

**MESSAGE OF SUPPORT BY THE MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM, MR J.L (JABU) MAHLANGU, MPL, DURING THE MEXICAN BUSINESS FORUM AT MERCURE HOTEL IN MBOMBELA, MBOMBELA LOCAL MUNICIPALITY.**

**Monday, 17 May 2010**

Programme Director;

Mr Jorge Galindo, from the Mexican Embassy;

Business delegation from Mexico;

CEO of the Middleburg Chamber of Commerce and Industry; Ms Anna-Martha Ott;

Ms Janitta Pietersen from the Lowveld Chamber of Business and Tourism;

A representative of the Witbank Chamber of Commerce and Industry;

Member of the SATAWU Board of Directors, Mr Vusi Ntshangase;

Officials from our public entity, MEGA;

Representatives from Local Government present;

Business people in our midst;

Distinguished guests;

*Senôras and Senôres;*

*Buenos días e' bien-venidos a Mpumalanga, to Señor Galindo and his delegation!*

It is a great pleasure and honour, to welcome you to our beautiful province this morning. I am humbled by your gesture to meet us today, in order to strengthen relations between our two countries – most significantly, to appreciate your intended investment in our country and our province. We believe this partnership, will go a long way in contributing towards economic growth of our province, which will in turn benefit our people. Your intended investment in our province will create job opportunities for our people, thus contributing towards realising our commitment of **speeding up growth, creating more jobs, decent work and sustainable livelihood.**

Following the 2009 general elections, we renewed our contract with our people, through which we committed to develop a **people-centred and people-driven developmental state**, hence **speeding up growth, creating more jobs, decent work and sustainable livelihood** is one of the five (5) strategic developmental priorities for the current administration. This developmental goal, the same as the other four (4), continues to be a foundation for creating a **better life for all** our people. Our economy was affected to a larger degree due to the past recession, which saw a number of breadwinners losing their jobs as companies crumbled down. Our huge challenge therefore, remains to attract foreign direct investment, which will effectively resuscitate our once booming economy.

We can assure you that our legislative and political environment, offers a conducive climate for investment for the benefit of both the people of Mpumalanga and of Mexico. As a democratic country still in its infancy stage, and given the rural nature of our province, we are still inundated by the challenge of development hence we believe in partnerships.

South Africa's relations with Mexico have a long history of present experiences. In recent times, these relations have strengthened in all spheres of life – the main ones being in the realm of business and economics. The total trade between South Africa and Mexico during 2007 was valued at R3.3 billion – with exports accounting for R1.2 billion whereas imports accounted for R2.1 billion. This has increased marginally to R3.6 billion in 2009 with exports accounting for R1.3 billion and imports for R2.3 billion.

We have recorded major exports from South Africa to Mexico to include amongst others, **machinery and mechanical appliances; base metals and articles thereof; products of chemical industry; vehicles, aircrafts and parts; and mineral products.**

On the other hand, the major products which South Africa imports from Mexico include; **machinery and mechanical appliances; optical photographic and cinematographic equipment; vehicles, aircrafts and parts thereof; products of chemical industry; and prepared food stuffs and beverages.** The area and pattern of trade therefore, is very typical of the two emerging developing countries, where the focus of trade is essentially on those resources that will be used to beneficiate raw material into finished products.

Our province Mpumalanga, has a diverse economy with most, if not all sectors playing an important role. The manufacturing sector is diverse, with major industries such as stainless steel, steel, chemicals – having a large potential supply of plastic polymers and co-polymers. These resources pose ideal opportunities for the production of white and grey goods and certain medical accessories.

In addition, our Province has a very dominant mining industry with coal having the mainstay. We are home to the richest coal fields in Southern Africa, with the Emalahleni coal fields being the biggest producers in Africa. Mpumalanga is the third largest coal exporter in the world, accounting for 30 per cent of the coal being exported. Domestically, we account for around 80 percent of coal production and also account for approximately 70 per cent of electricity generation in the country.

We remain the largest production region for forestry and agriculture – the second largest citrus producer in the country, and also accounting for one third of South Africa’s citrus export. Mining activities in the province contributes about 28 per cent to Mpumalanga’s GDP. Our world class road infrastructure, the N4, which connects us with Mozambique has facilitated the smooth transportation of goods and people across the two countries, making investment along the Maputo Development Corridor more viable.

Ladies and gentlemen, if leisure is what you want, Mpumalanga is the place to be. We remain the tourism paradise of choice in the Southern hemisphere. We are home to the world renowned Kruger National Park which boasts the big-five; we are home to the third largest canyon in the world and one of South Africa's scenic wonders, the Blyde River Canyon. We are home to South Africa's unique geological features found at Bourke's Luck Potholes; the three *Rondavels* and we also offer a rare opportunity to view the world through God's Window, amongst others.

We will also just in time for the world cup, launch the **Three-Countries-in-One-Day** Strategy, which will offer visitors an opportunity to have breakfast in Swaziland; lunch in Mozambique and dinner in Mpumalanga including a night drive at the Kruger National Park.

*Señor Galindo*, I am therefore confident that our province has an abundance of business opportunities which will interest you and your business delegation. What is left from here, is to sign on the dotted lines; do the sod-turning and sow the seeds of development.

And as you ponder on other investment opportunities within our country and province, may I suggest that you should consider a possible investment in renewable energy generation, recycling, pollution reduction and waste management. Our country like all countries of the world, have awoken to the reality of global warming. We must collectively do everything, even beyond our power, to salvage what is left of our ozone layer. The reality is that rising temperatures amongst others, have resulted in unpredictable temperatures which could even affect food security, if not reversed. Our government has already started to play its part by implementing strategies aimed at reducing the level of greenhouse gas emissions.

We will in the near future, also approve the **National Green Economy Strategy**, which seeks to combat the negative effects of climate change by focusing on the possible creation of green job opportunities across many sectors of the economy. This is a challenge that we must collectively address, if we want to be counted as selfless caring countries. We cannot fail future generations – we owe it to them to preserve our world.

Ladies and gentlemen, in 24 days from today, South Africa will play host to world nations during the FIFA World Cup. We are confident as one of the host provinces, that the soccer spectacular will put us on the world radar screen, thus providing us with a magnificent opportunity to showcase our offering to countries of the world. We believe that we can offer an abundance of tourism, business and investment opportunities to foreign countries, given our investment in infrastructure development.

To all those who are busy packing their bags, preparing to take a journey to our country, in particular our province, we promise you a life-time African experience – never to be erased from your minds. We are ready and waiting to welcome the world, and make them experience Africa’s humanity.

We are looking forward to the opening match between **South Africa and Mexico** on Friday, 11 June at Soccer City in Johannesburg. May the best team win!

As I close, may I express our gratitude to you, *Señor Galindo* and your delegation, for taking interest in Mpumalanga. It is through such partnership, that the lives of the people of both our countries could be improved. We value the business contribution of your country to ours in the past, and hope that you will continue to consider investing more in our province.

I would also like to congratulate our public entity, the Mpumalanga Economic Growth Agency, which is tasked to attract foreign direct investment and to promote the province as an investment destination of choice and a regional trade hub, for having facilitated this engagement with yourselves. We strongly believe that this fact-finding mission will bear fruit for the people of this province, given that we still require investment in our province in order to deal with our development challenges.

**Working together, we can do more** to attract investment in order to grow our economy for the benefit of our people.

I wish you fruitful interaction with your local counterparts.

*I thank you!*