

# Invest North West of South Africa: 10 in 2010

Floyd Leeuw, Invest North West's vibrant, passionate and results-driven **Acting Chief Executive**, gives us a view from the rear view mirror and outlines the road that lies ahead for the North West Provincial Trade and Investment Promotion Agency (IPA).



Floyd Leeuw, Acting Chief Executive



## the first era...

“Indeed, time flies when you're having fun,” says Leeuw. “It feels like yesterday when this organisation was established. It was in December 2000, under the leadership of Piet Smith as Chief Executive, with just eleven employees, that Invest North West of South Africa was established. Although it's been fun, a lot of work went into building this IPA into a globally recognised and respected player.”

The organisation was established with the clear purpose of creating employment for the people of the North West Province through the attraction of Fixed Direct Investment, either of domestic or foreign origin, and the promotion and facilitation of trade exports into Africa and the rest of the world. The road towards fulfilling this mandate has been a tough one, yet the unparalleled leadership and commitment of the INW staff saw this small agency rise with great courage.

“The major challenge at inception was global market penetration,” says Leeuw. “How were we going to claim



market share in this highly competitive investment promotion and facilitation environment, where every player is aggressively playing for their destination to be the preferred location for Fixed Direct Investment?

“We had to make a very strong statement and extend a very strong handshake to the world. We therefore made the strategic decision of hosting our first International Investors Conference at the majestic Sun City Complex. The decision paid off, and the conference was a resounding success – attended by 23 countries and 350 delegates, the conference yielded investment projects worth R734-million, tied to 4 000 new jobs. The world was excited, we were the new kid on the block and we meant business!”

During the next couple of years, the focus was on positioning INW as an equitable brand in the eyes of all stakeholders and competitor IPAs. Subsequently, brand Invest North West has become synonymous with honesty, integrity and quality service delivery in trade and investment promotion and facilitation circles in Africa and the rest of the world.

Rich with resources, the province attracted more international resource-seeking investors. Sectors such as

mining and manufacturing experienced a boom – the province became home to 87 mines, seven of which are large gold mines. Today, the North West Province is fondly known as the Platinum Province because of its wealth in minerals, particularly platinum and platinum group metals – platinum mines in the province contribute to more than 60% of the world's platinum output.

Other sectors that also grew dramatically in the last ten years were agriculture and tourism. The agriculture sector employs over 8% of the total population in the province, with major contributing products being wheat, groundnuts, summer grains, fruit and vegetables. The province contributes to more than 40% of the total sunflower output in South Africa.

In terms of tourism, visitors to the North West Province comprise almost 10% of the total tourist population that visits South Africa year-on-year. With major attractions like the Lost City complex at Sun City; the great safari experience in the Pilanesburg Game Reserve; and historic expeditions into the West to see where the first traces of human life were discovered, this province's rich heritage and abundant culture makes it a must for every tourist's ideal itinerary.



## Africa, tomorrow's big story...

“Our role in SADC is quite clear,” explains Leeuw. “Because of the Province’s strategic location, we offer investors a safe launch pad into investing in South Africa and all of Africa.”

The SADC region is made up of 14 sub-Saharan countries with approximately 170 million residents. Twelve of the 14 countries have entered into the SADC Free Trade Agreement (FTA), effectively resulting in no import tariffs applied to 85% of goods.

“We are proud to have benefited greatly from these agreements,” he adds. “INW has already signed co-operation agreements with other African countries and most recently Mozambique. We are advancing in our trade relations with Botswana, Namibia and exploring possible businesses linkages with Angola and Zimbabwe. These efforts have resulted in a 29% growth in exports from the Treasure Route SDI into Africa for the year 2008/09.”

As an organisation, INW is proud of its track record, yet it also acknowledges the great challenges it has met with over the past decade, especially recently. “In 2007 we lost almost 60% of our manufacturing base to Gauteng during the Municipal Boundaries demarcation,” says Leeuw. “The mining sector has also been experiencing massive job losses since the third quarter of 2008.”

As an Investment Promotion Agency it is part of INW’s strategic objective to ensure a comfortable and profitable residence for business in its province. “With the above and other challenges in mind, our focus now leans towards business retention and expansion, with a special focus on developing trade relations with our counterparts in other African states,” explains Leeuw. “In the medium term, we are looking at diversifying sectors and accelerating development of our second bar sectors. We have proactively packaged investment opportunities to award prospective investors the opportunity to seamlessly settle in the North West Province.”

## the second era...

In 2004, Gaba Tabane took over the reigns as Chief Executive, and the organisation’s focus moved towards growth and development. INW’s strategies were strategically aligned with the Provincial growth focus areas and targets informed by national priorities. The Provincial Growth and Development Strategy (PGDS) awarded more concerted attention to the three Spatial Development Initiatives (SDIs).

The Platinum SDI located on the N4 connects with the Maputo Corridor that runs from Mozambique, through South Africa, straddling the Platinum Mines in the North West Province, through Botswana and into Africa. The Treasure Route SDI, located on the N12 along the Klerksdorp area, connects the provincial road structure to major routes all the way down to Cape Town. The Western Frontier SDI stretches through the provincial capital city of Mafikeng into the far west of Walvis Bay in Namibia.

INW encourages high-value, high-impact projects on strategic points along the three SDIs to bring about socio-economic change to these targeted areas by creating employment and ensuring a fair distribution of wealth in the province.

“The Spatial Development Initiative focus on trade and investment facilitation has been instrumental in highlighting to us areas that require more attention, and has been an efficient tool in measuring the impact of investment project in specific areas,” notes Leeuw.



“Invest North West’s mission into 2010 has begun; the future can only get brighter!”

## the new era...

“Ten years on, we are proud to enter the next decade with numerous industry awards behind us, nine successive unqualified audit reports; South Africa is 0.95% out of recession, the year 2010 having finally arrived, and the Soccer World Cup a few months away,” says Leeuw.

“We are excited about the opportunities that lie ahead and the recovery the country is experiencing. In the year 2010, we look forward to welcoming the world to the North West Province during FIFA Soccer World Cup games that will be played at the Royal Bafokeng Stadium in Rustenburg.”

Another highlight for 2010 will be the International Investor’s Conference that INW will host in the second half of the year. This is an opportunity for the North West Province to advance in the PGDS pre-recession target of acquiring a 6.1% economic growth rate by 2014.

“The new Brand South Africa has just been launched and it now comes alive in the hearts of its people; it embodies the diverse cultures in our country and speaks of hope and life that is abundant,” says Leeuw. “It is inspiring and that is what the new brand North West will encapsulate. INW will be engaging in an image overhaul for the provincial brand to align it to the national vision of promoting trade and investment into South Africa as one country.”

Leeuw says he is honored to be given the responsibility to see INW into its tenth year of national service. “I lead a team of men and women who are committed to the responsibility bestowed on us by the North West Provincial Government,” he says proudly. “Invest North West’s mission into 2010 has begun; the future can only get brighter!”

