



South Africa – Developing in the Southern African region

Organization(s):

South African Department of Trade and industry and Department of Transport

Country (ies):

Provider-South Africa Recipient- Mozambique, Swaziland, Zimbabwe, Botswana, Southern African Region

Overview:

The SDI is a project made up of a cluster of projects designed to develop small communities through infrastructural development. The main project under the SDI is the Maputo Development Corridor which involves the Maputo Corridor Toll road, the railway from Ressano Garcia to Maputo and the Maputo Port and Harbor. Other secondary projects are in the fields of agriculture, mining and tourism. The development from the SDI's would mean future cooperation amongst the southern African countries. As the SDI's were spread across various provinces in the region.

Background:

The SDIs are part of the fulfillment of the south Africa governments' industrial policy of commitment to fostering sustainable industrial development in areas where poverty and unemployment are at their highest. The initiative focuses high level support in areas where social economic conditions require concentrated government assistance and where inherent economic potential exists. It also focuses on various spheres with a goal of ensuring that investments are fast tracked and that synergies between various types of investments are maximized. Increased focus was on the southern African region, based on the rationale that economic integration would yield better results by using the collective economic policies of different countries. Primarily all the major projects in the SDI are based on a partnership between the public and private sectors, and are set to provide opportunities for participation in sectors such as agriculture, mining, tourism, environment, forestry, infrastructure and ports. The planned activities included:

1. The Maputo development corridor
2. The Phalaborwa road link
3. The Lubombo Road link
4. The Platinum project
5. Upgrading transnational tourism nodes.

The project aims to create better access between the ports in Maputo and the mining potential around Phalaborwa. Also linked to this is the access to the agricultural projects in the Limpopo province.

Another major activity would be linking the main coastal road in South Africa to Maputo.

One hundred and thirty investment opportunities have been identified in the provision of infrastructure, agriculture, mining, energy, chemicals, tourism and manufacturing sectors.

Implementation:

Maputo Development Corridor SDI- The Corridor runs from Witbank in the Eastern South African province of Mpumalanga, through Nelspruit, to Maputo the capital of Mozambique. Lubombo SDI- This initiative runs through an area of South-East Africa that includes eastern Swaziland, southern Mozambique and the northern part of the South African province of KwaZulu-Natal. A key infrastructure project is a tar road through the SDI to link the major South African coastal road, the N2, to the Mozambique capital of Maputo and the upgrading of secondary roads. Tourism anchor projects are the Ponta do Puro-Kosi Bay and Futi/Tembe/Usuthu transnational tourism nodes, the Greater St. Lucia Wetland Park, a tourism cluster at Lake Sibayi, an integrated Mlawula-Hlane wildlife project, the Lavumisa-Pongola Trans-Frontier Complex and the Lubombo tourism train route.

Phalaborwa SDI- The main road link will run from Phalaborwa to Nelspruit in the Mpumalanga province, where the SDI will join the Maputo Development Corridor.

Platinum SDI- Most of the SDI falls inside South Africa's North West province. The road around which the SDI is based runs from the north of South Africa's capital, Pretoria, in Gauteng, through the North West province to join the Trans-Kalahari Highway in Lobatse, Botswana. The SDI will also make the ports more accessible for goods and ore destined for export.

Under consideration is the extension of the Rustenburg SDI to include the Trans-Kalahari transport corridor between Namibia and Botswana

Outcomes:

One of the major outcomes was the immediate creation of sustainable employment (about 68,000 jobs). The project allowed increased partnership between the public and private sector and provided an opportunity for participation in sectors like agriculture, mining, Tourism, environment, forestry, infrastructure and the ports. Through the project, inland southern African countries, like Botswana, were then connected to trade ports such as the one in Maputo, Mozambique.

The road links that were built helped to promote trade between the involved countries and enhanced inter-country collaborations in various development fields and projects in different sectors.

In its efforts to contribute to rural empowerment, the SDI project facilitated the start and strengthening of income generating activities in the communities along the routes it built.

Collaboration in projects involving a bilateral and tri-lateral relation of this nature and scale

encourages political understanding between the countries involved thus contributing to continental values of cooperation.

Aid Effectiveness:

The road networks that were built improved the harmonization of the development efforts in the countries involved.

The project also emphasizes the country priorities for development

It facilitated a policy environment on the transportation and enhancement of the tourism sector

Rapid planning and delivery of the projects ensured the maximum use of available resources. Additionally, it allowed for job creation as a contribution to poverty alleviation in disadvantaged communities outside the urban areas. SDI's also contributed to the economic integration of the region. The programme covered a wide range of fields in order to harmonize and maximize development efforts not only in South Africa but in other regional countries as well.

Capacity Development:

Skills Development

Technical knowledge

Technological transfer in terms of building

Institutional strengthening for ministries of agriculture.

SDI facilitated a move towards international competitiveness, regional cooperation and more diversified ownership base through investments from different partners in the region. There was also a facilitation of skills development between the different countries in agriculture and infrastructure.

Duration: Maputo Development Corridor launched on June 6 1998

Budget (Optional): In all 694 projects have been identified to the estimated value of R1148 billion/\$182 billion in the tourism, education, craft, commercial and agriculture sectors, including substantial opportunities for communities and small businesses. Ten development initiatives have been designated and have already generated around 400 investment projects valued at R83-billion.

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