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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 3271

Ms P P Mngadi (MK) to ask the Minister of Trade, Industry and Competition:

What has he found to be the causes of the deeper collapse of strategic industrial infrastructure, which hampers his department's trade and competitiveness agenda?
NW3399E

REPLY:

The challenges affecting strategic industrial infrastructure are multifaceted and include inadequate maintenance, ageing infrastructure, energy supply constraints, logistics bottlenecks, amongst others. The coordination gaps that exist between public and private stakeholders result in a poor implementation of the framework for industrial nodes, leading to unsustainable long-term outcomes. Challenges faced by most municipalities relate to the decline in budget allocations availed to their infrastructure. Municipalities have also been faced with an exodus of professional engineers in their employment, which has affected expediency in procurement processes to package qualifying projects for support to various Government agencies, such as the DBSA and ISA (Infrastructure South Africa).

The Department has introduced programmes such as the Special Economic Zones (SEZs) and the Industrial Parks Revitalisation Programme (IPRP), to provide reliable infrastructure, such as security, facilities, access to stable energy connectivity and water, to investors to ensure a conducive environment for business operations.



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In this context, SEZs serve as catalysts across the regions where they are located, for industrial development by supporting the upgrading, maintenance, and expansion of strategic industrial infrastructure, while attracting investment and enhancing competitiveness. Equally, Industrial Parks seek to create establishment of competitive industrial infrastructure for local MSMEs and multinationals to contribute to economic development.

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