

# **ASIA EXPO 2008 AND INTERNATIONAL INVESTORS CONFERENCE**

## **ADDRESS BY MEC NEO MASITHELA**

**DATE: 28 MARCH 2008**

**VENUE: LANDMARK PROTEA**

Programme Director

Mr Zane Dawood

His Excellency Ismael Obaid Yousef Al-Ali

Your Excellencies Ambassadors from different countries and your partners

Members of the Executive Council

Mayors and Councilors present

Honoured Guests

Ladies and Gentlemen

South Africa has got eleven official languages and I bet there are many South Africans who still struggle with many of those even those born after 1994. My attempt therefore to master more than 25 foreign languages since we started preparations for this conference should be understood for what it really is – a habit of hospitability, being a Free Stater. In spite of all the trouble, I was advised in the middle of the night last night to settle for what we will all be comfortable with, Ladies and Gentlemen Good Morning.

To all our friends from both Asian and our African countries present here, please feel free because you are most welcome. My appeal stems from the fact that you are not only just visitors in this country but also your relationship with the country and the Free State Province in particular prove a point that

you are willing to try new thing. Let me assure you that you will not regret your decision.

I wish to begin by extending Premier Marshoff's apology for not being able to join you in this important gathering. Though she would have loved to be part of this meeting she had other equally pressing engagements from which she could not be excused.

Programme Director, this conference coincides with the announcement of the findings of the Labour Force Survey released yesterday, which have lifted our spirits. It is really encouraging to know that the levels of unemployment in this country continue to decline. The survey reports a national decline of 2.5% from 25,5% in 2006 to 23% in 2007. A corresponding decline has been registered in the Free State with unemployment recorded at 26.5%. This is good news indeed, for which we are thankful.

We can thus forth talk like Martin Luther King Jr when he said, "All labour that uplifts humanity has dignity and importance and should be undertaken with painstaking excellence." The survey report is a living proof that we are succeeding in our endeavours to narrow the economic disparities of the past.

The Free State Growth and Development Strategy has set goals for 2014. Everything that we do as Government is aimed at achieving those goals. These goals are;

- An Economic Growth Rate of between 6% and 7% per annum
- To reduce unemployment from 30.6% in 2005 % to 15% by 2014.

- To reduce the number of households living in poverty by 5% per annum
  - To provide adequate infrastructure for economic growth and development
- To attain this, the Government has identified four key economic drivers. These key economic drivers are:

- Expanding the manufacturing sector in key sub-sectors
- Focusing on diversification in agricultural development
- Developing tourism
- Developing and expanding the transport and distribution

It is behind this background that Asia Expo 2008 should be seen as a valuable move in strengthening the competitiveness of the economy of the Province. Programme director without any fear of contradictions I can say at the end of this lucrative event, Free Staters shall be left with smiles on their faces. And this will compels us to put our hands on the deck and do business unusual.

Your excellencies, the Free Sate has become an evitable nectar for foreign investment. To meet our requirements we have to develop aggressive marketing campaigns like the ASIA EXPO 2008. Our environmental scan revealed that we will not be wrong when we look up to our friends in Asia and the Middle East.

Programme Director, this is yet another important effort in raising both the South- South Co-operation Agreement and the India, Brazil and South Africa (IBSA) Agreement to new heights. Through this EXPO, the Free State Province wishes to promote inherent tourism, investment and trade opportunities to countries in the Gulf Co-operation Council and Asia. It must be noted that the region has been identified by Free State Provincial

Government to be strategic in the effort to stimulate high-levels of economic activity through trade, investment and industrial technical cooperation.

To our local business community let us remember what C.J Walker advised us on when she said "don't sit down and wait for opportunities to come...get up and make them", because if you don't you will not be able to sustain this growing economy and therefore fail to keep your business afloat. The point well captured by J Ogden Armour when he said, "there may be luck in getting a job, but there's no luck in keeping it"

Ladies and gentlemen, allow me to cloud these inspiring dream by quoting Mark Victor Hansen in his book when he said *"Don't wait until everything is just right. It will never be perfect. There will always be challenges, obstacles and less than perfect conditions. "So what? Get started now. With each step you take, you will grow stronger and stronger, more and more skilled, more and more self confident and more and more successful, "* this statement urges us to make a difference.

It is for this very reason and such inspiring words, that one of our key economic drivers is the expansion of the manufacturing sector in key sub-sectors. The emphasis in this sector is placed on supporting high-value goods such as petro-chemicals (including bio-fuels) and jewellery. The intention here is to create extensive experimentation and innovative partnerships with national and provincial research institutions potentially to grow economic activities of this nature. Further emphasis will be on supporting initiatives in respect of the manufacturing of machinery (especially for the agricultural sector), as well as in supporting initiatives in respect of leather tanning and finishing and of agri-business.

Today we are witnessing yet another expression given to that undertaking. This was just not a dream because as the African

American poet Langston Hughes once warned, "What happens to a dream deferred - it explodes". What he said on that particular day is that we will continue to work hard to sharpen our trade promotion strategies so that we could "improve the competitiveness of Free State Products in the global market and promoting the Free State as an investment destination".

The Free State Growth and Development Strategy draw our **attention** to a very critical issue that needs collaborative planning and concerted effort to seek lasting remedies. The analysis has showed that the Free State economy has underperformed over the past ten years, when compared both with its share of the national population, as well as with the national economic growth rate.

Programme Director, it is my strongly held view that the history of economic development in this country should be understood so that those who are charged with the implementation of policies of government are able to contribute significantly in the shaping of contours of economic development in this province. The economic policies of the ANC led government have identified a need for a new path of growth and development aimed at building a strong dynamic and balanced economy. One of the key tenets of these policies according to the Economic Transformation policy document of the ANC is "The integration of South Africa into the world economy through the enhancement of trade and investment relations including a trade policy aimed at raising the level of productivity and improving the competitiveness of producers". This is becoming alive today.

With this launch today and the subsequent Expo in October, we intended to facilitate the development of import and export and investment opportunities between our countries. This Expo is not only intended to stimulate our economy and create jobs, but will also foster trust and understanding between our countries by promoting cultural and tourism experience never to be matched.

Programme Director, one other important key economic driver, is tourism. We want to optimise the benefits available from this sector of the economy in the Free State. Here we place emphasis on weekend tourism market for the north and northern-eastern Free State as well township tourism.

To demonstrate our seriousness on this sector, we included in your programme the township tour and a visit tonight to one of popular night spots in town. Tomorrow you will undertake a unique tourism encounter, the Cave Route, which provides spiritual captivation like no other.

Your excellencies, you have had the presentations, you saw the video and you have met the people, we now ask you to carry the message. I wish to conclude by outlining our investment packages which we are convinced they will be attractive to investors in your respective countries waiting to explore the open blue skies of the Free State and enjoy a free state of the mind. These are;

- Harrismith Logistical Hub;
- Bio-fuels & Renewal Energies;
- Business Process Outsourcing & Offshoring;
- Tourism Products (i.e. Hotels, Resorts & Game farms);

- Mining & Mineral Beneficiation (i.e. Jewellery hub);
- Agro-processing, Horticulture and Floriculture;
- Residential & Commercial Property Development;
- Film Industry Development;
- Manufacturing (capital goods, etc.);
- Leather Tanning and Finishing; and
- Petrochemicals

I think today is the beginning of a long journey which will in long run lift from the shoulders of our poor masses a heavy burden of poverty and unemployment. We have a joint responsibility to prepare this world and make it more habitable for the coming generations. Let us take with two hands the opportunity presented to us for our people by the EXPO 2008 and International Investment Conference.

On behalf of the Free State Provincial Government, I hereby officially launch the Asia Expo 2008 and International Investors Conference to ensure that preparing for this esteemed event begin in earnest. It is the time for Free State to occupy its rightful place in the international space. Let this esteemed event begin with earnest

Welcome to the Free State and Enjoy the hospitality.

**Thank You.**