

Celebrating Africa Month




Driving Economic Growth Through Special Economic Zones and the Diamond Industry

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OR Tambo International Airport Special Economic Zone (OR Tambo SEZ)

Unlocking Africa's Industrial Potential

Africa Month is a powerful reminder of the continent's rich diversity, unity, and ongoing progress. It also highlights transformative initiatives that are accelerating economic growth across Africa. A standout example is the OR Tambo International Airport Special Economic Zone (OR Tambo SEZ), which is driving industrial and manufacturing capabilities in Gauteng's Eastern Development Corridor. By leveraging public-private partnerships and its strategic location near OR Tambo Airport, the SEZ is creating meaningful employment opportunities and positioning South Africa as a competitive player in the global economy.


 **Key Impact:** The OR Tambo SEZ is creating meaningful employment opportunities and positioning South Africa as a competitive player in the global economy.

Empowering Communities Through Targeted Development

The OR Tambo SEZ's Precinct 1 focuses on agro-processing, mineral beneficiation, and jewellery manufacturing. This precinct hosts a major fresh food factory and a dynamic jewellery manufacturing park that includes both established companies and emerging entrepreneurs. These businesses are vital in creating jobs, developing skills, alleviating poverty, and empowering local economies in Gauteng and beyond.

Supporting Africa's Broader Economic Transformation

The OR Tambo SEZ is essential to Africa's industrialisation journey. By fostering manufacturing and beneficiation, the Zone helps reduce the continent's over-reliance on raw material exports, thereby encouraging value-added production. This shift not only enhances economic resilience but also promotes sustainable development, paving the way for a more diversified and robust economic landscape across the region that boosts competitiveness in global markets. This aligns with the African Union's Agenda 2063 and supports the African Continental Free Trade Area (AfCFTA) by enhancing trade integration and regional economic collaboration.

 **Did you know?** The OR Tambo SEZ aligns with the African Union's Agenda 2063 and supports AfCFTA by enhancing trade integration.

Addressing Economic Challenges with SEZs

Africa faces challenges such as dependence on raw exports, limited industrialisation, infrastructure gaps, unemployment, and inequality. SEZs provide a strategic solution by attracting investment, promoting industrial growth, and encouraging regional integration. Across Africa, zones like Nigeria's Lekki Free Trade Zone and Rwanda's Kigali Special Economic

Zone are advancing AfCFTA's goals by improving trade infrastructure and reducing barriers. These initiatives not only foster economic development but also create jobs and stimulate local economies. By leveraging the potential of SEZs, African nations can work towards a more diversified and resilient economic landscape, ultimately benefiting the broader region.

The Diamond Industry at a Crossroads

South Africa's diamond industry has a rich history dating back to the 1866 discovery near Kimberley, which laid the foundation for the country's mining sector. The industry remains a key economic pillar, supporting jobs and export revenue through activities such as cutting, polishing, and jewellery manufacturing.

However, the rise of lab-grown diamonds presents both opportunities and challenges. These synthetic diamonds are chemically and physically identical to natural ones but are often more affordable and environmentally sustainable. While appealing to younger, eco-conscious consumers, lab-grown diamonds have also introduced pricing pressures and reduced demand for natural diamonds in some market segments.

Protecting the Natural Diamond Industry

Minister of Mineral Resources and Energy, Mr. Gwede Mantashe, has emphasised the importance of safeguarding South Africa's natural diamond sector, which remains critical for employment and economic growth. He advocates for clear differentiation between natural and lab-grown diamonds to maintain consumer confidence and preserve the value of natural stones. Robust regulatory frameworks are essential to managing this evolving market.

Opportunities for Innovation and Growth

For jewellery manufacturing hubs like Gauteng's OR Tambo SEZ, lab-grown diamonds represent both a challenge and an opportunity. While traditional beneficiation may face headwinds, there is significant potential for growth in lab-grown diamond manufacturing and innovative jewellery design. This transition calls for investment in technology, skills, and marketing strategies to remain competitive in a rapidly changing global market.

Looking Ahead

Africa Month reminds us of the continent's immense potential and the vital role of organisations committed to unlocking it. Through initiatives like the OR Tambo SEZ and a resilient diamond industry, Africa is fostering industrial growth, community empowerment, and sustainable development. By embracing innovation, addressing economic challenges, and strengthening regional integration through SEZs and trade agreements like AfCFTA, Africa is poised for a prosperous and inclusive future.

For more information on the OR Tambo SEZ, please visit www.ortambosez.co.z