

TO: MR TRENLEY TILBROOK

CHIEF EXECUTIVE OFFICER
ILEMBE CHAMBER OF COMMERCE AND INDUSTRY
ceo@ilembechamber.co.za

DATE: 22 MAY 2013

RE: INVITATION TO PARTICIPATE IN A BUSINESS MISSION LED BY MR MICHAEL MABUYAKHULU TO LUSAKA, ZAMBIA – 01 to 03 AUGUST 2013

1. INTRODUCTION

On behalf of the KwaZulu-Natal MEC for Economic Development and Tourism, Mr Michael Mabuyakhulu, Trade and Investment KwaZulu-Natal and Tourism KwaZulu-Natal hereby extend an invitation to you to accompany the Honourable MEC Mabuyakhulu on a business visit to Lusaka, Zambia from the 01 to 03 August 2013.

2. BACKGROUND

The Honourable MEC Mabuyakhulu intends to establish and encourage closer business and tourism relations, through the SA Express flight services launched on the 12 July 2012 between Durban and Lusaka, Zambia. South African Express operates four (4) flights a week (Tuesdays, Thursdays, Friday and Sundays) from Durban to Lusaka using a 50-seater CRJ200 aircraft. The partnership between SA Express and the Dube Trade Port has led to SA Express using Durban's King Shaka International Airport as a hub for new routes into the SADC countries. SA Express has identified the Southern Africa Development Community (SADC) as a key market in growing their route within the continent.

The purpose of introducing the new services was to provide convenient access to and from all regions in the SA Express network particularly business and leisure travellers. As part of its plans SA Express will also be launching flights between Durban and several other regional destinations in the future. In the immediate the following routes are being facilitated, Harare in Zimbabwe (in operation), Vilanculos and Maputo in Mozambique, Windhoek - Namibia, Gaborone - Botswana, and Lubumbashi - Democratic Republic of Congo. Most of these routes are yet to be finalised with some still pending application for air traffic rights and others still in negotiation phase.

2.1 SECTORS

Key sectors which will be targeted for the mission are:

- Tourism
- Manufacturing
- Food and Beverage
- Automotive
- Renewable Energy, and
- Construction and Engineering services

2.2 ECONOMIC PROFILE OF ZAMBIA

Zambia is a landlocked country in Southern Africa, neighbouring the Democratic Republic of the Congo to the north, Mozambique, Zimbabwe, Botswana and Namibia to the south, and Angola to the west. The capital city is Lusaka, located in the south-central part of the country and the population of 13.6 million is concentrated mainly around Lusaka in the south and the Copper belt Province to the northwest.

Zambia has a GDP of \$19.2 billion, with the GDP per capita at \$1 411 as per the 2011 data available from the World Bank. Zambia is one of the world's largest copper producers and KwaZulu-Natal's largest trading partner on the African Continent with a trade of R2.477 billion of export and R0.696 billion of imports realized in 2011. Zambia's GDP growth rate as at 2011 is 6.6% with inflation at 8.7%.

3. PROPOSED PROGRAMME FOR THE MISSION

The programme for this mission will be divided into three parts; primary will be business one on one and networking sessions, political programme and a business seminar to create awareness on KwaZulu-Natal and to expose trade and investment opportunities between the two regions.

4. THE DELEGATION

- The delegation will be led by the **Honourable MEC for Economic Development and Tourism, Mr Michael Mabuyakhulu**
- 15 companies
- 15 tour operators (to be organized by Tourism KwaZulu Natal)
- Trade and Investment KwaZulu Natal
- Tourism KwaZulu Natal
- Durban Tourism
- Durban Chamber of Commerce and Industry
- Pietermaritzburg Chamber Of Commerce and Industry
- Zululand Chamber

5. PROPOSED ITINERARY

(Attached as annexure 1)

6. FINANCIAL IMPLICATIONS

Trade and Investment KwaZulu-Natal and Tourism KZN will be responsible for the following costs:

- Transfers for the delegates
- Dinner arrangements for the two nights
- Venue for one on one meetings including refreshments
- Seminar venue including refreshments/lunch

Each company will be responsible for:

- Hotel accommodation recommended is the Southern Sun Ridgeway Lusaka
- Individual taxis for meetings outside of the programme
- Meals outside of the programme

The **estimated** financial implications per delegate participating in this mission will be:

Flights	R 4 693 (approx)
Accommodation	R 5 000 (approx)
Estimated Total	<u>R 9 693 (approx)</u>

Flight Schedule:

Departing: 1st August 2013, 10h10 – King Shaka International Airport (Durban)
Arriving: 1st August 2013, 13h00 - Lusaka

Departing: 3rd August 2013, 13h20 Lusaka
Arriving: 3rd August 2013, 18h00 King Shaka International Airport (Durban)

7. INVITATION:

7.1. We invite Ilembe Chamber of Commerce and Industry to send one official.

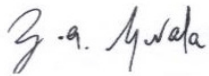
7.2 We also request Ilembe Chamber of Commerce and Industry to identify and invite at least 3 companies to be part of this delegation. Of these companies, those that qualify for the normal TIKZN BEE scheme will be subsidized as follows:

- 60% of flight costs
- 60% of accommodation costs

These companies will however need to submit their applications as soon as possible.

You are hereby requested to revert to **Neville Matjie** at TIKZN on neville@tikzn.co.za on or before the 12 June 2013 in order for us to confirm and finalize the numbers for the mission.

Yours sincerely,



Mr Zamo Gwala
Chief Executive Officer