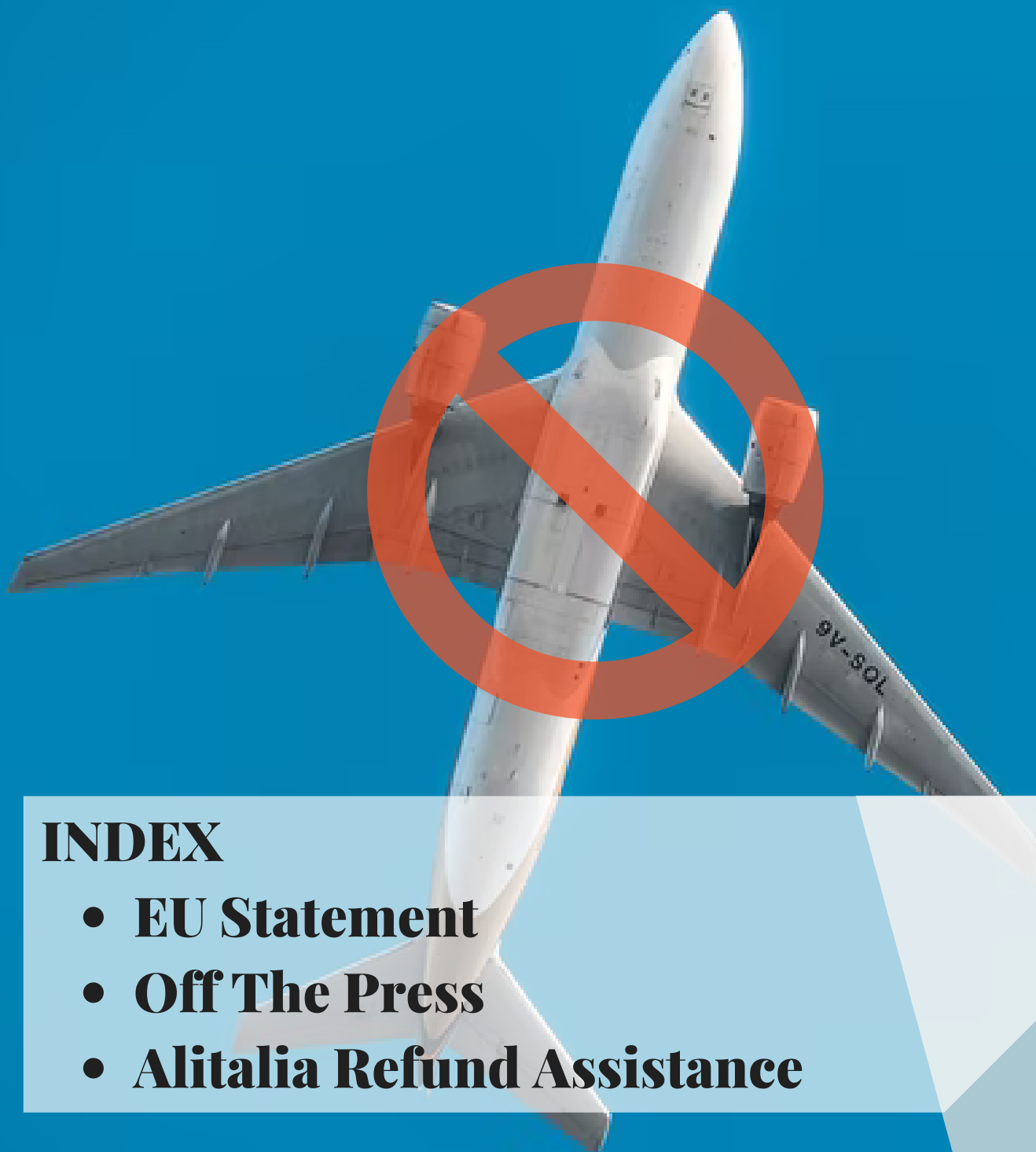




# Ecco Chamber

FORTNIGHTLY ITALIAN NEWS MADE IN  
SOUTH AFRICA

# EU BUSINESS STANCE



## INDEX

- **EU Statement**
- **Off The Press**
- **Alitalia Refund Assistance**



EU CHAMBER  
OF COMMERCE  
AND INDUSTRY IN  
SOUTHERN AFRICA

## **EU business calls for reconsideration of travel restrictions on Southern Africa**

The European Union Chamber of Commerce and Industry of Southern Africa (EU Chamber) calls for a reconsideration of the travel restrictions placed on South Africa and its neighbouring countries following the identification of the Omicron variant of the COVID-19 virus. The EU Chamber fully supports the ongoing contribution being made by the world-class scientific and medical community in South Africa to the fight against COVID-19.

Whilst the EU Chamber appreciates the decision on the travel ban was not taken lightly by EU and other global leaders, we would have called for a more measured approach. Due to the limited data available at this stage, we agree with the World Health Organization's (WHO) call on countries to conduct further tests to determine Omicron's severity, immune responses and antibody neutralisation, among other things. All policy decisions of this magnitude related to the pandemic should be balanced and need to be based on scientific evidence and careful consideration of the implications for businesses and the livelihoods of people.

Only one month ago the leaders of the G20 nations set out a series of collective actions to help the world deal with the COVID-19 pandemic and its economic impact. In the G20 Rome Declaration, it was acknowledged that the tourism sectors in developing countries have been particularly hard-hit and that their 'rapid, resilient, inclusive and sustainable recovery is a priority. The countries of Southern Africa that have been subjected to new travel bans in the last few days have been dealt a blow that will further set back their economic recovery.

The European Union is the largest investor in South Africa and is committed to making an ongoing contribution to the inclusive economic development of this country and the region. "Travel restrictions are challenging not just for tourists but also for companies that are trading and have business operations in the region. The impact is wide-reaching and will have repercussions for months to come," said Rui Marto, President of the EU Chamber. In his address to the nation on Sunday 28 November 2021, President Ramaphosa called on rich countries to support access to COVID-19 vaccines and to take positive steps to help developing economies instead of putting up more barriers, like travel restrictions. The EU Chamber supports this call and remains ready to play its part in encouraging vaccinations as well as adherence to effective measures to stop the spread of COVID-19.

1 December 2021

[View full statement](#)



# Off the Press

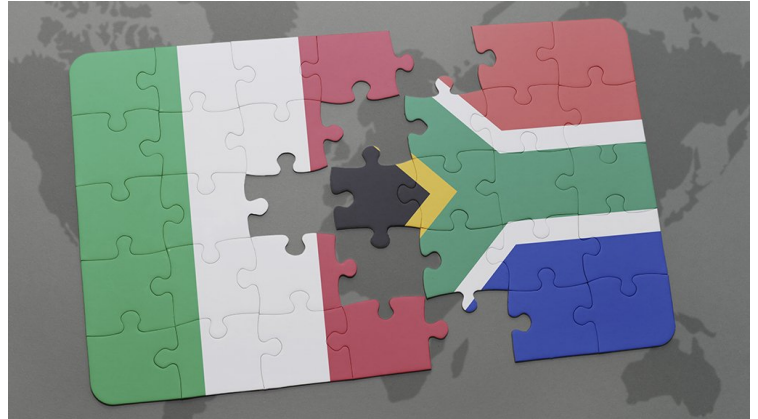
## *Increased presence for Italian business in South Africa next year*

Article originally published in Creamer Media's Engineering News; 26th November 2021

Original article available at: <https://buff.ly/3pgrwLj>.

The Italian-South African Chamber of Trade and Industry (Italcham) aims to continue improving its presence in South Africa next year.

“We intend to establish an antenna in Cape Town and, possibly, even in Durban and Gqeberha. This means managing multiple hubs with a higher number of events nationally,” Italcham secretary general Pamina Bohrer tells Engineering News.



This comes on the back of trade recovering after the negative consequences of the Covid-19 outbreak last year.

Bohrer says the second quarter of this year was the highest dollar-value trade-quarter – \$681-million – since the first quarter of 2018, with mechanical and electrical machinery, mineral fuels, vehicles and pharmaceuticals products being the primary products.

Similarly, the highest value of goods were exported from South Africa to Italy – totalling \$281-million and \$269-million in the first and second quarters respectively.

“This puts South Africa on track to record over \$1-billion of exports to Italy – a figure that wasn’t achieved in either 2019 or 2020. Of course, the high commodity prices also had an impact on the absolute values,” she says.

Products which accounted for the bulk of this trade were metals, such as ore, steel, and nickel; food products, such as seafood, fruit, and nuts; and luxury items, such as yachts. Trade between South Africa and Italy was negatively affected after the outbreak last year. The demand for imported goods decreased, with Italy’s trade to South Africa decreasing by 21% in 2020, when compared with that of 2019.

South Africa’s exports to Italy also took a knock last year, decreasing by 11.6% from 2019. Considerable delays at South African ports further exacerbated the problem.

However, Bohrer believes that the situation is looking far more positive for the year ahead.



### Areas of Interest

The renewables market is attracting strong foreign direct investment (FDI) flows from Italy into South Africa.

“The renewables sector has shown positive FDI from previous bid windows from Italian energy companies such as Enel Green Power, Ansaldo Energia and Enertronica Santerno. After five long years, the investment climate

“for this sector seems to be returning to being very promising,” states Bohrer.

“She adds that the recently implemented Renewable Energy Independent Power Producer Procurement Programme has enjoyed revitalised Italian participation

Moreover, the United Nations’ COP26 funding announcement is also positive, Bohrer notes. The R129-billion grants package, announced at COP26 last month, is designed to accelerate a transition away from coal power towards renewable alternatives.

South Africa and other developing countries are set to benefit significantly from this program, as most developing countries cannot afford the current costs involved in transitioning.

Manufacturing machinery remains promising, especially if tangible progress on the proposed sector masterplans is achieved.

Additionally, opportunities in the environment, social, and governance investment space are growing.

“There is a lot of talk about the circular economy, but the South African market has not yet reached the level of maturity that we see in Europe. However, emission-reducing technology is an opportunity where local legislation has changed and is being enforced, requiring South African companies to invest more in this area,” Bohrer explains.

Opportunities are also blossoming in the fledgling Industry 4.0 technology arena.

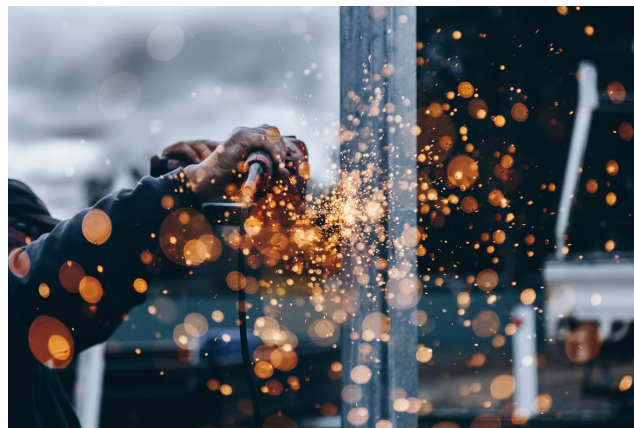
“Industry 4.0 opportunities are still fairly new, but the use of manufacturing blueprints for three-dimensional printing from Italy is starting to take hold in the South African manufacturing sector,” she notes.





## **“The Role of SMEs**

“Growth in small and medium-sized enterprises (SMEs) and their competitiveness can go a long way towards creating jobs in South Africa. Italian firms are generally keen to partner with local companies, and are also prepared to actively invest in skills transfer,” Bohrer says.



“She notes that Italy has specific machineries and business models for SMEs, which help to improve productivity. She believes that this will help to facilitate increased production and beneficiation, and distribute economic activity more evenly.

“South Africa’s goal is to provide more value-add to raw material and agricultural products before they are exported. Italy has the tools and expertise to help make this a reality. It’s a win-win.”

Bohrer notes, however, that policy uncertainty, structural reforms, exchange rate volatility, visa regulations and skills shortages are of concern to Italian investors, with broad-based black economic-empowerment (BBBEE) compliance particularly challenging for European businesses.

“SME’s typically have limited specialised knowledge on how to tackle the BBBEE scorecard. Moreover, sometimes there is limited funding available to design and implement compliant programmes that can result in a favourable BBBEE score”.

Bohrer adds that the continuous monitoring and evaluation required for successful BBBEE compliance is time consuming and requires a thorough understanding of the legislation.

The Italcham has developed a BBBEE trust, which is aimed at assisting Italian SMEs in achieving compliance.



The Chamber has also built a network of specialised consultants in high opportunity sectors, such as renewable energy, engineering and healthcare, to assist Italian SMEs with market entry and business development on a contract basis.

*Italcham!*



# Alitalia Refund Assistance

# *Alitalia*

## **REFUND ASSISTANCE**

Italcham is offering assistance to all Alitalia clients who have outstanding refund claims for canceled flights, due to the cancellation of Alitalia flights to South Africa. Italcham is offering a service to expedite refund claims, with a 20% success fee.

Please note Refunds are not guaranteed.  
In the case that a refund cannot be obtained, clients will not be charged by Italcham.

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