses are called upon to consolidate their efforts within mining communities in order to have a meaningful and longstanding impact on local communities. Furthermore, mining houses must contribute to local infrastructure development as a key stakeholder in mining communities. One of the challenges to be mitigated is the size of procurement by mining houses, which makes it difficult for local SMMEs to secure contracts. In order to realise the vision of the Northern Cape a balance must be struck between the social, economic and environmental factors. At the end of his address the Premier stated the Northern Cape needed to industrialize and that if we wish to grow the NC economy then we need to grow mining and its contribution to the province.

The Deputy Minister of Mineral Resources and Energy, Dr. Nobuhle Nkabane gave the opening address for the conference and emphasised the importance of transforming the mining and minerals sector through the expansion of opportunities for historically disadvantaged individuals and ensuring that the country's mineral wealth benefits South Africans. Dr. Nkabane applauded the multinational corporation South 32, which conducts its operations in the NC, for conducting the reconstruction of the Rearata Primary School in Kuruman, Northern Cape. Government and mining communities want to see a tangible impact made by mining houses, by making local communities central to development. Additionally, the DM announced Cabinet's approval of an Exploration Strategy for the Mining Industry of South Africa. Exploration is the first step in mining and the strategy seeks to ensure exploration provides for the inclusion of emerging exploration companies. Mr Musa Mabuza, CEO of the Council for Geoscience, encouraged exploration in South Africa and added that the country used to be a leader in exploration, globally. According to Mr Mabuza the Northern Cape is a leading frontier exploration destination.



CEO of Mapeo-Andi Mining Services (Pty) Ltd, Mr Kabelo Andreas spoke about the opportunities for new players within the mining sector. He stated that in the SMMEs in the province capable of doing core jobs in the sector such as drilling and blasting and further encouraged SMMEs to seek such opportunities in actual mining operations and not jobs such as gardening services. Opportunities in mining operations are there and SMMEs must seek out these opportunities. He also called for banks to be involved in providing funding and other financial solutions to SMMEs in the mining and minerals sector.

On day two of the conference, Mr Hendrik Louw, Acting CEO for NCEDA, presented the investment potential within the Namakwa Special Economic Zone (SEZ). He highlighted that the NC does not have an industrial park as yet and this is an opportunity for investors. He further reaffirmed that mining was a catalyst for economic growth and made an example of Aggenys in the Namakwa District municipality which is no longer a mining town but an industrial town, in which Vedanta Zinc International is already running the Gamsberg Zinc Mine and intends to build a smelter.

Moreover, Ms. Nompumelelo Maisela, acting Director: Black industrialists, from the Department of Trade and Industry and Competition (DTIC) presented opportunities for black industrialists in the sector and emphasised that mining was one of the targeted sectors as it cuts across various other sectors such as agro processing, the automotive industry, blue oceans economy and construction to name a few. She also identified the sector as one which has not industrialised. South Africa is in need of mineral black industrialists. The funding available for Black Industrialists is focused on industrializing and does not fund mining.

Robust panel discussion on the following topics were held:

- Social Cohesion: Assessing impact and achieving sustainable mining communities.
- Beneficiation and small-scale mining

These discussions provided guidance to the Deputy Minister and all stakeholders present on proposed interventions and challenges.

Through events such as the NC Mining and Mineral Investment Conference, the provincial and national government hope to reinvigorate the sector and at the next mining conference in 2023 will report back on progress made on the action plan.

For more information on investment opportunities in the Northern Cape, please go to:

<http://www.nceda.co.za>

For enquiries and applications on the Black Industrialist Programme, contact:

bienquirries@thedti.gov.za

Application submissions:

biapplications@thedti.gov.za





THE DEPARTMENT BITS FAREWELL TO STUDENTS FROM CHINA

Moving to another hemisphere, from South Africa to Republic of China, Changsha Hunan Province, was the biggest adjustment for Immaculate Vundisa and Linten McKensie faced when they started at Central South University of Forestry and Technology in Changsha City, Hunan Province. They encountered an unfamiliar culture and Language.

“The biggest shock that we encounter when we got to China was the culture and the challenge was the language barrier it was an eye-opening life changing experience it makes me realize how different things are in developed countries this had a notable impact on my life.” said Linten McKensie.

The two students originate from Upington, in Z.F Magcawu district the town situated on the banks of the Mighty Orange River, Linten is from Rainbow and Vundisa is from Pabalello Township. They were given an opportunity by the Northern Cape Department of Education to go study International Economics and Trade at the Central South University of Forestry and Technology in China.

According to Vundisa “in 2020 we came home to South Africa for holidays and due to COVID-19 We could not return to China so we had to continue our study online, currently we doing our final year and this is our final semester”

In order for them to graduate and complete their study they had to undergo an experiential training that is when they were placed in Northern Cape Department of Economic Development and Tourism for a period of 5 weeks at the Policy and Planning unit under the mentorship of Ms Keneilwe Nkosi, Letlhogonolo Setlhabi and Anelle Killian.

“Coming to this department and to do our training has given us a broad mindset, to put in practice what we have studied there, the experience we got here is more than what we have learned in China and it has given us another perspective of how things are in a working environment and that has helped us a lot.

The two students would like to thank the department for giving them this life changing opportunity to do the experiential training and they are grateful for the exposure they have received and the knowledge that they have gained.



WELCOME

The Head of Department Mr T. Mabija and staff of Department of Economic Development and Tourism would like to welcome Miss Mphoentle Musa, Manager: HRA, we wish her a fruitful stay.

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