

A road map for South Africa's future

National Infrastructure Plan stimulates growth and jobs across the country

During 2012, the South African government adopted the National Infrastructure Plan as part of the government's continued efforts to transform the economy by laying the foundation for growth, skills development and job creation.

Over the past decade, the country has learnt important lessons from such building programs as the 2010 World Cup soccer stadiums, the King Shaka International Airport, the Medupi Power Station and the Gautrain project, but it is time to take things to a higher level, as Minister of Transport Ben Martins explained.

"It is our responsibility to improve the quality of the road network in the rural areas, which will open up opportunities for further business investment," he said. "We also want to improve and upgrade our rail lines and rolling stock in small towns. We want to implement best practices right across the country. In the context of our relationship with the other BRICS, we can assist them in the areas in which we are strong and have the know-how. There are also many transport infrastructure projects with our neighbors where synergies can be created that will positively impact on the development and prosperity of the southern part of the African continent."

Responsible for road safety, the Road Traffic Management Corporation works to pool resources and provide confidence in the roads network. The agency commenced operations in April 2005 to ensure proper maintenance of the highways and enforce traffic regulations.

For Collins Phutjane Letsoalo, acting CEO of the RTMC, accident



Minister of Transport Ben Martins

prevention is a priority. "Around 14,000 South Africans die every year on the roads," he said. "Our national network is very well maintained, but our secondary network is not in a good state because of the backlog of infrastructure priorities."

"Every province has its own traffic police, which creates problems from a command point of view so we are going to centralize that by next year. We are also deploying different technologies to monitor the network more efficiently."

"Most poor people live outside the city and need a car. Up to 40 percent of their salary will be spent on transport. We therefore need to intensify public transport corridors and accessibility to these people. We have a lot to learn from the BRICS countries, particularly Brazil, which has overcome social inequality in a relatively short space of time. We are looking to share experiences."

With 2013 marked as "the year of the maritime" in South Africa, the country's nautical interests are being

given closer scrutiny.

South Africa's coastline spans 2,798 kilometers and the country is home to six major ports, including Durban, the largest in Africa. Being based at the heart of the BRICS region and a natural gateway to the whole continent, there are ample opportunities for developing a dynamic shipping industry.

As Sobantu Tilayi, COO of the South African Maritime Safety Authority, SAMSA for short, said: "South Africa needs to wake up to the fact that our maritime sector holds the most potential in terms of its economic development. In fact, I will be so bold as to say this will be a precondition to finding a new trajectory in terms of our economic growth. It is more than just location," he said. "An exercise that we carried out to define the sector went over and above traditional logistics. When you look at all the new gas and resources finds in East Africa, there is potential for offshore oil and gas activity here in South Africa."

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SOBANTU TILAYI, COO, SAMSA

"We have the best infrastructure in the region, but we must look at this and see how it is supporting the development of the country."

"We must look at this in terms of the potential that exists in offshore oil and gas, tourism and manufacturing. These industries need to be



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RTMC, a public entity of the Department of Transport, is committed to maintaining safety on South Africa's roads.

supported via maintenance and new builds. So for us, ports and port infrastructure is critical, but we must also focus on access to all the economic opportunities that lie in our waters and coastline."

According to the SAMSA chief

Africa, yet have not addressed this logistical chain issue, this is a problem for us and for the rest of Africa, so we must address that."

Steaming ahead

The organization has already started to rectify these issues. Last year, it held the first ever South African maritime industry conference and divided the industry between ports and logistics.

"Now there are maritime manufacturing, maritime tourism and fisheries, offshore oil and gas and our public sector requirements all requiring support," Tilayi said. "We also held a meeting for African ship registrars to address the issue of control and have set up a center in Cape Town with technologies that can tell us at any given time how many ships are on our coastline and where they are coming from and going to. This has given us an edge in R&D and

we have a good opportunity to take the information and use it to our advantage economically."

The discovery of oil and gas in East Africa will impact greatly on South Africa, he said.

"They will need a logistics supply, and we are in an ideal position to offer repairs to oil rigs and ships, and backup support like banks and ICT. We must offer physical locations to industry to allow them to develop their operations. This will create employment. We could offer ourselves as a valuable pit-stop to ships passing through our waters, which means they wouldn't have to carry as much fuel. We must become a greater part of our own resource value chain. We are therefore looking to collaborate with our BRICS counterparts across a whole range of issues."

InFocus provided the story

State-owned enterprises drive new infrastructure funding

The country's public enterprises are gearing up to get South Africa better connected

South Africa's state-owned companies are playing a core role in the new growth plan. The Department of Public Enterprises, which supervises these companies, is working hard to create an efficient, competitive and responsive economic infrastructure network in line with its service delivery agreement signed in October 2010.

As it focuses on achieving the outputs contained in the agreement, there will be a huge emphasis on infrastructure development and in securing public private partnerships in order to successfully implement this development.

For Minister of Public Enterprises, Malusi Gigaba, it cannot come soon enough.

"The economy has been greatly robbed by under-investment in infrastructure," he said. "Had we invested over the last few years, we



Minister of Public Enterprises Malusi Gigaba

would be much further ahead and unemployment would be considerably lower.

"That said, any other society would have succumbed to social unrest but we are still benefiting

from a strong community grounded in the ANC where people do not take out their anger on the party. That of course is something that should not be taken for granted."

"In the last few years, the grip of economic recession began to reach our shores, so investment and economic growth has largely been driven by SOE investments, such as Eskom, Transnet and a few others."

"The biggest challenge we needed to overcome, in terms of unemployment, was the decision to invest in more infrastructure and to say the state will play a role in the investment and in particular encourage private investment."

"The critical aspect of the infrastructure programs we are rolling out is the actual implementation: let the construction begin, let the people get the jobs and feel the difference because in large measure,

you will be breaking down the cycle of poverty and creating a new middle class."

"Our continent needs a champion and South Africa will engage internationally on Africa's behalf. Africa has a rising GDP, population and middle class which we can use as leverage and form a common vision to engage with our BRICS partners."

Flying the flag for Africa

South African Airways, SAA for short, is rising to the challenge of balancing commercial objectives and socioeconomic priorities.

As one of Africa's most recognizable airlines, SAA has been pivotal in spreading and contributing to wealth generation in sub-Saharan Africa. Although high fuel costs, strikes and competition have taken their toll on the flagship carrier, an efficiency drive and new routes are helping keep the airline buoyed.

As a representative of the airline acknowledged: "SAA is sitting right in the middle of the BRICS countries and it is part of SAA's business plan to offer the best connections to

those needing to travel from Asia to South America. We are looking to penetrate both those markets."

The airline is proud to serve the Southern African Development Community, providing transport for the region that is safe, efficient, timely and reliable. It is also proud to transport more valuable cargo than any other airline on the continent. In order to overcome fuel and cost challenges, SAA is hoping to procure more efficient airplanes that need less technical maintenance and less fuel.

"It is only natural that as an airline we increase our footprint in Asia because that is the future," the spokesman said. "SAA sees its role as a business enabler, and as long as the transportation works, it makes business work and it encourages trade and business between countries."

Improving connectivity

Broadband Infraco is also connecting people, by stimulating private sector innovation in telecommunications services and content

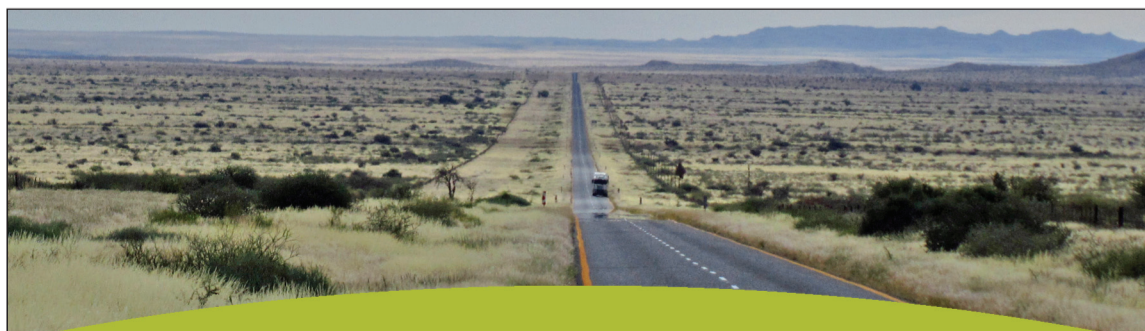
offerings. As the wholesale provider of choice for backhaul connectivity, BI plays a vital role in ensuring that the South African ICT sector remains modern and forward looking.

"As South Africans, we are well positioned — geographically we can easily connect to the east and the west," BI's CEO Puleng Sejanamane said. "From an ICT standpoint, we are able to offer a diversity that no other country on the continent can offer."

"We are also a nodal point for the SADC, so we can connect with any Chinese investor that wishes to do business with the rest of the continent. Our interest is focused on providing a solid platform for Chinese investors. They can benefit from partnerships with South Africa as we know the whole continent."

"Now is an opportune time to come to South Africa," the CEO said. "For those who have invested, the returns are worth it. It would be a missed opportunity not to come."

InFocus provided the story



The Road Traffic Management Corporation is a Public Entity which is an agency of the Department of Transport responsible for Road Safety in South Africa.

Our vision
Safe roads in South Africa



Our mission
Ensure safe, secure and sustainable roads through:
• Road safety management
• Safer roads and mobility
• Safer vehicles
• Safer road use
• Post-crash responses.

The Road Traffic Management Corporation

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The National Energy Regulator of South Africa (NERSA) makes a valuable contribution to the socioeconomic development and prosperity of the people of South Africa by regulating the energy industry in accordance with government laws, policies, standards and international best practices in support of sustainable development.

As a regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act 2004 (Act No. 40 of 2004), NERSA's mandate is to control the electricity, piped-gas and petroleum pipelines industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), Gas Act, 2001 (Act No. 48 of 2001) and Petroleum Pipelines Act, 2003 (Act No. 60 of 2003), and further derived from written government policies as well as regulations issued by the Minister of Energy. NERSA is expected to perform the necessary regulatory actions in anticipation of and/or in response to changing circumstances.

The Minister of Energy appoints Members of the Energy Regulator, comprising Part-Time (Non-Executive) and Full-Time (Executive) Members. NERSA is supported by staff under the direction of the CEO.

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