

# Japan, SA in automotive industry talks

Collaborative talks between Japan and South Africa on how best to develop the local automotive component manufacturing industry demonstrate the value of having a specific focus on key sectors in order to deliver the optimum impact for local industry.

Greg Cline, head of sales of Blue Strata, the integrated end-to-end import and working capital specialist, said that Japan is looking to establish key centres of production outside of the country to ensure the sustainability of its automotive industry. "This is very positive news for our local industry and shows that the government's efforts to develop the local automotive component sector are really paying off.

"South Africa already has an excellent track record and skills base in the automotive industry as the government has driven specific, focused programmes to attract new investment. This new collaboration should provide great stimulus to further drive the up-skilling and training of people employed within the automotive industry."

## Japanese master trainers

Japan has reportedly agreed to deploy "master trainers" to promote improved manufacturing and productivity in order to enhance South Africa's competitiveness in the sector.

"Increased training for employees in these key sectors is critical for the economic growth of South Africa. We have a huge labour force, the majority of whom are keen to learn and grow their skills in order to make themselves and our industries far more competitive.

"However, it is also important that we focus our efforts on specific sectors where we have the optimum chance of becoming industry specialists, in order to ensure that we have the maximum positive impact, rather than being all things to all industries."

In addition to motor manufacturing, Cline said that Japan has also reportedly agreed to deploy an expert to provide assistance in how best to develop further value in other key sectors, such as agro-processing and minerals beneficiation.

"This is hugely important as these industries are also crucial for the local economy. By educating business owners in these sectors as to industry best practice and how to compete effectively with peers globally, South Africa could derive massive value from this partnership.

"There are myriad opportunities for the development of key sectors in South Africa, but in order to do so we must have a clear and focused approach that involves prioritising key sectors, whether this involves imposing import tariffs to protect

them, or removing high duties on components of items that are not produced locally to benefit manufacturers," concluded Cline.

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