

# SA's regional gateway status offers big benefits

The mining and minerals industry remains vital to the economy, according to Jonathan Sims of Core Freight Systems – provider of software used by a diverse client base managing imports and exports through South Africa.

“This,” he told FTW, “despite the relative decline of its contribution over the past 10 years, while other economic sectors have grown within the Republic.

But, from the logistics industry viewpoint, Sims added, it still has to be noted that over 50% of merchandise exports are related to mining (if secondary benefited mineral exports

are added). Also, that mining industry export sales increased by 26.8% to R224.2 billion for 2010.

“The industry thus provides an important market for logistics service providers,” Sims said.

Of equal importance from an SA-based freight forwarding and clearing operator perspective, is the opportunity offered by the growth of the mining industry in the total Southern African Development Community (SADC) region.

“The mining and minerals sector is estimated to account for 60% of the region’s foreign currency earnings, and is thus a significant regional activity

in Angola, Congo, Tanzania, Botswana, Zambia, Namibia and Mozambique.”

This is where SA’s traditional position as the “international gateway” to many of the sub-Saharan countries gives it an advantage in the provision of both import and export expertise required by these countries.

“This supports the primary mining activity, and then the secondary development which it stimulates,” Sims added.

“SA-based operators should leverage the established infrastructure and the local skills to ensure their participation and contribution to this important sector in the region.”



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