



BRICS NEWSLETTER

25 July 2018

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President Ramaphosa addresses BRICS Business Forum, 25 July 2018



South African President, HE Mr Cyril Ramaphosa, addresses the BRICS Business Forum, Sandton Convention Centre, 25 July 2018

South African President, HE Mr Cyril Ramaphosa addressed the BRICS Business Forum at the Sandton Convention Centre on 25 July 2018:

"It gives me great pleasure to welcome you to the BRICS Business Forum, which has become a vital platform for the development of economic cooperation between the BRICS member countries.

"Intra-BRICS cooperation has been gaining momentum in areas such as finance, agriculture, trade, combating transnational crime, science and technology, health, education, security and academic dialogue.

"We are meeting here at a time when the multilateral trading system is facing unprecedented challenges. We are concerned by the rise in unilateral measures that are incompatible with World Trade Organisation rules and are worried about the impact of these measures, especially on developing countries.

"These developments call for thorough discussion on the role of trade in promoting sustainable development and inclusive growth. The BRICS countries are increasingly recognised as an influential formation in reinforcing the principles of transparency, inclusiveness and compatibility within the multilateral trading system.

"There is also much scope to expand the value of trade between BRICS countries. As a country that is primarily an exporter of commodities to its BRICS partners, South Africa supports a shift towards complementary and value-added trade.

"Linked to the trade agenda, we need to increase investment between BRICS countries, particularly in the productive sectors of our economy. We also require a strategic roadmap regarding the opportunities presented by the fourth industrial revolution and the measures required to mitigate its disruptive effect on industry.

"As South Africa, we are determined that our engagements within BRICS and other multilateral platforms should advance the integration and development of the African continent.

"There is great potential for investment in Africa. In the past decade Africa has grown at a rate of two to percentage points faster than the global GDP, with regional growth predicted to remain stable above 5 percent in 2018.

"This growth will be supported by increasing foreign direct investment flows, public investment in infrastructure and higher agricultural production.

In addition to this, Africa's working age population is expected to double to 1 billion in the next 25 years.

"More opportunities are presented by the agreement to establish the African Continental Free Trade Area, which provides access to a market of over 1 billion people and a combined GDP of over US\$3 trillion.

"The value of this free trade area will only be fully realised through massive investment in infrastructure and skills development.

"This presents opportunities for BRICS countries, some of whom have extensive experience in infrastructure development and are world leaders in education and skills development.

"This Business Forum provides a platform to harness the benefits of globalisation and to also confront the challenges it presents, all within an ever-changing global political economy.

"As South Africa, we have acknowledged that to effectively deal with poverty, unemployment and inequality, we need to significantly increase the level of investment in our economy to lift growth and create jobs.

"We have embarked on an investment drive that has taken us to meet with investors in various parts of the world and which will culminate in an Investment Conference later in the year.

"We are seeking to reinforce the strong bonds that we developed with our BRICS partners by expanding investment into the country. We are building on the vast investment potential that South Africa possesses.

"Our partners in BRICS are familiar with our world class transport and telecommunication infrastructure, a supportive operating environment and a sophisticated banking system.

"We have been steadily improving the ease of doing business in the country, providing dedicated support to investors through Invest SA and developing an attractive package of incentives.

Did you know?

One of the most important achievements of the first decade of BRICS cooperation was the establishment of the New Development Bank, which fills a critical gap in project funding. Since its formation, the bank has disbursed loans totalling US\$5.1 billion, with approvals amounting to US\$1.7 billion this year alone.



"We are working to diversify our economy. A wide range of investment opportunities are available in areas such as renewable energy, recycling, biofuels, water infrastructure, energy, mining and minerals beneficiation, agriculture and agro-processing, aquaculture, tourism, shipbuilding and repairs, business process outsourcing, advanced manufacturing, fuel cell production, aerospace and defence.

"South Africa is determined to derive greater value from its abundant natural resources and to steadily advance up the value chain into knowledge-based sectors. We are embracing new technologies and approaches that are merging the physical, digital and biological worlds.

"We are committed to walking this path together with our BRICS partners. It is imperative that we collectively navigate the risks and leverage the opportunities that arise from the new digital age.

"There is much we can do together to develop appropriate regulatory frameworks, infrastructure and skills to support and enable the 4th Industrial Revolution.

"Our task is to give practical expression to an economic partnership that will catapult the industrialisation of our respective economies beyond the digital age.

"While trade among the BRICS partners has expanded exponentially over the last 10 years, we need to advance to a new level of industrial cooperation.

"Addressing the demands of both the present and the future requires the same unity of purpose that brought BRICS into existence and which has sustained it over the last decade."

Minister Davies and Dr Survé brief the media on the BRICS Business Forum

The Minister of Trade and Industry, Dr Rob Davies, and the Chairperson of the BRICS Business Council, Dr Igbal Survé, briefed the media on the work of the BRICS Business Forum and the BRICS Business Council.

The briefing followed the successful hosting of the Sixth Annual BRICS Council Meeting in Durban and took place on the sidelines of the BRICS Business Forum.

The two events form part of the 10th BRICS Summit that is hosted by South Africa under the theme "BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution".



The Minister of Trade and Industry, Dr Rob Davies, delivering the Welcome Address at the BRICS Business Forum, Sandton Convention Centre, 25 July 2018



BRICS BUSINESS FORUM, 25 July 2018

Key points

- In last 10 years, BRICS, through innovative measure has managed to establish structures such as Business Council, the New Development Bank and recently launched the African Regional Centre in South Africa.
- The New Development Bank is poised to address the expected total demand of \$1.1 trillion with funding gap of \$134 billion infrastructure in the BRICS countries.
- The opportunities for economic growth include industrial upgrading and leapfrogging into new industrial age.
- The African Continental Free Trade Agreement (AfCFTA) will create a large integrated market of 1, 07 billion with a combined GDP of \$3.3 trillion.
- The BRICS Council is determined to lift barriers to trade and investment by cutting red tape where necessary.
- The BRICS has within its hands the mechanism to encourage clean energy and help mitigate climate change.



The Minister of Trade and Industry, Dr Rob Davies, and the Chairperson of the BRICS Business Council, Dr Igbal Survé, brief the media on the work of the BRICS Business Forum and BRICS Business Council, Sandton Convention Centre, Johannesburg

In pictures: BRICS Business Forum, 25 July 2018



The President of the Federative Republic of Brazil, His Excellency Mr Michel Temer, arrives at the Waterkloof Airforce Base, Pretoria, South Africa, 25 July 2018



The Prime Minister of the Republic of India, His Excellency Mr Narendra Modi, arrives at the Waterkloof Airforce Base, Pretoria, South Africa, 25 July 2018

Contact us

Mndeni Ndawndwe
Mndeni@gcis.gov.za

Michelle Greeff
greeffm@dirco.gov.za

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