

OPENING ADDRESS BY GAUTENG PREMIER DAVID MAKHURA ON THE OCCASION OF THE SOUTH AFRICA-ITALY SUMMIT/INDABA. PARK HYATT HOTEL, JOHANNESBURG.

24 October 2017

Chairperson of the Summit, Lynnette Ntuli;
Mr Paolo Borzatta, Senior Partner and Mr Valerio De Molli, CEO of the European House – Ambrosetti;
South African Ambassador to Italy, Her Excellency Ambassador Tembi Tambo;
Italian Ambassador to South Africa, His Excellency Ambassador Donicci;
SADC Executive Secretary, Ms Stergomena Tax;
Namibian High Commissioner, Ambassador Nghiwete;
EU Ambassador Marcus Comaro;
Former Minister of Finance, Mr Nhlanhla Nene;
Former Minister of Public Enterprises, Trade and Industry, Mr Alec Erwin;
Zambian Minister of Finance, Hon. Felix Mutati;
Zimbabwean Minister of ICT, Postal & Courier Services, Hon Supa Mandwanzira;
Regional Minister for Agriculture, Hunting and Fishing from the Emilia Romagna Region, Minister Caselli and your esteemed delegation;
Governor of Erongo Region in Namibia, Hon. Mutjavikua;
Members of our Executive Council;

Ekurhuleni Executive Mayor Mzwandile Masina and Reggio Emilia Deputy Serena Foracchia;

Distinguished Business Leaders from South Africa, the SADC region, Italy and continental Europe;

Heads of State-owned Companies - Mr Siyabonga Gama, Dr David Masondo, Mr Saki Zamxaka;

Esteemed Guests

Ladies and Gentlemen:

On behalf of the people and the provincial government of Gauteng, I welcome you to the 4th Edition of South Africa-Italy Summit. This is the second year that this important Economic Summit is being hosted by Gauteng City Region in Johannesburg, South Africa's economic hub and financial and industrial nerve center of the SADC region.

Once more I congratulate our Summit Partners, The European House - Ambrosetti and all business for an outstanding work done in preparation of this year's Summit. Mr Paolo Borzatta, I am glad to say that ours is becoming an enduring partnership and mutually beneficial relationship.

The economic, diplomatic, political and cultural relations between South Africa and Italy are very significant and historic. Italy is the fourth largest economy in the Eurozone Area. There

are more than 60 000 South Africans of Italian origin in our country, more than 70% of whom live in Gauteng.

Moving the Summit from Cape Town to Johannesburg has created new momentum for South Africa-Italy relations as well as the trade relations between the European Union and countries in SADC region. I am glad to see the presence of ministers and business leaders in the SADC region and continental Europe in this Summit.

As you might notice, the major value add of Gauteng is that we have weaved the two-day Summit into a SA-Italy Week that draws in a wide range of participants outside the main business summit. While the focus on economic and business is very important, we have enhanced the Summit's socioeconomic impact greatly by adding culture, education and sport to the menu of the week. There are several parallel sessions that are running early childhood development, sports, culture and the cooperative movement.

This year's Summit coincides with the Centenary of Oliver Tambo, one of South Africa's most revered liberation icons, a great friend of the people of the City of Reggio Emilia, in Italy. We have a huge delegation of political leaders, business people, sports people and educational experts from the City of Reggio Emilia and Emilia Romagna Region who are in Gauteng for the entire week.

They are here to solidify the friendship and solidarity between the people of Italy and South Africa started by Oliver Tambo and Giuseppe Soncini in 1977 in Reggio Emilia.

Expressing his gratitude to the people of the City, in a letter, written in his own handwriting, President Tambo had this to say: *“We always carry Reggio Emilia in our hearts. When we speak of Italy we cannot but think of Reggio Emilia. We are linked with profound attachment and immense gratitude that is hard to put into words.”*

In the same vein we also recall the overwhelming support our struggle for liberation received from other Italians of goodwill in other parts of Italy such as in the City of Florence; a city that gave former President Nelson Mandela honorary citizenship in 1987, at the height of apartheid.

In 1998, President Nelson Mandela had this to say about the solidarity of the people of Italy with our struggle for liberation: *“When I last visited your country I came as a freedom fighter, a person with no vote in the country of his birth. Today I speak as an elected representative of my people, to convey on behalf of all South Africans, our gratitude to the people of Italy for your steadfast support in our fight for justice. Without your efforts and those of freedom-loving people across the world, our*

struggle would have been more difficult than it was, and more costly.”

The Tambo-Soncini Social Cohesion Games which will take place on Saturday and the Bruna Soncini Library in Wattville are dedicated to this enduring friendship and solidarity among the people of South Africa and Italians during the dark days of apartheid.

The SA-Italy Summit is a new form of collaboration and friendship in area of economic transformation, inclusive growth and mutually beneficial trade.

Through the SA-Italy Summit, we want to build on this history by strengthening mutually beneficial economic and trade relations between our sister countries. Currently trade between South Africa and Italy is skewed in favour of Italy. This picture is more so when you look at Gauteng.

In 2013 Italy was South Africa's eleventh most important trading partner. This included exports from South Africa to Italy amounting to more than R 10 billion while imports from Italy to South Africa amounted to more than R 26 billion. This trade imbalance should be corrected.

With regards to Gauteng, in 2015 alone exports to Italy amounted to R8.1 billion, which included products such as iron

and steel, vegetables, machinery and mineral products. Similarly, imports from Italy to Gauteng amounted to R 19.1 billion, including products such as vehicles, aircraft and vessels, chemicals, plastics and rubber as well as machinery. Again, we seek to reverse and correct this trade imbalance through the agreement we are signing today with Emilia Romagna.

Furthermore between 2006 and 2014, more than nine Foreign Direct Investment projects have come into the Gauteng economy from Italy. These were worth more than 157 million Euros and created 1 300 jobs. Key South African companies mainly based in Gauteng such as Sasol, SAB Miller, Investec, Barloworld and Dimension Data have already invested in Italy.

In 2016, Gauteng's exports to Italy totalled R 7 billion while our imports totalled R 18 billion. We are encouraged that there are notable improvements in our trade patterns – in 2016 imports from Italy to Gauteng decreased by 9% and exports increased by 12%.

We have no doubt that this Indaba as well as the Memorandum of Understanding we signed last year with the Emilia Romagna Region and the Memorandum of Understanding between the Gauteng Growth and Development Agency and the E35 Foundation in Reggio Emilia, will boost efforts towards balanced trade between Gauteng and Italy. Accordingly we have taken a decision to use this Indaba as a platform wherein

we will move forward with the implementation of the memoranda of understanding we signed last year.

We wish to place on record that our cooperation with Italy is one of our most comprehensive twinning agreement that involve various departments, City of Ekurhuleni and community organizations. It has now become a benchmark of all the agreements we will enter into with various governments.

It includes using the world acclaimed Reggio Approach to early childhood development, sports and culture, development of SMMEs and training of cooperatives, collaborative research, education and training in the fields of agriculture, agro-processing, veterinary services, climate and renewable energy. Agriculture and agro-processing remain key sectors of the Gauteng economy and are critical in our efforts to ensure food security.

Ladies and Gentlemen, we must emerge from this Indaba and its related activities with a renewed sense that we will work even closer together to strengthen economic, trade, political and people to people relations.

European and Italian businesspeople need to know that Gauteng remains a major player in Sub-Saharan Africa's economy, contributing 35% to South Africa's economy and 10%

to Africa's GDP. We are the Agro-processing and advanced manufacturing hub of the SADC region.

This Summit is helping us to advance our vision of transformation, modernization and industrialisation of the economy of our country and our continent.

Already, Gauteng province leads the rest of the country and continent in promoting intra-Africa trade and investment. By August 2017, more than 169 Gauteng-based businesses had 365 investment projects worth R356 billion across the major regions and cities of Africa. These projects have created 45 000 jobs.

Our province remains a preferred destination for for FDI and business tourists. We are open for business!

I wish the 2017 Summit success and hope it will enhance trade relations between South Africa, SADC, our Continent, Italy and Europe.

It is my honour to declare this year's South Africa-Italy Summit officially opened.

Welcome to Johannesburg, welcome to Africa!

Thank you. Gracia!

