

ECDC Eastern Cape Export Strategy



14 September 2022



Trade Promotion Offerings

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Introduction

- Seeks to **position the province**, to **facilitate** and **grow exports** and create an environment in which government & business can work in support of export development & promotion
- **Exports** play a **critical role** in overall **economic activity** & growth at the national & provincial levels
- **Transactional costs** associated with **expanding** the distribution & marketing value chain to foreign markets can be **prohibitively expensive especially** for new exporters
- Such **barriers** can make **exporting a high risk** or expensive activity for businesses
- To **tackle** these **challenges**, governments around the world have created **export development & promotion programmes**
- The programmes provide a combination of **financial & technical support** to firms wishing to export their products



Vision & Goals of the EC Export Strategy

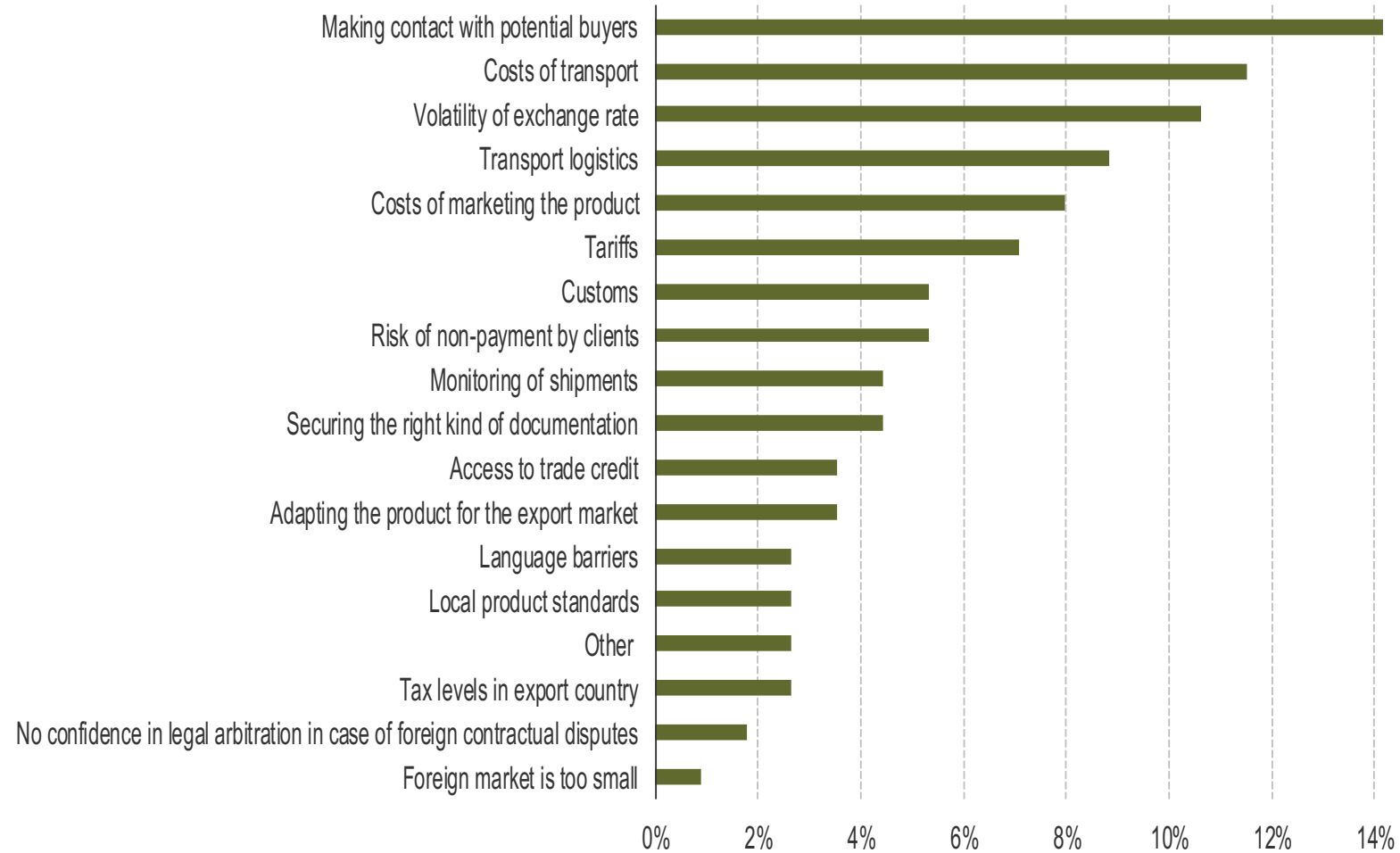
The overall vision of the EC Export Strategy is to position the Eastern Cape as a competitive location for exporting & export-oriented investments, as well as growing the pool of value added exporters of goods & services in the EC. The following sets of **goals and activities** were set to guide the EC towards the achievement of the vision:

- Identifying & targeting **priority markets** & sectors
- **Supporting** exporters and growing exports
- **Improving the coordination** of national & provincial government export activities
- **Developing** institutional **capacity** & coordination mechanisms
- **Implementing** and reviewing the **strategy & associated** actions

This strategy therefore rests on a partnership between the private sector & government to put in place mechanisms and resources needed to drive the implementation



Provincial Constraints to Exporting



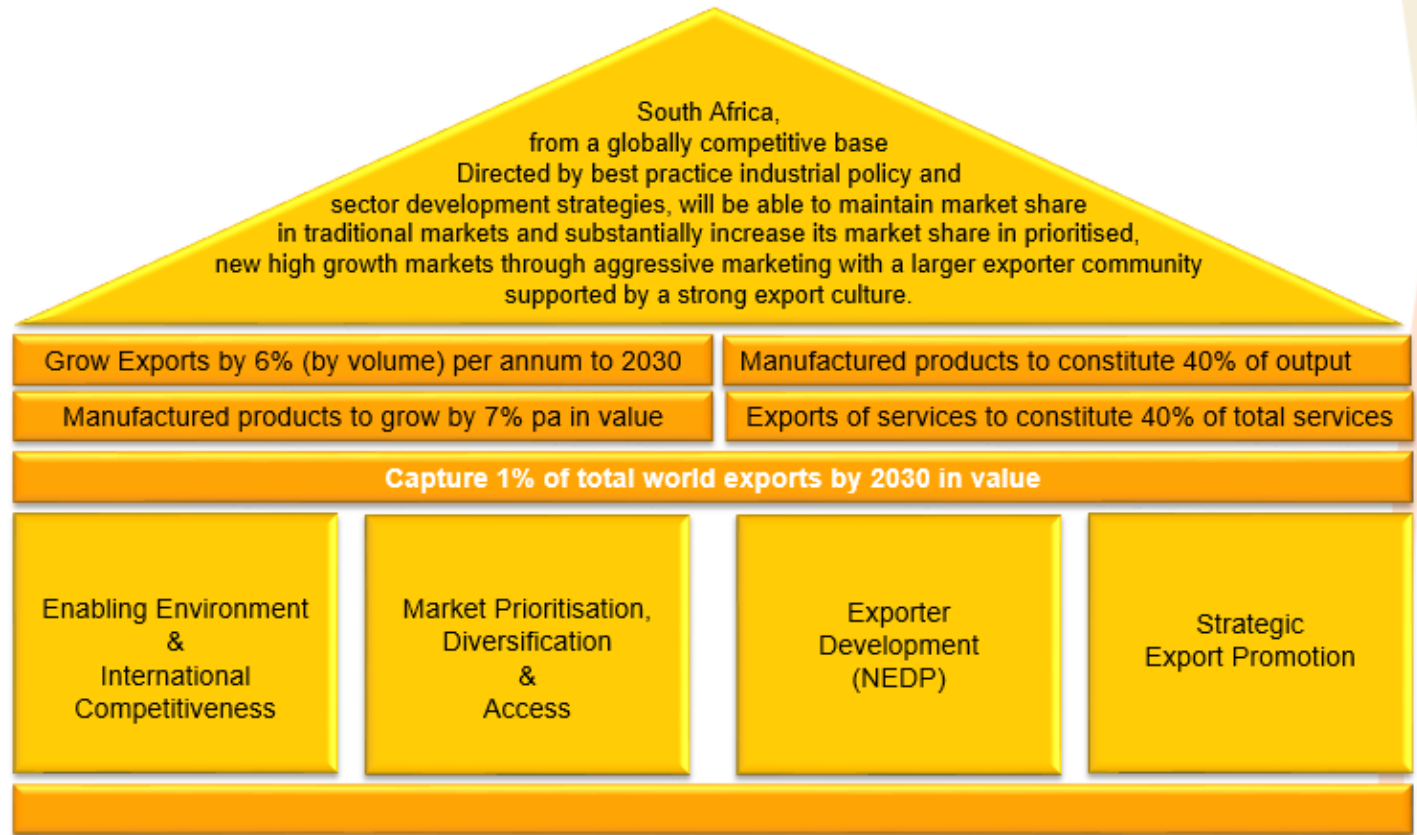
Top reasons given by firms for discontinued exporting - constraints

- Foreign markets too competitive/unprofitable
- Making contacts with potential buyers
- Changing products to suit export markets
- Costs of transport
- Transport logistics
- Costs of marketing the product
- Volatility of exchange rates
- Risks of non-payment by clients

The above constraints were responses given by firms who used to exports goods & services but indicated that they stopped due to constraints highlighted above



Integrated National Export Strategy (INES)



Additional Goals of INES

- **Diversify exports** into more value added manufactured goods and services (product diversification)
- **Develop new markets** (market diversification) with an emphasis on Africa and emerging markets
- Grow the **supplier base** (diversification), to include super exporters, SMMEs, HDI enterprises, secondary Co-ops, export villages and black industrialists

Integral part of the INES is the effective implementation of the National Exporter Development Programme (NEDP)

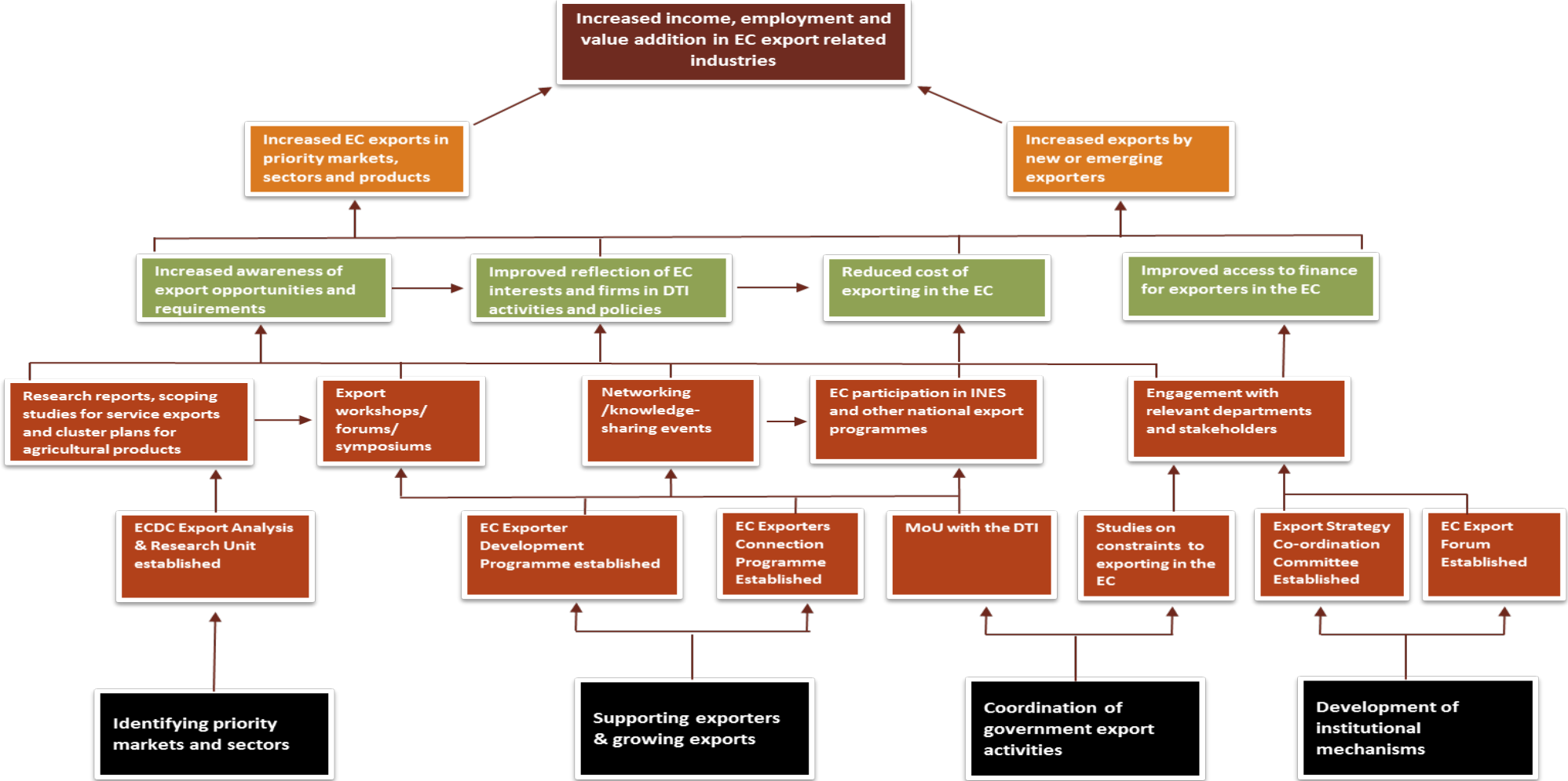


- Identifying Priority Markets & Sectors
- Supporting exporters & growing exports
- Making contact with potential buyers
- Promoting networking & knowledge sharing
- Coordination of government export activities
- Reducing transport & logistics costs
- Access to trade credit & financing
- Development of Institutional mechanisms



Eastern Cape Export Strategy Compressed

Impact
Outcomes
Outputs
Programmes



Strategic Actions of the Eastern Cape Strategy

Strategic Action 1: Establish a dedicated provincial export research & analysis capacity

Strategic Action 2: Prioritise export markets

Strategic Action 3: Prioritise sectors & products

Strategic Action 4: Develop an Eastern Cape Exporter Development Programme

Strategic Action 5: Coordinate attendance in trade exhibitions & missions



Strategic Actions of the Eastern Cape Strategy

Strategic Action 6: Establish an Eastern Cape Exporters Connections Programme

Strategic Action 7: Address transport & logistical challenges

Strategic Action 8: Facilitate improved access to finance

Strategic Action 9: Strengthen linkages with national govt policies & programmes

Strategic Action 10: Establish institutional coordination & implementation mechanisms



Export Support

- EMIA (export marketing and investment assistance)
- Access to export markets
- Trade missions
- National pavilions
- Exhibitions
- Facilitation of access to export incentives



THANK YOU!

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