Towards efficacy in WC logistics: Building a competent cluster

John Lawson
Towards efficacy in WC logistics

Building a competent cluster
Headlines tell the sorry state of affairs …

Report reveals high costs of Cape Town port delays
15 Sep 2022 - by Lyse Comins

Congestion at the Port of Cape Town costs logistics firms R330 000 per day, with the two main reasons for delays described as terminal capacity challenges and inclement weather.
### The Chamber intent

#### Vision

Contribute sustainably to faster growth of members and the Western Cape economy.

“Shape a better future.”

#### Purpose / Mission

To facilitate cooperation to better unlock opportunities for economic growth.

“Networks unlock opportunities.”
### Structure of the Western Cape economy

GVA-R 2019, current prices R1000

... the green blocks

Let's find and connect all the capacities that exist to improve/develop various parts of economy......

Let's make it easier for all to get the job done......
**Structured cooperation on common interests:** Post 4 May 2023 Council meeting

**Business Environment PCs:**

**Joint initiative portfolios**

- **Public Institution efficacy:**
  - Economic & Development policies
  - Public investment efficacy
  - Service delivery, red-tape
  - Governance
- **Infrastructure efficacy:**
  - Transport & logistics (eco-systems)
  - Energy (eco-systems)
  - Water & Sanitation (eco-systems)
  - ICT (eco-systems)
- **ICT adoption efficacy**
- **Health (eco-system) efficacy**
- **Skills development (eco-system) efficacy**
- **Labour market efficacy**
- **Product market efficacy**
- **Financial system efficacy**
- **Business dynamism**
  - Learn & adapt fast to compete
  - Technology adoption
  - Clustering eco-systems
  - BDS eco-systems
- **Innovation capability**
  - Product-, process innovation
  - Business model innovation
  - Innovation support eco-system
  - Sustainability support eco-systems

- National Treasury Procurement policy loophole
- CoCT built environment procurement risks
- Film foreign investment hampered by Gov. process
- Film TV and stills productions at SA parks
- Copyright & Performers’ Protection Amendment Bill
- ICT for public sector service delivery
- Port throughput 24/7 (Establish WC logistics cluster)
- Improved truck operations at Port of CT
- Better drivers, safer taxis
- Industrial areas - exclusion from load-shedding (new)
- Municipal waste management services
- ICT for public sector service delivery
- Pharmacies services to public patients
- Skills levy & SETA efficacy
- Capacity building for the creative economy
- Ease of hiring and firing for SMEs
- Minimum wage escalation above inflation (New)
- SME Finance Access
- SME uptake of alternative energy solutions / Sustainability Practices

**Industry Sector PCs**

1. Real estate & Construction
2. Food & Beverage (manufacturing)
3. Tourism & Hospitality
4. Ocean economy
5. Agriculture
6. Manufacturing:
   - Metal
   - Textile
   - Plastics
   - Furniture
7. Transport & related:
   - Passenger
   - Freight
8. Energy supply
9. Telecoms & ICT
10. Wholesale & Retail
11. Business services
12. Finance & Insurance
13. Education
14. Health & Social services
15. Design & Creative Industries
16. Non-profits

**Chapters:**

- Athlone
- Cape Coast
- Cape Town Central
- Helderberg
- Khayelitsha/Mitchells Plain
- South Peninsula
- Tygerberg
- Winelands

**4 May 23**
Improving cooperation, to strengthen competitiveness, leading to growth. Transport and logistics underpins other sectors. Other sectors have built dedicated capacities to improve cooperation.

3. Enabling and disabling: **Factors** in the business environment (in places)

1. Enterprise competitiveness
2. Sector value chain competitiveness

3. Enabling and disabling: **Rules**

Extent of success in markets vs global competition
Main idea:

All the key stakeholders cooperate towards collective efficacy.

A dedicated, competent and well resourced capacity.

Pay R10mil to save R100mils p.a.

Cluster definition:

“Regionally specific economic agents that interact horizontally and vertically to foster knowledge interaction and cooperation through purposive action – with the objective of creating superior operational capabilities and products based on Collective Efficiency principles”

- Justin Barnes (BMA)

Scale economies + Joint action = Collective Efficiency

- Clustering expertise
Cape Chamber Offerings

Small and medium business participate to be “more informed and connected” contributes to increased Enterprise competitiveness.

Medium and big business cooperate to “shape a better business environment”

Cape Chamber Offerings

Industry Events Calendar

Website, newsletter, media: “better informed about your business environment”

“Online market place” to promote your offerings to our members

Chapters: “better informed and connected to others who open doors”

Training / learning events

ESD financial beneficiaries & market linkages

Public sector better enables economic growth

Promote strengthening of market & export linkages

Trusteed Verification Services (CoO)

Enhanced economic sector growth

Economic development projects well implemented

Identify opportunities to unlock economic growth

Public media communications

Public- private- sector- dialogue

Strengthen economic development cooperation platforms

Identify threats to economic growth

Online market place to promote your offerings to our members

ESD fund managed

Economic development projects well implemented

Promote strengthening of market & export linkages

Trusteed Verification Services (CoO)

Enhanced economic sector growth

Public sector better enables economic growth

Identify threats to economic growth

Identify opportunities to unlock economic growth

Public media communications

Public- private- sector- dialogue

Strengthen economic development cooperation platforms

Enhanced economic sector growth

Cape Chamber of Commerce and Industry