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IMMEDIATE RELEASE

MEDIA STATEMENT

**BUSA CALLS FOR A NEW WAY OF DOING BUSINESS
BETWEEN CHINA AND AFRICA**

Business Unity South Africa's outgoing CEO, Jerry Vilakazi addressed a Business Forum in Hong Kong co-hosted by the Consuls General of South Africa, Nigeria and Angola to promote trade and investment between Africa's emerging economies and Hong Kong. He praised the acceptance of SA into the BRICS grouping as heralding a new chapter in the development of Africa as a whole. "As much as Hong Kong's economy is so intertwined to your geographical and strategic link with mainland china, so is our existence as part of the African continent," said Vilakazi urging Hong Kong business leaders on the strategic importance of SA as a gateway to Africa.

Hong Kong is unique as it is China's international market with the Hong Kong Exchange being China's only international exchange. China is tipped to become the world's largest economy in the next 10 to 20 years, as GDP is set to surpass that of the United States.

BUSA has been working with the Hong Kong Exchange to promote capital raising for SA companies especially those in the mining sector. The Exchange has adopted new rules for SA mineral companies looking at listing in Hong Kong to raise capital. This has included the creation of a platform for natural resource companies with a meaningful discovery to raise development capital provided they disclose their assets under recognized international standards with the endorsement of independent experts. The rules are similar to those adopted by the Johannesburg Stock Exchange and recognize





South Africa's pre-eminence as a mining jurisdiction and have recognized SAMREC and SAMVEL Codes for presentation of data on mineral assets.

Business relationships between South Africa and Hong Kong are already significant. South Africa is Hong Kong's largest import market in Africa, and imports in 2010 surpassed US\$700m, comprising mainly of telecommunications equipment and parts, computers, toys, games and sporting goods. Exports from South Africa exceeded US\$600m, comprising mainly silver and platinum, fruit and nuts, pearls, precious and semi-precious stones. Over 70,000 South Africans visited Hong Kong last year and no less than 7,000 Hong Kong nationals visit South Africa on a yearly basis. "We expect this numbers to increase over the coming years as we continue to work closely with Hong Kong Business leaders and the Exchange to consolidate our position as an investment destination of choice for Hong Kong in Africa," said Vilakazi.

BUSA calls for a new way of doing business and investing in Africa by Chinese companies. Hong Kong is well positioned to lead in this new way. We are calling for a major shift from the extraction of raw material for export to China to more investments into productive capacity and long term value add in the continent. "The solution to Africa's high levels of unemployment and poverty, lies in us finding and agreeing on this new way of doing business through investing in value adding enterprises in the continent," said Vilakazi.

The Business Forum was part of the celebration events of Africa Day in Hong Kong and was attended many African diplomats of countries represented in Hong Kong. Some of the South African companies with representatives in Hong Kong, who participated in the celebrations included Sasol, Standard Bank, SAA and Barloworld. Consul General for SA, Ms Tembi Tambo spoke about SA global leadership role and the focus to SA as host country for COP 17 later this year.

The Chinese are considering facilitating imports for a range of South African products into China. BUSA fully supports these endeavours and is working closely with our government departments to give impetus to these and more initiatives.



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