



Western Cape
Government
FOR YOU

Economic Development and Tourism

Central Karoo Export Seminar

Youth Centre, c/o Ngesi and Plaza Road, Mandlenkosi, Beaufort West

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Presentation Outline

1. Growth for Jobs Strategy Context
2. WC Trade Performance
3. Background to export strategy
4. District Export and Outreach Awareness: Purpose
5. Roadshows 2023
6. Support levers available to the private sector
7. ECEP Fund
8. Export Guide

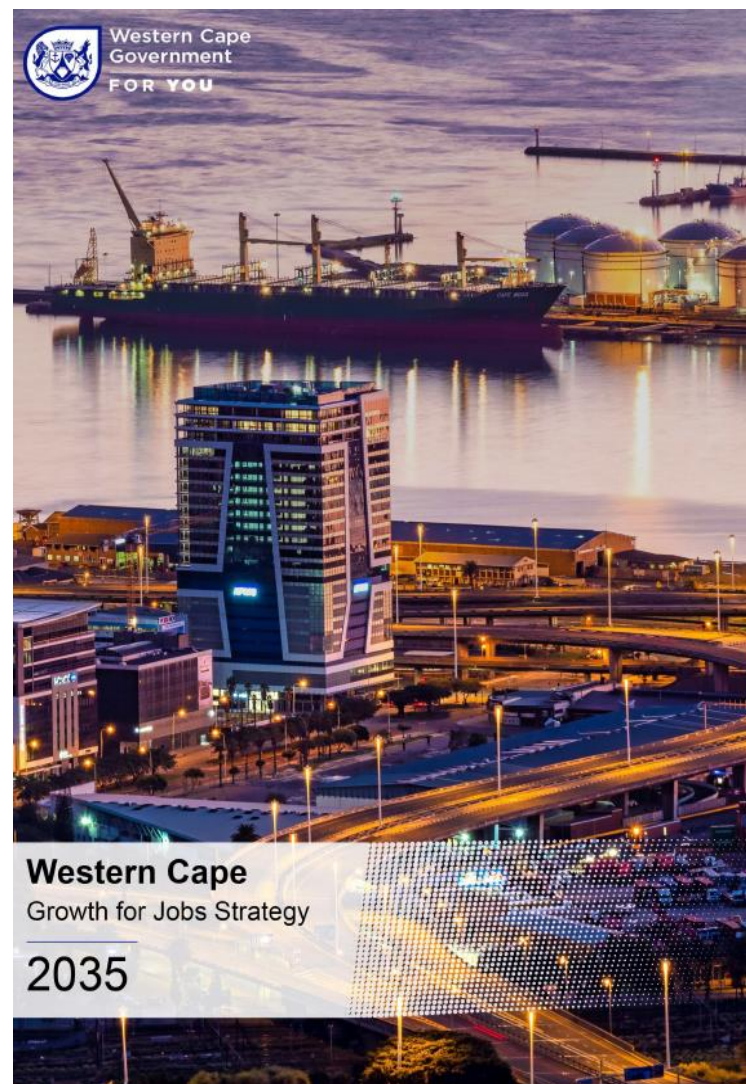
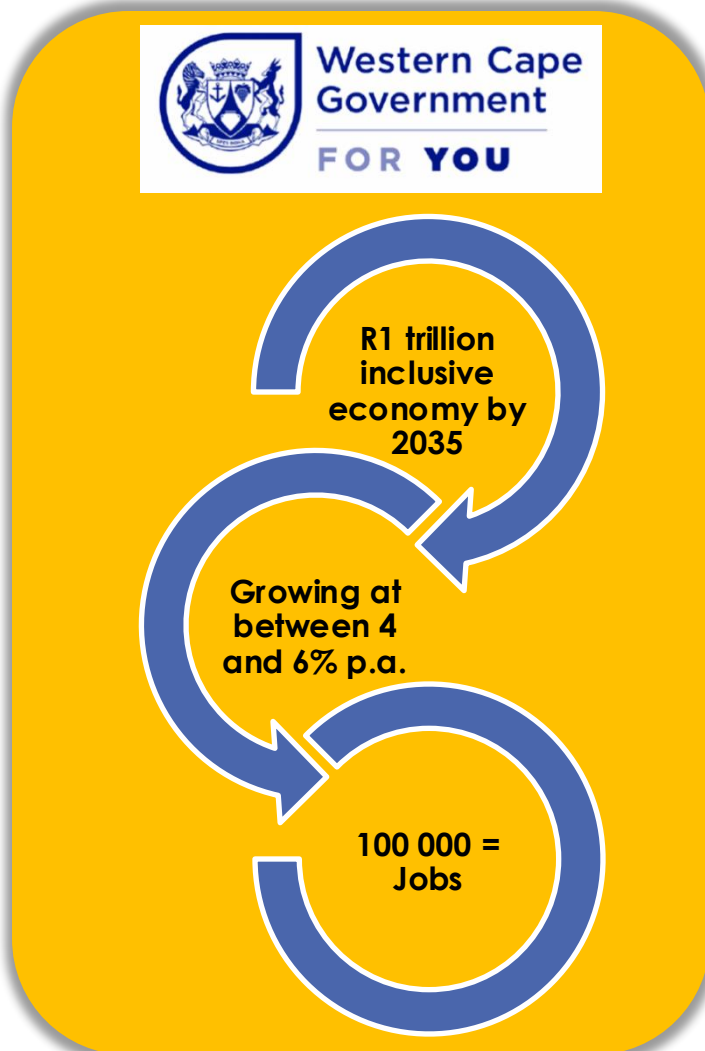
Western Cape Export Priority Area

Create an enabling export environment

Drive market access

Strengthen & diversify exporter base

G4J Strategy Context



G4J is a bold vision for the economy of the province:

An **economy** that achieves break-out economic growth to drive sufficient employment and opportunity for its citizens.

This economy is sustainable, resilient, diverse, and thriving – **generating confidence, hope and prosperity for all.**

In supporting **G4J Communications**, we envision a Western Cape **where businesses and residents are positive about the economy and their economic future and where there is a high level of trust** amongst and between the private sector, communities, residents and government, and ongoing collaboration in jointly solving challenges and realising opportunities.

Priority Focus Areas & Goals

**R1 trillion
economy
growing at
4 – 6%
GDP**

Driving investment

Private sector investment will be **20% of regional GDP** (translating to R200 billion) by 2035.

Stimulating domestic markets & exports

The value of Western Cape exports of goods and services (inclusive of tourism) **will triple** by 2035.

Energy resilience and transition to net carbon 0

15 Terawatt hours (~5,700MW) of renewable energy generation will be developed in the Western Cape by 2035, attracting R96 billion in related investment.

Water security and resilience

Double water available for **secondary and tertiary economic sectors** (primarily from non-productive use) by 2035 and **honour existing allocations to agriculture.**

Technology and innovation

Research and Development expenditure will **quadruple to R35 billion** and the value of **venture capital deals will reach R20 billion** by 2035.

Infrastructure and connected economy

The Western Cape economy **will have the infrastructure required** to support and enable a R1 trillion economy by 2035 and **public sector capital investment** in the Western Cape **will be 10% of regional GDP.**

Improved access to economic opportunities

All citizens who want to be economically active **have improved access to economic opportunities** through at least one pathway.

Why exports?

- The Western Cape Province completed a **Growth for Jobs Strategy (G4J)** that intends to unlock opportunities in the export markets.
- A **dedicated export strategy** was developed to identify and address the main constraints confronting the Western Cape and improve the province's export performance.
- DEDAT in collaboration with WESGRO and TRADE Research Advisory conducted a product complexity mapping study that identified more than 400 mature products that can be expanded in existing markets or enter new markets.
- Realising these opportunities will depend on focused export promotion and marketing interventions and will require the development of domestic production capabilities.
- The **Western Cape Export Strategy 2035** seeks to position exports as a principal means to create jobs, achieve faster economic growth and development; and to raise the contribution of the Western Cape to the country's national trade policy agenda and objectives.

The Western Cape's recent trade performance (2022 – 2023)

- **Trade challenges** – Current uncertain global economic conditions include:
 - a) Russian invasion of Ukraine
 - b) the uncertainties posed by the FED raising interest rates
 - c) Numerous elections around the world
 - d) High costs and stability of logistics in SA and globally
- The **province's exports** amounted to R211 billion in 2023, up marginally from R194 billion earned in 2022.
- The province imports significantly more than it exports, though much of this is explained by the large volume of petroleum that is imported through the Western Cape.
- In 2023, **citrus-related products** were the largest exports from the province, with a value of R54 billion.
- **Beverages, spirits and vinegar** exports came third earning R13 billion in 2023, Fish was R 7.2 billion.

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Priority Focus Area 2:
Stimulating Market Growth
through Exports and Domestic
Markets



Priority Focus Area 2: Stimulating Market Growth through Exports and Domestic Markets

Export PFA 2030

Impact Statement

The Western Cape, with a strong domestic market capability, is a leading global export region in a diversified basket of goods and services and a sought-after tourism destination known for its quality, reliability and cost-effective goods and service offerings.

2030 Outcome Statement

By 2030, we will increase goods and services exports by R127bn to reach **R320bn**.

By 2030, Tourism will be at **3 million international arrivals**. (This is an addition 1million tourists over 5yrs)

By 2030 Domestic trips taken will be at **5 million**. (This is an additional 200,000 trips taken by domestic tourists to WC over 5 yrs).

2035 Goal Statement

The value of Western Cape exports of goods and services (inclusive of tourism) will **triple** by 2035

Where 2035 = **R450 billion**

Export PFA Outcome and Contributing Outcome Statements

2030 OUTCOME STATEMENT

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WC export brand: Increased awareness of the WC positioning & capabilities in priority sectors, incl. opportunities

Through:

- Maintaining, developing, and growing brand and opportunity awareness in existing and emerging opportunity markets
- Implementing a brand strategy

Enhanced competitiveness, sustainability, and capabilities of exporters

Through:

- A robust sector export / market ecosystem,
- Increased number of exporters and improve the export capability and intelligence to enhance competitiveness.

Market Access & Trade Policy: Improved market access and lower barriers to trade

Through:

- Greater diversification of export markets (tier 1,2,3)
- Increased trade in emerging and opportunity markets, including Africa,
- Improved export EoDB environment, including trade barriers,
- Western Cape has a seat at the national table and the WC influences national trade policies.

WC as a Services hub: WC is recognised as a regional hub for the export of services

Through:

- Expanding services export ecosystems
- Opportunity-based brands and robust services market access drive.

Unlocking enabling export infrastructure: More efficient, cost effective & sustainable infrastructure.

Through:

- Improved turnaround at ports to global median (approx. 2 days)
- Approved "Port of the Future" strategy by all relevant stakeholders.
- Enabling tools for businesses to export decarbonised goods and services.

Continued...

Sectors with export opportunities in the Western Cape

Top trade performers



The Western Cape exports ZAR2.3,8bn worth of fruit juice annually. In addition, fish (frozen and fresh) is a major export opportunity.

Food processing



We export about ZAR18,8bn worth of citrus fruit, fresh or dried annually from the Western Cape. Apples, pears & quinces as well as grapes and other fresh fruit is a major export opportunity.

Agriculture



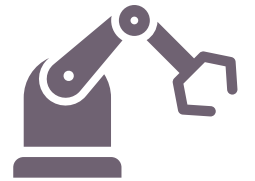
We export about ZAR9,6bn worth of wine of fresh grapes globally. This includes bulk and bottled wine from award winning wineries in the Western Cape.

Wine and spirits



We export ZAR2,29bn worth of pharma commodities globally from the Western Cape. This is set to grow considering the investment into health tech and vaccine innovations in the Western Cape.

Pharmaceuticals & Medical Devices



We export ZAR15,2 worth of electrical machinery and equipment and parts thereof from the Western Cape annually.

Machinery

Top 10 Export Countries & Commodities: Short to medium term

	COUNTRIES			COMMODITIES	
	SHORT	MEDIUM		SHORT	MEDIUM
1	USA	USA		1	Sulphonamides
2	China	China		2	Medicaments
3	Germany	Germany		3	Engines Parts for combustion piston engines
4	UK	UK		4	Plastics
5	Hong Kong	Hong Kong		5	Electronic integrated circuits
6	France	France		6	Trousers, bib and brace overalls, breeches and shorts
7	Switzerland	Netherland		7	Communication apparatus
8	Italy	Poland		8	Furniture parts
9	UAE	Vietnam		9	Units of automatic data processing machines
10	Japan	Japan		10	Seats: parts

Source: TRADE Advisory Research

District Export and Outreach Campaign



District Export Outreach : Purpose

1

WHY: The focus is on increasing **awareness of the Western Cape brand and capabilities** in priority markets, as well as increased awareness of the export opportunities and requirements in priority markets.

2

WHO: Interventions are aimed at **developing export ready businesses, improving market access and export growth** of existing businesses. Are you interested in exporting or growing your business in new markets?

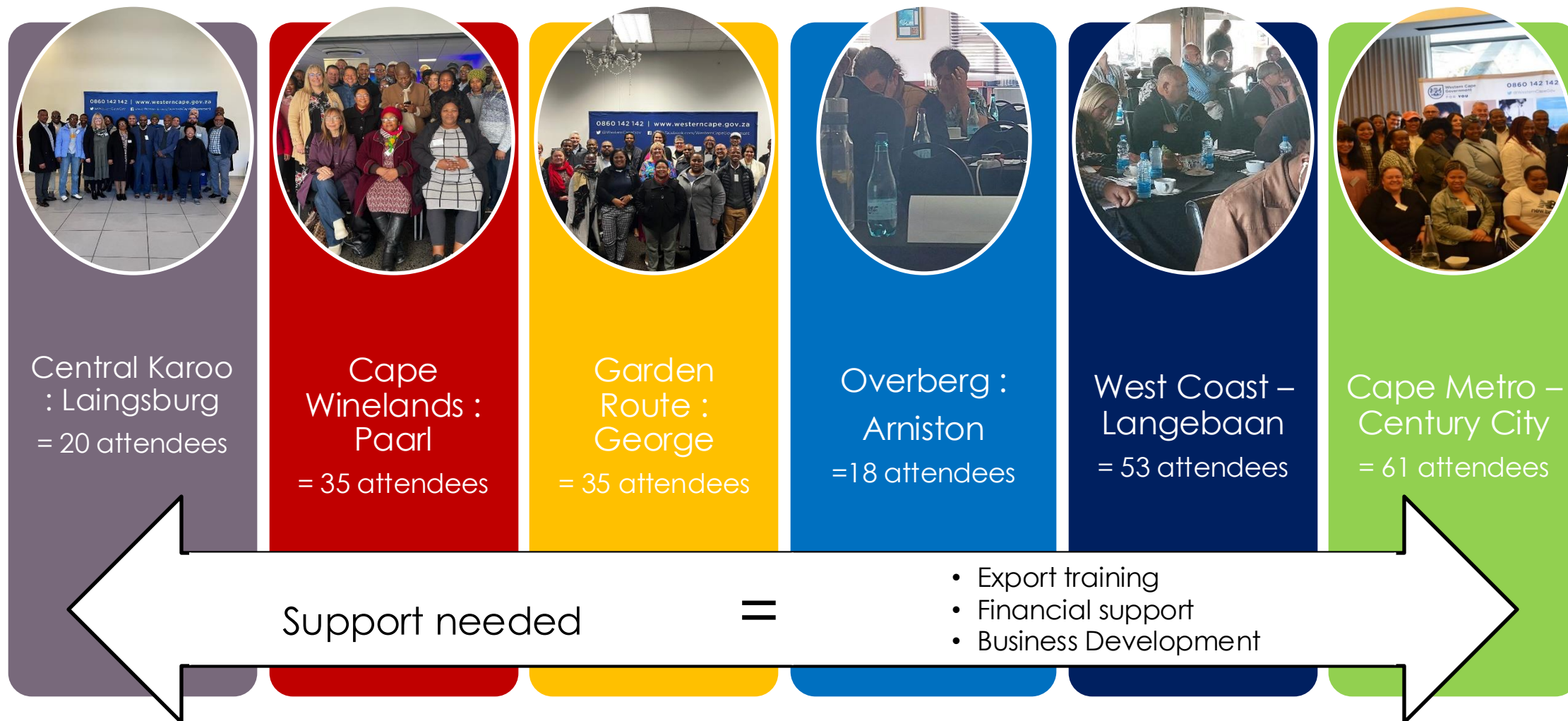
3

WHAT: The programme aims to **increase exports of short-term, lower-hanging export opportunities** identified through the Product Complexity Mapping exercise in the Western Cape export strategy.

4

IMPACT: Increase the number of **active exporters located in the WC** as well as identify and unlock new export product opportunities. We have a range of support mechanisms available to support you on your journey as an exporter.

Roadshows 2023



Support levers to the private sector in 2024/25:

Export
Promotion
Activities

ECEP

Booster fund

Trade barrier
removal

Economic IQ

District
outreach &
awareness

Resource
guide for
exporters

Business tech
& innovation
fund

Export EoDB
Programme

Service
export
research

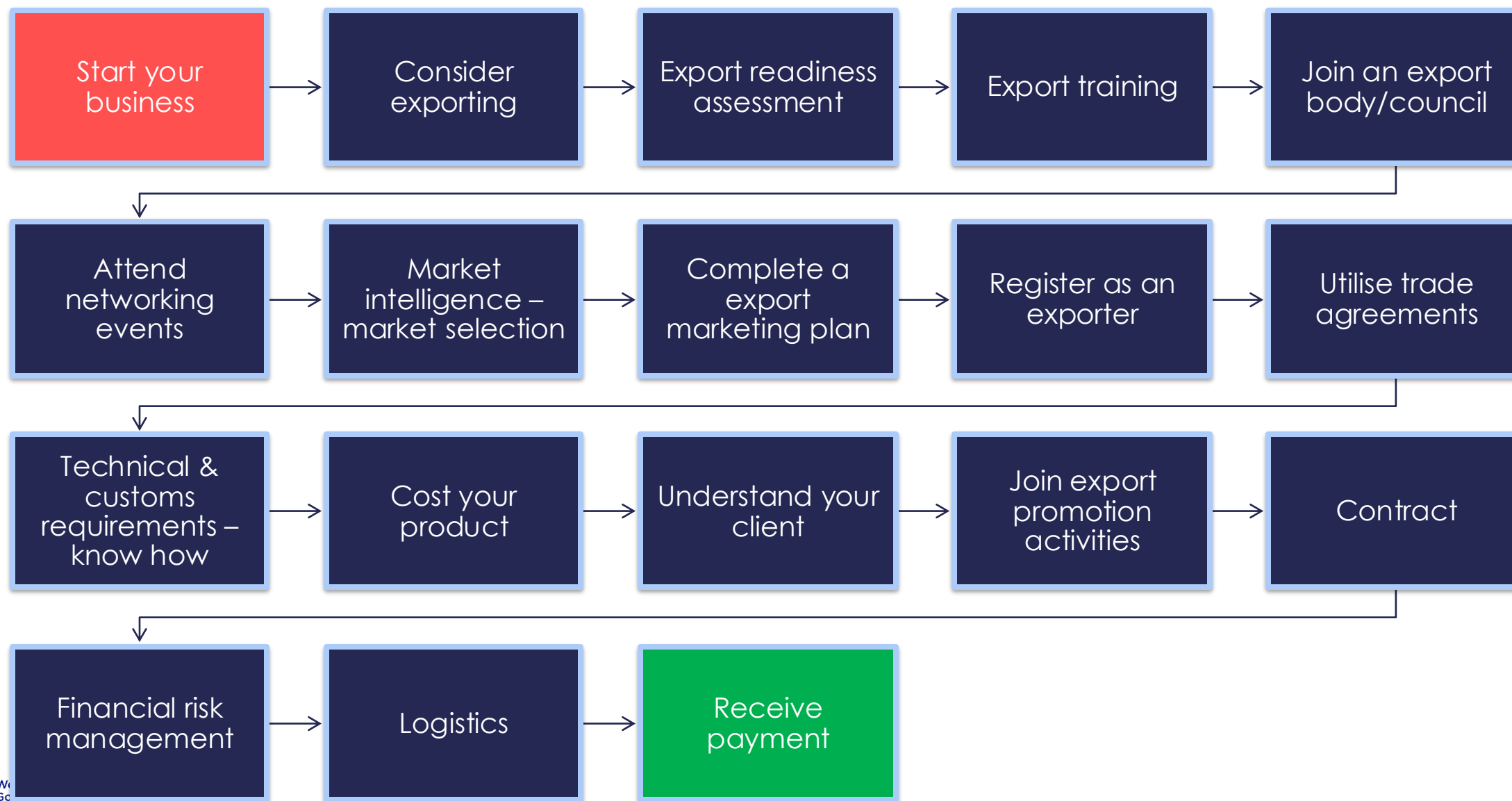
Advocacy &
lobbying

Port of Cape
Town

Partners and support agencies

DTIC, DEDAT, SEDA, SEFA, WESGRO, Export Councils, industry Associations Business Chambers, IDC, District Municipalities, TNPAB-Municipalities, Other government departments and development organizations

Exporter journey



Export Competitiveness Enhancement Programme (ECEP): Fund 2024

- The Export Competitiveness Enhancement Programme (ECEP) Fund is a support programme to **develop and equip businesses to allow them to export effectively**. Interventions target specific businesses and provide support mechanisms aimed at improving the capability, competitiveness, productivity, and export growth of these businesses.
- The ECEP Fund 2024 aims to provide comprehensive support to businesses and organizations that are dedicated to implementing programmes and projects fostering their export initiatives. The Fund will provide support for the following **categories** which can be applied for:

a) Product reformulation and refinement. b) International packaging, labelling, and printing requirements. c) International product testing, certification and standards for international market access. d) Product registration with relevant international bodies in export markets.	e) Special handling services and/ or permits required to export products safely and efficiently. f) E-commerce platform listing.
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- The Fund is geared towards businesses that are existing exporters or potential exporters in the following **sub-sectors but not limited to**:

a) Food. b) Beverages. c) Cosmetics (make-up products). d) Personal care products (oral-, skin- and body care	e) Jewellery f) Transport Equipment g) Computer, Electronics and Optical Products. h) Rubber and Plastic Products.	i) Machinery and Equipment. j) Wearing Apparel.
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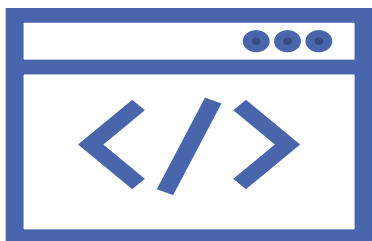
- **Budget:** The financial support provided will be capped at **R200 000 per company** and per intervention.
- **Timeframe:** The period of application to the Fund is **open until 31 March 2025** and is subject to budget availability, whichever comes first. It is in the best interest of the applicant to submit funding applications as soon as possible.
- For more information on the **ECEP Fund application process** visit the **website**: <https://www.westerncape.gov.za/site-page/economic-sector-support-export-competitiveness-enhancement-programme>
- Forward **enquiries** on the Fund to email address: ecip@westerncape.gov.za

Export Resource Material Guide

- The Export Resource Material Guide was designed to provide existing and potential exporters with the knowledge and understanding of the export planning process and its complexities.
- The manual comes with practical information necessary to help develop export business plans and execute export operations on a sustained basis.
- The export guidebook is intended for both experienced and upcoming exporters at the same time those who have done minimal exporting and would like to increase their export business will find it helpful.
- Electronic version visit ESS website:
<https://www.westerncape.gov.za/site-page/economic-sector-support-export-resource-material-guide>



Contact us:



- Please visit our website to stay up to date on our current projects and programmes, key industry events and recently published research:
- Website: <https://www.westerncape.gov.za/economic-sector-support>
- Email: Dedat.SectorSupport@westerncape.gov.za


What we do



About us

For more information about the Economic Sector Support unit and the work we do click here

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Boosting Investment

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Boosting Exports

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Thank you

Contact Us



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