

**SHARING BUSINESS OPPORTUNITIES
SOUTH AFRICA-REPUBLIC OF CONGO BUSINESS FORUM**

9 APRIL 2010

**WELCOMING REMARKS
MR SANDILE ZUNGU
REPRESENTING BUSINESS UNITY SOUTH AFRICA**

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- Your Excellency, Mr Jacob Zuma, President of the Republic of South Africa.
 - Your Excellency, Mr Dennis Sassou-Nguesso, President of the Republic of Congo.
 - Honorable South African Minister of Trade and Industry, Dr Davies; Honorable Madame Claudine Monare, Minister of Commerce and Supply of the Republic of Congo.
 - Mr Paul Obambi, President of the Chamber of Commerce of Brazzaville and Mr Didier Mavouezela, President of the Chamber of
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- Commerce of Point-Noire.
 - Leaders of South African and Congolese business.
 - Ladies and Gentlemen.
 - It is my great pleasure to welcome you all here today on behalf of Business Unity South Africa.
 - We are honoured to have been given the opportunity to participate in this important occasion which seeks to strengthen the business linkages between our two countries.
 - Later this morning we are going to hear some specific details about the business opportunities available in the Republic of Congo,

especially in the energy sector. I would like to take the chance to give you a brief outline of the economic partnership that already exists between South Africa and the Republic of Congo.

- Our countries have enjoyed warm relations for many years and there has been a steady increase in trade with South African exports to the Republic of Congo peaking at over R500 million in 2009. These include chemicals, electronics, machinery, food and household goods.
- It is not a one-way relationship however and we import a range of products, including petroleum, timber, lead products, pulp and paper and cocoa.
- There are already a number of South African companies successfully doing business in the Republic of Congo. They operate in sectors such as telecommunications (MTN and Vodacom), rail transport (Transnet Freight Rail), hotels (Protea) and aviation (Executive Aerospace).
- Great potential exists for South Africa to grow its involvement in the economy of the Republic of Congo including in areas such as oil refineries, agro-processing and information technology. We will be listening with interest to the presentations made today to learn more about other potential areas for cooperation.
- Your Excellencies. One of the jobs of a government is to create an environment which is conducive for doing business. Steps have already been taken in this regard through the signing in 2005 of a trade agreement between South Africa and the Republic of Congo, together with an agreement on the promotion and protection of investments.

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- With these government to government arrangements in place, we would encourage business from the Republic of Congo to take advantage of the favourable climate in South Africa to set up operations and invest here. South Africa offers a globally competitive economy and an expanded market for other African countries.
- We have noted with interest that the Republic of Congo is one of the largest oil producers in Sub-Saharan Africa. This provides huge opportunities for both countries, especially with regards to adding value through refining of crude oil. South African business is keen to understand how we could cooperate in this regard with our colleagues from the Republic of Congo.
- Another area we have identified is the scope for investment in the timber industry in Congo-Brazzaville. Again this is a sector which would benefit from the exchange of technologies between our two countries and the greater beneficiation of natural resources.
- The Government of the Republic of Congo recently leased over 200,000 hectares of land to South African farmers in what is a positive initiative for both countries. By strengthening the agriculture sector in Congo-Brazzaville, South African business is contributing to the food security of the continent and the ongoing development of our people.
- Your Excellencies. No country has been spared the impact of the global economic crisis. Thankfully South Africa has relatively robust financial institutions and we did not see the severe repercussions that were felt in other parts of the world. We are however being

challenged by high levels of unemployment and a slower rate of growth in the economy as a whole.

- Luckily a recovery is evident and BUSA is working with our social partners to take the necessary steps to ensure that this continues. Our Trade Minister Dr Davies has been clear in voicing his view that in light of the global crisis we should now be exploring creative ways of strengthening our relationships with partners in the South, especially those on the rest of the African continent.
- It is now up to us as the private sector to build on the momentum created by our political leaders and seize the opportunities that are opening up through visits such as that by President Sassou-Nguesso to South Africa.
- Thank you again for the opportunity to welcome you here today. I would also like to invite our colleagues from the Republic of Congo to join us again later in the year when South Africa will host the FIFA Soccer World Cup. This will be our chance to show the world that our continent is capable of staging a truly world class event.
- Business is committed to playing its part in hosting this important global event. We hope that Bafana Bafana will show as much commitment on the field but if they are not quite ready to be world champions in 2010 then we at least hope that the honour goes to one of our fellow African teams.
- Thank you.