

Dube TradePort is now an industrial development zone

The Dube TradePort in Durban is an Industrial Development Zone (IDZ), joining three other similar economic zones spread out across the country.



Trade and Industry Director-General Lionel October says the impact of the Dube TradePort on KwaZulu-Natal's economy is likely to be profound. Image: DTI

President Jacob Zuma handed over an IDZ operator licence to the Dube TradePort Corporation signalling a new beginning for the precinct which has already attracted investments worth nearly R1bn since it opened two years ago.

"The Dube TradePort is another step towards creating more jobs and alleviate poverty among our people," Zuma said at the ceremony held at King Shaka International Airport.

The Dube TradePort IDZ is the latest in the nationwide rollout of special economic zones aimed at growing the country's economy to meet the target of five percent growth by 2019.

As the first IDZ for KwaZulu-Natal, the Dube TradePort IDZ joins a list of other similar projects which have attracted a combined Investment of over R5bn in Port Elizabeth, East London and Richards Bay. According to Trade and Industry Director-General Lionel October more special economic zones will be declared across the country as government intensifies its approach to industrialise South Africa's economy.

Special economic zones

October says government has identified IDZs as an effective way to grow the South African economy.

"We are battling with slow growth and we are going to reindustrialise this country. We need to fast-track economic development and the special economic zones are the way of fast-tracking development while decentralising it," he said.

"Investors want to relocate to major centres like Johannesburg because that's where the market is. Through these IDZs we want to attract investors to new areas like the Dube TradePort, Coega, Richards Bay and the East London IDZ," said October.

This view is shared by Trade and Industry Minister Rob Davies who said the concept of special economic zones to promote industrial development and diversification of the economy not only in South Africa but in other parts of the world.

"There are the industries that are supporting our export markets and are located near ports and airports. In the life of the last administration we looked critically at what we can achieve from the special economic zones. I can say that the three active IDZs (Coega, East London and Richards Bay) have now attracted investment worth R5bn so far, so the strategy is working," Davies said.



The AgriZone at the Dube TradePort outside Durban. Image: Dube TradePort

Tax and other incentives

Davies said the IDZs offer a variety of incentives for investors, including a 15 percent corporate tax rate, employment tax as well as duty-free importation of equipment.

Situated at the King Shaka International Airport, the Dube TradePort IDZ is set to change Kwazulu-Natal into a key

business gateway. Two investment areas will be crucial in the success of the IDZ and they are the Dube TradeZone, and the Dube AgriZone.

The main sectors that have been identified include electronics manufacturing and assembly, aerospace and aviation-linked manufacturing, agriculture and agro processing, medical and pharmaceutical production as well as clothing and textiles.

Zuma said the Dube TradePort is expected to create more than 150,000 jobs and R5.6bn to the country's GDP over time.

"We are determined to create an environment that is investor friendly and will continue to improve support measures that do so," said Zuma.

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