

SETTING THE SCENE: G20 LAUNCH AND OCEANS ECONOMY ENGAGEMENT

MINISTER STELLA TEMBISA NDABENI

29 APRIL 2025

Honourable Premier Mabuyane

Executive Mayor Lobishe and Cllrs present

Leadership of the Nelson Mandela Business Chamber and NAFCOC

Leadership of SAMSA, Transnet and SAIMI

Entrepreneurs and eco-system partners

Ladies and Gentlemen

We are gathered here today to launch the G20 Provincial Roadshows. It is fitting that the first Provincial Roadshow is launched here in the Eastern Cape.

South Africa is hosting the G20 summit for 2025 under the theme **Solidarity, Equality and Sustainability**. South Africa is taking over the G20 presidency from Brazil. This will be the first time an African country is hosting this prestigious event.

We are hosting the Presidency in difficult times, with much geo-political volatility and evident shifts towards unilateralism and trade protectionism.

The United Nations Secretary-General refers to the current global context as a *world of impunity, of inequality and of deep uncertainty, all fraying at the seams of our global order*.

South Africa will use its Presidency to champion developmental issues of the Global South and Africa in particular. These include issues of public debt, food security, market access, and the availability and cost of capital.

We will use our Presidency to strengthen the G20 Compact with Africa – co-chaired by Germany and South Africa – which was initiated under the German G20 Presidency. Key here will be elevating and broadening the compact in line with Agenda 2063 and the Second Ten-Year Implementation Plan.

As a country, we have identified four National Priorities for our G20 Presidency. These are:

- Strengthening disaster resilience and response.
- Ensuring debt sustainability for low-income countries.
- Mobilising finance for a just energy transition, and

- Harnessing critical minerals for inclusive growth and sustainable development.

These priorities will be championed through three High-Level Task Forces:

- Task Force 1 on Inclusive Economic Growth, Industrialisation, Employment and Reduced Inequality.
- Task Force 2 on Food Security, and
- Task Force 3 on Artificial Intelligence, Data Governance and Innovation for Sustainable Development.

We will also use our Presidency to review the G20 at its 20-year mark. What can be done better to implement decisions and institutionalize capabilities to ensure this?

Besides the Task Forces, there are also several engagement groups that have been established to drive the work of the G20. As the Department of Small Business Development, we have been given responsibility for the Startup 20 Engagement Group. This Engagement Group establishes open dialogue among various stakeholders across the G20 countries in the startup ecosystem, as well as micro, small and medium enterprises.

The idea is to address regulatory bottlenecks facing startups and MSMEs, strengthen eco-system coordination and synergies, and look at ways to deal with challenges of market access and early-stage finance. Again, we will use our Presidency to strengthen the African startup eco-system, and our place within this as a country.

We have recently appointed Vuyani Jarana, who is with us here today, as Startup 20 Chair, and he is currently leading a process of appointing Chairs, deputies and members for the various Startup20 Task Forces. Please do apply at www.su20sa.org.

Besides our work on Startup20, we are organizing a SME Ministerial Meeting in July, together with the International Trade Centre, which sits between the United Nations Conference on Trade and Development and the World Trade Organization. We have invited more than 150 ministers to attend this Ministerial Meeting, where we will engage on policies and partnerships relating to access to finance, trade, and the green and digital economies. This is not only for G20 countries but will also bring in voices from the Global South and the rest of the continent to help shape our policy propositions to the G20.

Also, as part of the G20 calendar, we plan this year in November to host the G20 Startup and MSME Awards, in lieu of the Presidential MSME Awards we have been hosting for the past 2 years.

Programme Director,

President Ramaphosa has insisted that the G20 must be felt throughout the country by all citizens across the breadth and length of our land.

This underlies these G20 Provincial Roadshows, intended to create public awareness about South Africa's hosting of G20. The Roadshows will provide stakeholders and members of the public with an opportunity to engage and contribute to the general discourse about the hosting of the G20. It will also provide provinces with the opportunity to showcase their economic strengths and think through ways to mitigate risks associated with the current global volatilities.

We know the Eastern Cape is very dependent on the automotive sector, which itself is in transition.

How do we build greater resilience in the automotive industry, while we accelerate diversification into new industries where we can be more competitive in domestic, African and global markets?

What are the new opportunities we can unlock in agro-industry, in business services, in the green and digital economies, and in the ocean economy – the topic of today's discussion?

How do we identify frontier products we can place at the centre of our industrialization efforts?

How do we use our innovation system as a country and a province to pivot towards these areas of future competitiveness?

And most importantly, how do we drive competitive localization and find ways to bring in MSMEs from underserved townships and rural areas? This will, we know, necessitate a major overhaul of our current MSME support architecture.

Premier Mabuyane,

I don't need to preach to the converted about the merits of the ocean economy. The Eastern Cape Government has prioritized it as a leading economic sector for many years, and as National Government we have undertaken several initiatives to champion the sector through Operation Phakisa and the masterplan as part of the Reimagined Industrial Strategy.

It is not much of a stretch of the imagination to see how the capabilities the Eastern Cape has developed around the automotive sector with sophisticated supply chains, engineering skills, and logistics systems managed through the SEZs can be applied to marine manufacturing and repairs. I am keen to hear from panellists here today why we have not moved faster in building niche competitiveness in this industry.

There are similarly huge opportunities around maritime transport. The AfCFTA is the largest free trade area globally in terms of the number of participating countries, connecting over 1.3 billion people across 55 nations with a combined GDP of approximately ZAR 51 trillion. Africa remains reliant on maritime transport for intercontinental trade, but we don't seem to be aggressive enough in strengthening our shipping and port operations to grab these opportunities. Why is this the case?

On the fishing industry, I have seen that it contributes a relatively small percentage to the national economy – 1% of GDP. But its impact on coastal regions and communities is significant. The jobs created within the fishing sector support families and drive local economies, contributing to livelihoods and community resilience. We note that these benefits have mostly accrued in the W Cape not other coastal provinces. Why is this the case and what must change?

On aquaculture, I see the significance role that sustainable aquaculture plays in food security and economic development, especially in the East. It also reduces over-fishing. Why have we not been able to really develop our local aquaculture industry?

On oil and gas, I note the substantial estimates of oil and gas resources in South Africa. These present a critical opportunity to transform the country's energy landscape. Why are we unable to build an upstream oil and gas sector to provide the country with a more sustainable and reliable energy mix? This could provide a more reliable energy supply and reduce the country's carbon footprint by gradually transitioning away from coal.

It is not that we do not have plans on how to do these things. It is that we do not execute the plans we make. We do not prioritize them and resource them. We do not enable private sector participation, so that we can bring in the investment and capabilities we need. We need to be more decisive if we are to unlock this blue economy goldmine.

We are beginning to assert ourselves on the global stage as a strategic player but must get our house in order at home. We have to collectively tackle the structural constraints which keep us stuck in a low growth trap and find innovative ways to tackle our extremely high levels of asset inequality and lack of access to capital.

This will take leadership across society - from all political parties, from government, from business, from universities, and others in the eco-system.

Let us use our G20 Presidency to pull together and showcase our best selves to the world.

I thank you.