



JOHANNESBURG-GAUTENG  
**SOUTHAFRICA ITALY**  
SUMMIT/INDABA

# **SOUTH AFRICA ITALY**

## **SUMMIT / INDABA**

### **Press review 2018**

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# JOHANNESBURG-GAUTENG SOUTH AFRICA ITALY SUMMIT/INDABA

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# Summit to promote growth, help shape future strategies

## ● Event aims to create permanent and influential community of political and business leaders

PEDRO VAN GAALEN  
All reports

**S**A is the strategic gateway to sub-Saharan Africa, while Italy offers an ideal springboard into Europe. Synergies therefore exist between the two countries, which the annual South Africa-Italy Summit/Indaba seeks to strengthen by improving trade relations and uncovering investment opportunities.

Now in its fifth year, the 2018 summit will once again take place in Johannesburg, Gauteng – the economic powerhouse of SA – thanks to the support of the Gauteng Provincial Government and its Premier, David Makhura.

According to gross domestic product (GDP) data recently published by Stats SA, Gauteng contributed just over a third to SA's economic output in 2016. As the proverbial growth engine of the local economy, Premier Makhura and his administration are working to realise their vision, which seeks to transform, modernise and re-industrialise Gauteng to build a seamlessly integrated, socially cohesive, economically inclusive region that maintains its position as a leading economy on the African continent.

As part of its 10-pillar strategic plan, the Gauteng Provincial Government is leveraging the Summit to strengthen bilateral trade agreements and economic co-operation to create and promote smart, innovation-driven, knowledge-based and sustainable industries.

The summit is facilitated by The European House – Ambrosetti, which for the fifth consecutive year has been named as the leading private think tank in Italy, and is ranked in the European top 10 and the top 100 think tanks globally in

the University of Pennsylvania 2017 Global Go To Think Tank Index Report.

The inaugural summit in 2014 was intended to be a highly exclusive annual bilateral forum reserved for CEOs and leaders of the two countries. "The format mirrors other summits we host around the globe, which have already delivered significant results in Europe, the Association of Southeast Asian Nations (Asean), Iran, China and other countries included in the One Belt, One Road initiative," explains Paolo Borzatta, Senior Partner at The European House – Ambrosetti.

The aim of the local initiative is to create a permanent and influential community of political and business leaders who can leverage the strategic platform to interact and share innovative ideas that shape their future strategies.

The summit also seeks to foster stronger bilateral business engagements and investment relationships to promote growth that benefits both business and government organisations, and the economies of their respective countries.

Over the past four years the summit has hosted participants from 25 different countries, including more than 30 government ministries from Africa and Europe, and almost 300 Italian and European



Premier David Makhura.



The fifth South Africa-Italy Summit/Indaba will be held in Johannesburg. /123RF – FELIX LIPOV

participants who met with their African counterparts.

While attendees are able to interact with business leaders and politicians and opinion leaders from the two regions, the summit is more than just a single event.

"We work year-round with a qualified and high-calibre steering committee to explore business opportunities and synergies between the two regions. The steering committee comprises project advisors, partner companies and The European House – Ambrosetti. The committee leverages business research conducted by the think tank to establish co-operation between leading industry players in key sectors, using the summit as a platform to share this information with all stakeholders and establish co-operation via a variety of sessions," explains Borzatta.

The 2017 summit hosted 65 participants from Italy, seven government representatives, six local government representatives, six ambassadors from Europe and the Southern African Development Community (SADC) and 15 project advisors from Italy and SA. Discussions at last year's summit stressed the

importance of strengthening bilateral relations in the broader regional and global political environment. The summit outlined the institutional framework of bilateral trade and investment relations, the policy tools already in place, and those yet to be deployed.

Particular attention was also dedicated to highlighting the opportunities and the critical challenges posed by the volatile international macroeconomic environment and its effects on European and southern African businesses.

Among the issues covered in 2017 were the volatility of commodity prices, the Chinese slowdown, the growth performance of SADC countries and Europe's path to creating post-crisis growth momentum.

The 2018 edition will now seek to build on the success of the 2017 event. "It's serendipitous that the SA-Italy Summit is taking place in the same month as the investment conference announced by President Cyril Ramaphosa to attract foreign direct investment into SA," says Cristina Zanardi, Deputy Secretary General of the Italian-South

director Sergio Galli, the company is a perennial supporter of the SA-Italy Summit. "We have deep roots in both countries. We have strong relationships with Italian suppliers, which we've forged over 50 years, in addition to many loyal local consumers."

Italtile supports the ceramics industry in Italy by importing high-end finished products to supply the local market. The company has also introduced into SA technology used in the Italian ceramics and related industries, and has shared its experience in this regard to help grow the local sector.

"We are confident that as we continue to grow and develop those partnerships, we will help to lift the local economy," says Galli.

The summit is also set to evolve into a pan-European and pan-African platform, capable of creating strategic business partnerships at the highest level. "We are excited about the information on 'skills development for smart manufacturing' that will be shared at one of the sessions," says Neo Masombuka, CEO of Grow-to-N.

South African state-owned enterprises are also leveraging the SA-Italy summit platform to uncover growth opportunities.

According to Molatwane Likhetho, General Manager: Corporate and Public Affairs at Transnet, the ability to engage with Italian, government and industry role players and businesses in the freight logistics field is a significant drawcard.

"The summit also provides an important think tank to explore new and innovative supply chain solutions, which informs our strategic growth plans."

Likhetho explains that this country is ideally positioned to play a key role as an international gateway and hub for the regional freight system. "SA and Italy both have the opportunity to expand their business relations within the broader African context, through various co-operative and strategic partnerships that can be forged at the summit."

African Chamber of Commerce (ISACC), which is supporting The European House – Ambrosetti in hosting the summit.

The event also takes place against the backdrop of renewed Italian investor confidence in SA, which significantly increased in 2018 following the election of Ramaphosa as president.

"We're delighted with the renewed interest from Italian investors in light of President Ramaphosa's call for \$100bn in investment into SA over the next five years."

## THE AIM IS TO CREATE A PERMANENT AND INFLUENTIAL COMMUNITY OF POLITICAL AND BUSINESS LEADERS

Zanardi says more than 120 Italian companies have made significant investments in SA and are making a valuable contribution to the local economy by using the country as their base for African operations.

Italtile is one such company. According to retail

# South Africa-Italy Summit/Indaba



## Giving youth a sporting chance

● Young athletes from SA and Italy will show off their skills at the 2018 OR Tambo Soncini Social Cohesion Games

**B**eyond building better business relations, the annual South Africa-Italy Summit/Indaba also aims to foster stronger cultural ties

between the two nations through sport. Spearheaded by the Gauteng Provincial Government's Department of Sport, Arts, Culture and Recreation, in conjunction with international partners Reggio Emilia, the OR Tambo Soncini Social Cohesion Games will form part of the 2018 summit's programme of events.

Teams that progressed from the Municipality Games will compete at these Provincial Games, which take place on October 27 and 28 2018. Teams will comprise young athletes in the under-17 age category, who will participate against teams from Italy in football, netball (under-19), rugby, basketball, athletics and swimming.

The OR Tambo Soncini Social Cohesion Games form part of a bilateral cultural programme that saw 250 South African youth, coaches and management travel to Reggio Emilia in Italy to compete at the 2018 Tricolour Games. The Games were an opportunity for athletes who have never travelled beyond SA's borders to experience a new country and different cultures, while building social cohesion and establishing friendships with participants from other countries.

Athletes stayed in the athletes' village, which gave them the chance to socialise with other participants. This engagement included time in the village "free zone", which offered various cultural activities, as well as table tennis, skate boarding, rollerblading and basketball.

The tournament was held from July 7-13 2018, with representative under-17 teams from Gauteng participating in football, rugby, basketball, athletics and swimming. South African athletes excelled, earning five gold, four silver and two bronze medals.

The attendance of Gauteng Provincial Government representatives at the 2018 Tricolour Games was used to enhance existing partnerships and foster greater collaboration in the sports sector during various workshops.

In addition, a cultural showcase was held where groups representing their respective countries performed. SA's participation and cultural programme was well received, with Gauteng invited back to compete at the 2021 Tricolour Games.

This gesture was reciprocated to the hosts, with Gauteng Provincial Government representatives extending an invitation to teams from Reggio Emilia to participate in the 2018 OR Tambo Soncini Social Cohesion Games.

JOHANNESBURG-GAUTENG SOUTHAFRICA ITALY SUMMIT/INDABA

### SOUTH AFRICA - ITALY INDABA 2018

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Mr Jonathan Reichental  
CIO & CTO, City of Palo Alto, CA



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Mrs Stella Klonzo  
Exec. Director, Africa Investment Forum,  
African Development Bank



Mr. Paolo Borzatta  
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# South Africa-Italy Summit/Indaba



Attendees at sessions from last year's South Africa-Italy Summit/Indaba.



## New platform to put Africa on EU radar

● Think tank aiming to expand summit's reach and impact with inaugural Africa Europe CEO Dialogue

**S**ince launching in Cape Town in 2014, the annual South Africa-Italy Summit/Indaba has sought to strengthen economic ties between the two nations, which already share a rich and mutually-beneficial relationship.

Having built a solid foundation over the preceding four years, the globally-acclaimed think tank, The European House – Ambrosetti, now plans to leverage the platform it has created with this event to expand the reach and impact of the summit.

This year the SA-Italy Summit/Indaba will host the inaugural Africa Europe CEO Dialogue. The event will accommodate other southern African and European countries to create an exclusive, influential community of leaders who can engage in a forum that builds their businesses, along with the economic prosperity of their countries and their continents.

and government," explains Paolo Borzatta, Senior Partner at The European House – Ambrosetti.

Following four years of engagement at the summit, Italy clearly understands the rising importance of Africa in the global economic context. The country is committed to unlocking the continent's growth potential, particularly within Africa's many underdeveloped markets, through initiatives such as the SA-Italy Summit and Africa Europe CEO Dialogue.

Southern Africa is experiencing robust economic growth, with rising trade and additional passenger traffic, cited by The European House – Ambrosetti as important catalysts for this growth.

A significant development was the announcement in April by Alitalia that it would reintroduce direct flights from Italy to SA after an absence of 16 years. The airline now operates four weekly flights between Rome-Fiumicino International Airport and OR Tambo International Airport

**SA IS THE IDEAL SPRINGBOARD INTO AFRICA FOR FIRMS INTERESTED IN EXPLORING GROWTH OPPORTUNITIES**

in Johannesburg – Africa's busiest airport and a gateway to the rest of the continent.

In this context, SA is a country of great strategic importance to European businesses. As the most diversified and advanced economy on the continent, SA offers the ideal springboard into Africa for companies interested in exploring growth opportunities. As such, many Italian companies have already chosen SA as a base for their African operations.

But the majority of Italy's European counterparts have yet to recognise the opportunities and significant growth potential offered within Africa, suggests Borzatta, who believes southern Africa remains off the radar of many European Union (EU) companies due to several factors.

"Significant trade and investment opportunities in other emerging markets have diverted attention and capital from European players away from Africa, which is why the many opportunities offered on the continent remain unknown to European business leaders," explains Borzatta.

This is proving detrimental to both regions, but the EU and southern Africa have the potential to create synergistic partnerships that would address several issues crucial to the future growth

and development of businesses on both continents, believes Borzatta.

There are, of course, EU corporations that understand the beneficial economic dynamics at play and are capitalising on the business opportunities emerging within Africa, particularly in southern Africa. Recent data on trade and investments shows that EU exports to southern Africa rose by 7.7% in 2017, which equates to €72bn in trade. These results strengthened the EU's position as the major exporter to the region, as this volume represents almost twice that of the combined exports from the US, United Arab Emirates and India, and was 15% more than Chinese exports.

Conversely, southern African exports into the EU mirrored the upward trend, growing 6.5% last year. This robust trade equated to €69bn in 2017, which is higher than the combined value of exports from southern Africa to the US, India and the United Arab Emirates, and also exceeds the region's exports to China.

The EU also affirmed its position as Africa's major growth partner, with foreign direct investment (FDI) in the continent totalling €302bn in 2017. This amounted to more than five times that of US FDI and eight times more than China's total investments. "This volume is largely

attributable to the EU's historical presence in the region. However, we are far from realising the full potential of bilateral EU-Africa trade relations. Even greater value can be extracted given the right opportunities," says Borzatta.

"We have created this platform to put the many opportunities available within Africa back on the radar of European businesses. Europe can partner with South African and African enterprises, which offer unmatched knowledge of the territory, to apply important technologies and know-how to unlock growth opportunities."

The European House – Ambrosetti, in conjunction with the Gauteng Provincial Government, has identified key initiatives within both SA and Africa that will receive significant focus at the summit, based on numerous analyses, reports and strategic studies prepared by



Paolo Borzatta ... partnerships.

the think tank.

Several topics of interest will be addressed, including the financial tools needed to improve investment appeal; potential synergies that exist between different tourism models; the role of intermodal transport and logistics in the region; the development of proper infrastructure at a regional level to improve mobility within the continent via road, rail, sea and air; and smart technologies for the city of the future. A scientific and university co-operation hub will take an in-depth look at the role and potential of research co-operation between the two areas.

"Private investment remains subdued and international engagement has yet to reach acceptable levels," says Borzatta. "This situation must be remedied, and EU companies are ideally positioned to provide the key competencies, technological capabilities and capital to help realise the ambitious infrastructure projects planned in several southern African countries."

By boosting public-private partnerships in the region, by strengthening ties between Europe and Africa, the economies of the two continents will grow faster together. Summit organisers believe the Africa Europe CEO Dialogue will create the perfect platform to establish these partnerships.

## South Africa-Italy Summit/Indaba

# SA, Italy boost trade relations

● **Gauteng Provincial Government engaging with private sector players to unlock potential, create jobs**

The 2018 edition of the South Africa-Italy Summit/Indaba, which takes place from October 23-24, will be the third event hosted in Gauteng. This is significant as the province is the economic powerhouse of both SA and the Africa continent.

The summit is a crucial networking event that provides business leaders of the two countries with a formidable tool to deepen their established and robust trade and economic relationships and share their mutual knowledge.

"To understand the significance of trade relations between Italy and SA, it is important to contextualise the trade volumes and quantitative trends. Specifically, we are currently experiencing consecutive periods of double-digit growth in trade volumes between the two countries," explains Pietro Giovanni Donnici, the Italian Ambassador to SA.

According to data provided by the Italian Embassy, in 2017 bilateral trade between the two nations grew by 10.5%. However, that figure has already been eclipsed in 2018, with bilateral trade growing by 11% in the first seven months of this year, compared to the corresponding period in 2017. Overall trade between the two countries amounted to \$3.3bn in 2017, but by July 2018 this figure had already reached \$2.17bn.

"Italy's most prolific export to SA is industrial machinery. This entry alone accounts for 30% of Italian exports," explains Donnici.

According to data available from the South African Revenue Service, the other main entries are mineral products, in particular fuels and industrial oils, and chemical and pharmaceutical products; vehicles, predominantly in the form of cars, trucks, vans and bikes, in addition to locomotives, railway stock, ships and aircrafts; rubber and plastic products; iron and steel products; and agri-food products.

The main products exported by SA are base metals and articles of base metal, especially iron and steel, aluminium and articles thereof, which accounts for 35% of South African exports. Agri-food accounts for 24.3% of South African exports to Italy, predominantly in the form of fish, crustaceans and aquatic invertebrates, in addition to edible fruit, nuts



New Holland agricultural machinery.

facility in 2017.

● Mollebalestra is an Italian suspension products provider. The company signed a joint venture agreement with springs manufacturer Golden Spring & Engineering services in September 2017. The JV is facilitating the manufacture of Mollebalestra's range of products in SA.

● Ariston Thermo Group produces geysers, air-conditioners, heat pumps and more, and is making significant inroads into the geyser market in SA.

● NeOn Energy operates in the renewable energy space. As an independent power producer (IPP), it will operate a 200kW solar generation plant over the next 15 years.

● New Holland is an agricultural machinery producer that has significantly grown its market share since investing in SA in 2017. The company is part of CNH Industrial, one of the world leaders in capital goods, which already has a presence in SA with an Iveco plant.

● Building Energy is an Italian-based global IPP that produces electricity from renewable energy sources such as wind, solar, hydro and biomass. In April 2018 the company concluded a deal with Eskom to build, own and operate a 147MW wind farm and a 4.7MW mini hydropower plant in SA.

● Tokai Carbon Italia, manufacturer of graphite electrodes and carbon products, recently entered the local market.

A number of these companies will contribute to the realisation of the Gauteng Provincial Government's

strategic plan, implemented under the leadership of Premier David Makhura, to re-industrialise the Gauteng economy through infrastructure development.

For example, the massive roll-out of public transport infrastructure across the province will be utilised to revitalise and modernise old industries that will locally manufacture or assemble buses, trains and locomotives.

The government is working closely with state-owned enterprises Prasa and Transnet to re-industrialise the province and build economic infrastructure that will boost employment creation and economic inclusion through investing in post, freight, rail and pipeline capacity.

This infrastructure will not only boost provincial prosperity, but as the economic hub of SA and as a gateway into Africa, these projects will have significant benefits for the country, as well as the African continent.

and citrus fruit. Other entries are wool and animal hair, rawhides and skins, and mineral products, especially ores, slag and ash.

"However, merely looking at the aggregate figures does not adequately explain the nature and depth of relations between our two countries," says Donnici.

### THESE PROJECTS WILL HAVE SIGNIFICANT BENEFITS FOR SA AND THE AFRICAN CONTINENT

Roughly 70% of Italian exports to SA comprise capital or intermediate goods. This reveals a pattern of business-to-business transactions that provides production inputs to South African companies and increases their productivity, without undermining local manufacturers. This also applies to South African exports to Italy, as these are goods included in the country's production processes and appreciated in the Italian market.

"Such a trade structure is mutually beneficial, because the goods imported and exported reciprocally contribute to the productivity of the national industries and to the quality of the manufactured goods, which positively contributes to the respective value chains," explains Donnici.

Given the recent developments in bilateral trade, Donnici believes it is noteworthy that this steadily growing relationship has occurred in parallel with the establishment of the SA-Italy Summit/Indaba as an annual event in SA.

"The summit has over the past five years played a crucial role in deepening the

mutual knowledge of and collaboration between the business communities of our two countries. SA also has a large and well respected Italian community. It is the largest Italian community in sub-Saharan Africa and consists mainly of entrepreneurs who have developed a deep knowledge of the African continent. The size and strength of the Italian community in this country is, without doubt, an additional factor that helps Italian companies to settle in and thrive, together with the South African economy."

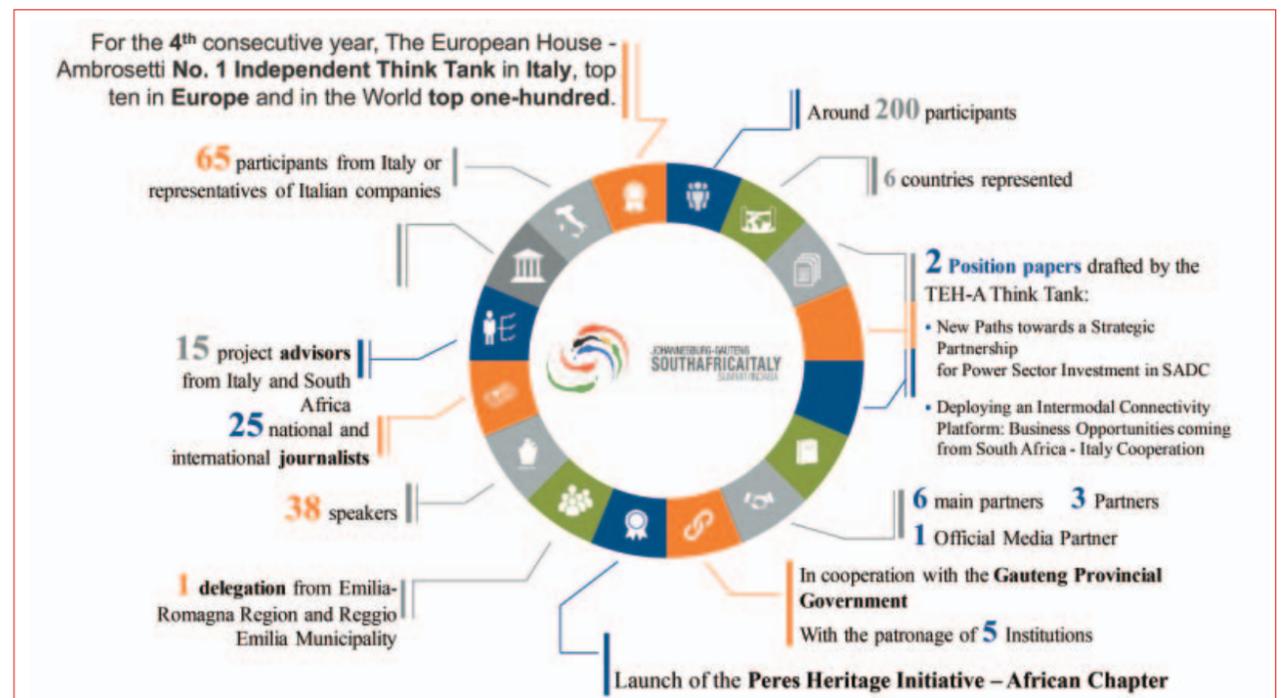
Of interest and relevance to economic development in SA in general, and Gauteng in particular, is the number of these Italian companies that have invested in the country since the summit launched.

According to figures provided by the Italian-South African Chamber of Commerce (ISACC), which is once again supporting The European House – Ambrosetti in hosting the summit, Italian companies that have recently invested in SA include:

● Enel Green Power RSA, the South African division of Italian multinational manufacturer and distributor of electricity and gas, Enel Group. The renewables company recently signed project financing agreements with two local lenders for €950m (or 80% of the total €1.2bn investment) for five new wind farm projects that will deliver a total capacity of about 700MW.

● Lucchini RS, a renowned Italian manufacturer of forged railway products. Lucchini RS invested R200m in its Germiston production plant in 2013, and will be making further investments in the second phase. The plant has the capacity to produce 25,000 wheels a year for the local market, and is currently supplying wheels to major rail service providers in the country, including Transnet, Prasa, the Gautrain and the Blue Train.

● Mapei is a global leader in the production of adhesives and chemical products for the building industry. The company constructed a local hi-tech manufacturing



# Housing, jobs, businesses – Joburg's <sup>NEWS</sup> plan for Italian infrastructure

Lesetja Malope

© 2018-10-24 09:11

Johannesburg Mayor **Herman Mashaba** has said the city has embarked on a drive to attract infrastructure investment that will hopefully revive the inner city.

Speaking at the sidelines of the fifth South Africa-Italy Summit held in Sandton on Tuesday, Mashaba said the city was targeting infrastructure investments in the inner city because it was "low hanging fruit", in other words, easy to achieve.

"Once we start attracting that type of investment such as construction, allied industries get a spin-off and the value chain is massive and it also employs a lot of people," he said.

Mashaba said as part of the city's rejuvenation plan, there would be practical training of artisans and already 300 young people were being trained by the University of Johannesburg as part of a partnership with the city.

"We want to take back these hijacked buildings and convert them into affordable accommodation, into student accommodation and into hubs [for small, medium and micro-sized enterprises] where people can carry out business and have factories for people to work from, so for me the inner city is a low hanging fruit," he said

"We don't want short-term investments like the stock markets and the bonds. We want the Italians to invest in long-term investments like brick and mortar. We want factories so that our people can get employment," he added.

Mashaba said the city recently managed to attract a R2 billion investment in one of the inner city developments and he was hoping for more of the same.

He pointed out that the country, and particularly the city, had managed to attract investment but unfortunately not the type that created jobs.

During the summit, which was organised by **The European House Ambrosetti** in partnership with the **Gauteng provincial government**, former Finance Minister **Trevor Manuel** spoke on Africa's viability as an investment destination while Transport Minister **Blade Nzimande**, in his speech, said the country was considering establishing transport-specific innovation hubs.

"We're looking to introduce transport innovation hubs to harness the great potential we have in terms of innovation. These will not only be restricted to South Africa, but will be in partnership with the Southern African Development



City of Johannesburg Mayor Herman Mashaba plans to rejuvenate the inner city. Picture: Tebogo Letsie/City Press

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while not perfect, of what can be done," he said.

Nzimande spoke about the bus rapid transport systems that had been established in 13 South African cities. He said the country had invested billions of rands and this transport model could be copied in the region, in an integrated way.

Nzimande added that less than 1% of government budgets on the continent was spent on innovation, whereas Europe spent at least 5%.



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# BUSINESS REPORT

## Leaders gather at Day 1 of the South Africa-Italy summit

BUSINESS REPORT / 24 OCTOBER 2018, 08:03AM / STAFF REPORTER



Transport Minister Blade Nzimande told the summit the “investment into research and innovation in the transport sector is an absolute necessity”. FILE PHOTO: ANA

CAPE TOWN - Southern Africa strengthened its relations with its largest trade partner, the European Union at the Fifth South Africa-Italy summit.

The European Union is the number one exporter to Southern Africa, its main trade partner and the major investor in the Region.

Within this context, some of the most influential business leaders from Southern Africa and Europe gathered in Johannesburg to explore opportunities for growth and investment.



Southern Africa strengthened its relations with its largest trade partner, the European Union at the Fifth South Africa-Italy summit. File Image: IOL

The fifth edition of the South Africa-Italy Indaba, taking place this year on October 23 and 24 at the Maslow Hotel, has grown to become one of the most important forums to discuss strategic economic issues between the whole of Southern Africa, Italy and Europe at large.

Organised by The European House Ambrosetti (TEHA), in partnership with the Gauteng Government, the summit was addressed by among others Trevor Manuel, former South African Finance Minister and now President Cyril Ramaphosa's Special Envoy on Investment, who spoke on the topic of Africa's viability as an investment destination.

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TEHA's Managing Partner and chief executive, Valerio De Molli, said in opening the summit that the event's aim was "to put Southern Africa on the radar of European companies, together with the many opportunities the region offers".

"At the base of this engagement and commitment there has always been the certainty that the two regions are, and will be, vital for each other."

EU exports towards Southern Africa have returned to growth in the past year, reaching a value of R1.2 trillion.

This value is almost twice that of the United States of America, the United Arab Emirates and India combined, and is 15% more than the Chinese.

In addition, the EU is the major partner of Africa for growth of the region, with total FDIs stock in the continent totalling 302 billion Euro, more than double the US investments' stock and 8 times Chinese ones" De Molli.

The transport sector's importance to the growth of investment between Europe and Southern Africa was a crucial part of the opening day of the summit.

South Africa's Transport Minister, Dr Blade Nzimande, told the summit the "investment into research and innovation in the transport sector is an absolute necessity".

"We're looking to introduce transport innovation hubs to harness the great potential we have in terms of innovation. These will not only be restricted to South Africa, but will be in partnership with the SADC region and the rest of the African continent."

There are lots of opportunities in the region for public transport. We in South Africa have very interesting examples, while not perfect, of what can be done. We have established bus rapid transport systems in 13 South African cities, investing billions of rands, which can be copied in the region, in a very integrated way," said Nzimande.

He said less than 1% of government budgets on the African continent was spent on innovation, whereas Europe spent at least 5% on innovation.

“South Africa, SADC and the rest of Africa provide huge opportunities for investment, not least from Europe, that can change our continent. If the first three industrial revolutions left us behind, we must not be left behind with the fourth industrial revolution,” Nzimande added.

He said the areas of civil aviation, the fact that Africa had the largest inland waterway in the world, and maritime transport were all areas of “huge opportunity for growth and development” and collaboration between African countries and Europe.”

Zimbabwe’s Deputy Minister of Transport and Infrastructure Development, Fortune Chasi, said the country’s new dawn following the election of President Emmerson Mnangagwa, represented a golden opportunity.

“Zimbabwe is on the cusp of huge economic infrastructure development in every respect. We bring to SADC investment opportunities that arise from the challenges we are facing. We have not been able to keep up with our huge infrastructure demands.”

A congenial atmosphere has now been created for foreign partnerships and private investment. If we achieve cohesiveness as a region, transport has the opportunity of driving our economies to much higher levels,” Chasi told the summit.

Other topics addressed at the summit included the “financial tools to improve Africa’s investibility”, the “intermodal paradigm in transport and logistics” and “smart technologies and the city of the future”.

A major highlight on the opening day of the summit was an address by Jonathan Reichental, Chief Information Officer of California’s Silicon Valley City of Palo Alto.

Some of the points Reichental made was the need to prepare for a world where computers – and not people - would drive cars in future, and how cities needed to be designed differently.

Reichental also spoke of how the future of the world was “solar” and how this would transform the economic systems of the world.

“As leaders we’re not thinking boldly enough. We have the most complex work in the world - in the most complex environments of the world - our cities. We’re just at the beginning of an incredible transformation, where all the possibilities and opportunities to build amazing cities and improve the quality of life of our people, is worth trillions of dollars. I encourage us to innovate cities, because then you can really, truly change the world,” said Reichental.

De Molli said going forward the summit would be known as the “Africa-Europe chief Dialogue”.

Some of the Italian companies that are supporting the summit include MA Automotive, Building Energy, CNH Industrial, Ferrovie Dello Stato Italiane, Fiera Milano, Terna, Alitalia and Ubi Banca.

“We are convinced that, by working together, Southern Africa and European companies can unleash and nurture the growth of the continent,” said De Molli.

## **BUSINESS REPORT ONLINE**

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# Southern Africa strengthens relations with its largest trade partner, the European Union at the fifth South Africa-Italy Summit

25 Oct 2018

European Union (EU) is today the number one exporter to Southern Africa, its main trade partner and the major investor in the Region. Within this context, some of the most influential business leaders from Southern Africa and Europe gathered in Johannesburg today to explore exciting opportunities for growth and investment.

The fifth edition of the South Africa-Italy Indaba, taking place this year on October 23 and 24 at the Maslow Hotel, has grown to become one of the most important forums to discuss strategic economic issues between the whole of Southern Africa, Italy and Europe at large.

Organised by The European House Ambrosetti (TEHA), in partnership with the Gauteng Government, the summit was addressed by among others Trevor Manuel, former South African Finance Minister and now President Cyril Ramaphosa's Special Envoy on Investment, who spoke on the topic of Africa's viability as an investment destination.

TEHA's Managing Partner and CEO, Valerio De Molli, said in opening the summit that the event's aim was "to put Southern Africa on the radar of European companies, together with the many opportunities the region offers".

"At the base of this engagement and commitment there has always been the certainty that the two regions are, and will be, vital for each other. European Union (EU) exports towards Southern Africa have returned to growth in the past year, strengthening the EU position as the major exporter towards the region and reaching a value of 72 Billion Euro (R1.2 trillion). This value is almost twice that of the United States of America, the United Arab Emirates and India combined, and is 15% more than the Chinese one. In addition, EU is today the major partner of Africa for growth of the region, with total FDIs stock in the continent totalling 302 billion Euro, more than double the US investments' stock and 8 times Chinese ones" De Molli, whose TEHA has been nominated as the number one think tank in Italy, told delegates at the summit today.

The transport sector's importance to the growth of investment between Europe and Southern Africa was a crucial part of the opening day of the summit.

South Africa's Transport Minister, Dr Blade Nzimande, told the summit the "investment into research and innovation in the transport sector is an absolute necessity".

“We’re looking to introduce transport innovation hubs to harness the great potential we have in terms of innovation. These will not only be restricted to South Africa, but will be in partnership with the SADC region and the rest of the African continent. There are lots of opportunities in the region for public transport. We in South Africa have very interesting examples, while not perfect, of what can be done. We have established bus rapid transport systems in 13 South African cities, investing billions of rands, which can be copied in the region, in a very integrated way,” said Dr Nzimande.



He said less than 1% of government budgets on the African continent was spent on innovation, whereas Europe spent at least 5% on innovation.

“South Africa, SADC and the rest of Africa provide huge opportunities for investment, not least from Europe, that can change our continent. If the first three industrial revolutions left us behind, we must not be left behind with the fourth industrial revolution,” Dr Nzimande added.

He said the areas of civil aviation, the fact that Africa had the largest inland waterway in the world, and maritime transport were all areas of “huge opportunity for growth and development” and collaboration between African countries and Europe.

Zimbabwe’s Deputy Minister of Transport and Infrastructure Development, Fortune Chasi, said the country’s new dawn following the election of President Emmerson Mnangagwa, represented a golden opportunity.

“Zimbabwe is on the cusp of huge economic infrastructure development in every respect. We bring to SADC investment opportunities that arise from the challenges we are facing. We have not been able to keep up with our huge infrastructure demands. A congenial atmosphere has now been created for foreign partnerships and private investment. If we achieve cohesiveness as a region, transport has the opportunity of driving our economies to much higher levels,” Chasi told the summit.

Other topics addressed at the summit today included the “financial tools to improve Africa’s investibility”, the “intermodal paradigm in transport and logistics” and “smart technologies and the city of the future”.

A major highlight on the opening day of the summit was an address by Jonathan Reichental, Chief Information Officer (CIO) of California’s Silicon Valley City of Palo Alto.

Some of the points Reichental made was the need to prepare for a world where computers – and not people – would drive cars in future, and how cities needed to be designed differently.

Reichental also spoke of how the future of the world was “solar” and how this would transform the economic systems of the world.

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transformation, where all the possibilities and opportunities to build amazing cities and improve the quality of life of our people, is worth trillions of dollars. I encourage us to innovate cities, because then you can really, truly change the world," said Reichental.

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On behalf of The European House Ambrosetti



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**South Africa Italy Summit highlights**

The South Africa Italy Summit has become the main event for the Italian and South African entrepreneurial leadership to strengthen bilateral economic relations. This year, the Summit expanded the community of leaders to a pan-African and pan-European platform. This CNBC Africa special looks at highlights from the Summit. <https://www.cnbcfric.com/videos/2018/11/05/south-africa-italy-summit-highlights/>

By **CNBC Africa** - November 5, 2018

A video player showing a man in a suit and glasses speaking. The background features logos for MA, Alitalia, LAND-ROVER, and ITA. The video player includes a play button and social media sharing icons (Facebook, Twitter, Google+, LinkedIn, Email, Print).

<https://www.cnbcfric.com/videos/2018/11/05/south-africa-italy-summit-highlights/>