



TIPS NEWSLETTER NOVEMBER 2016

This newsletter reports on some of our research projects and provides details of research published. It also looks at some of the conferences and events with which TIPS has been involved.

RESEARCH PROJECTS

TRADE AND INDUSTRIAL POLICY PILLAR

Department of Trade and Industry

TIPS is working on several projects with the dti and continues to support some of the department's sector desks, including the automotive, agro-processing, chemicals, cosmetics and pharmaceuticals desks.

In the automotive sector, TIPS has been working on a project with B&M Analysts to support the dti with an automotive master plan that will contribute to the approach in developing the post Automotive Production and Development Programme (APDP) automotive incentive.

Current research for the agro-processing sector includes a review of abalone, a feasibility study on cassava for industrial uses, inputs into the Agricultural Phakisa and research on developmental food systems, among others. In chemicals, TIPS is supporting the identification of priority interventions, and it continues to support the other sector desks with data and research advice.

Manufacturing Circle

TIPS has established a partnership with the Manufacturing Circle. Following discussions with a number of stakeholders, the Manufacturing Circle Quarterly Bulletin has been replaced with the Manufacturing Circle Investment Tracker. This new survey aims to track investment in manufacturing and assesses specific measures of investment, namely, capital expenditure, working capital and employment.

This weighted composite index is designed as early warning system for assessing the status of the manufacturing sector. The findings of the survey are released to the public and presented at a TIPS Development Dialogue.

Steel task team

TIPS provided support to the Steel Task Team. This included undertaking and commissioning research, including:

1. A briefing note on the extent of the steel crisis.
2. Iron and steel sector mapping report.
3. Steel and waste management in South Africa.
4. Research and research capacity in the steel sector.
5. Analysis of investments into the steel value chain.
6. Steel and climate change, including carbon tax.
7. An economy-wide model on the multiplier impact of the steel sector.
8. A briefing note on the electricity and steel sectors.

TIPS contracted Vernon Harvey to provide project management support for the Steel Task Team and Paul Jourdan to provide expert support. TIPS provided project management and also played the role of secretariat, working with the relevant departments and entities — the dti, Economic Development Department, National Treasury and the Industrial Development Corporation (IDC) — to identify priority interventions and areas that needed to be unblocked to stave off the worst of the global steel crisis. There remain massive challenges facing the industry, including the downstream companies, which face tough competition.

Trade & Industrial Policy Strategies (TIPS) is a not-for-profit economic research organisation based in Pretoria, South Africa. TIPS has three main focus areas: trade and industrial policy, sustainable growth, and inequality and economic inclusion. TIPS undertakes research and analysis, and facilitates policy development, dialogue and capacity building.

Industrial Development Research Programme

TIPS is providing support to roll out a research programme on industrial development issues gripping the country. This project is being undertaken in partnership with the dti and the United Nations Development Programme.

National Economic Development and Labour Council (NEDLAC)

Over the past few years TIPS has undertaken several research projects for NEDLAC, and has presented to NEDLAC Chambers and partnered with NEDLAC on jointly hosting a Development Dialogue. Currently TIPS is completing a research paper for NEDLAC that looks at SA-US trade relations now that AGOA has been concluded.

ECONOMIC INCLUSION PILLAR

Department of Planning, Monitoring and Evaluation (DPME) in the Presidency

Government is implementing the Socio-Economic Impact Assessment System (SEIAS) as a method to review proposed legislation, looking at planned as well as unintended consequences. The approach is intended to strengthen new legislation and take social and economic factors into consideration. SEIAS was adopted by Cabinet as a requirement for new legislation. TIPS has been providing support to DPME, which is co-ordinating the programme and is helping develop a Community of Practice to support implementing the new system effectively.

Employment Partnership Programme

Small and Medium Enterprises (SMEs) play an important role in the South African economy as drivers of economic growth, innovation and job creation. TIPS is working with the Employment Partnership Programme (EPP) to undertake a study on Reducing the Administrative Burden for Small Businesses. This research builds on a strong body of knowledge already developed on the challenges facing small business, and the project is being done in collaboration with the Department of Small Business Development (DSBD). This research aims to assist the DSBD to develop a framework to systematically determine the intended or unintended consequences of national regulations on small business and identify ways to mitigate them.

SUSTAINABLE GROWTH PILLAR

Green economy project for the Department of Trade and Industry

This project involved the development and design of instruments to better understand the implications of transition of South African industries towards a low-carbon economy for local industries. The project will inform the role of the dti in assisting local industries in understanding climate change considerations, coping with climate change-related regulations, and embarking on the transition towards a greener, more sustainable economy.

City of Johannesburg solar PV power

In partnership with WWF-South Africa, TIPS is assisting the City of Johannesburg (CoJ) and City Power with a research project to look at how the city can use more solar PV power. TIPS and WWF are conducting a regulatory, policy, technical, financial and institutional review of all possible options for CoJ and City Power to increase the role of solar PV power in the municipality.

Partnership for Action on Green Economy

TIPS is conducting a green trade and industry analysis under the United Nations-led Partnership for Action on Green Economy (PAGE), with the aim of identifying and unlocking new, green manufacturing opportunities.

Green economy transition

Under the auspices of the Green Economy Coalition (GEC), TIPS, in collaboration with the Cape Town-based African Centre for a Green Economy (Africege), initiated a three and a half year process to unpack and debate the features and the management of the transition to a green economy in South Africa.

Green jobs

In partnership with WWF-SA, TIPS is hosting a dedicated Senior Researcher: Green Jobs for an initial period of two years with the aim of better understanding and unlocking green employment opportunities in South Africa.

POLICY BRIEFS

TIPS Senior Economist, Dr Neva Makgetla, entered the policy debate on the proposed sugar tax in South Africa with a policy brief on the topic. See [Debates on the sugar tax](#).

RESEARCH PUBLISHED

Climate change adaptation and agriculture in South Africa: a policy assessment – Meshack Zwane, former TIPS Economist, and Gaylor Montmasson-Clair, TIPS Senior Economist.

Making the best of AGOA through export-promotion policies – Christopher Wood, TIPS Economist. (Published in Integrating Africa AfDB Blog)

THE REAL ECONOMY BULLETIN

Every quarter TIPS produces The Real Economy Bulletin, which looks at trends and developments in the real economy and provides data and analysis on key manufacturing industries. The Second Quarter 2016 is [available online](#).

For earlier editions and the annual REB Provincial Review 2016 go to [The Real Economy Bulletin](#)

TIPS CONFERENCES AND ASSOCIATED EVENTS

ERLN Conference

The Government Technical Advisory Centre (GTAC) and the Economies of Regions Learning Network (ERLN), in partnership with the Centre for Competition, Regulation, and Economic Development (CCRED) and the South African Research Chair in Industrial Development at the University of Johannesburg hosted a conference with the theme *Economic Development for Employment: Sub National Strategies* on 14-15 November 2016. TIPS assisted with the conference logistics.

African Programme for Rethinking Development Economics (APORDE) 2016

APORDE was run for the 10th time in 2016. This two-week annual training programme brings top academics from different countries to provide insights on some of the key issues confronting economic development. The training is targeted at academics, policymakers and civil society representatives to investigate economic development options. It is aimed at building capacity in the South, particularly in Africa and founded on the need to broaden perspectives on development thinking and policymaking. APORDE 2016 was held from 4-16 September.

APORDE Public seminars held

- 1. Alice Amsden Memorial Lecture – 5 September 2016:** Minister Malusi Gigaba. Hosted in association with TIPS.
- 2. Inequality, Investment and Growth – 6 September 2016:** José Gabriel Palma; Kate Philip. Hosted in association with the ERLN.
- 3. International Financial Flows and Financial Crises – 8 September 2016:** José Gabriel Palma. Hosted in association with CCRED (at University of Johannesburg).
- 4. Labour, Economic Development and the Minimum Wage Debate in South Africa – 12 September 2016:** Gilad Isaacs. Hosted in association with IDC and the Independent World of Work.
- 5. Social Policy and its Linkages with Industrial Policy – 13 September 2016:** Thandika Mkandawire. Hosted in association with the South African Research Chair in Industrial Development at UJ.

DEVELOPMENT DIALOGUE SEMINARS

TIPS regularly hosts development dialogues and seminars. These allow policy practitioners, economists and individuals to engage in topics pertinent to economic and sustainable development.

UPCOMING DEVELOPMENT DIALOGUES AND SEMINARS

Designing policy frameworks for a climate-compatible industrial development transition in South Africa & Developing green trade and industry in South Africa. Read [more](#)

Date: Tuesday, 22 November 2016.

Presenters: Gaylor Montmasson-Clair, Christopher Wood and Shakespear Mudombi

To register for this seminar email daphney@tips.org.za

The following dialogues were held between July 2016 and November 2016. (For more information and copies of the presentations click on the titles)

Steel - where to from here? – 28 July 2016: TIPS Senior Economist Dr Neva Makgetla

The Scandanavian model - an interpretation – 1 September 2016: Professor Karl Ove Moene

Building a Value Chain for the Automotive Industry in Africa – 2 November 2016: Alec Erwin, Ubu Holdings

Local Motorcycle Manufacturing – 2 November 2016: TIPS Senior Economist Sithembiso Mtanga

OPPORTUNITIES

TIPS announces award for top Industrial Policy Masters student

TIPS has announced a R16 500 award for the top student completing the UJ-IDEP MPhil in Industrial Policy at the University of Johannesburg. In return, the student receiving the award will produce a research paper based on their MPhil dissertation for publication on the TIPS website. [Read more](#)

Small Grant Research Papers

In pursuing its mandate of developing capacity in research on trade and industry, TIPS offers small research grants to students at the Masters level. Small grants of up to R16 500 are available to students in South Africa, though students from outside South Africa would be considered. [Read more](#)

WWF-SA Graduate Internship Programme 2017 Call for Applications

WWF-SA offers opportunities to young graduates who have completed their studies in the natural, legal, engineering, business or social sciences to gain experience through the placement of graduate interns in a year-long programme, from 1 April 2017 to 31 March 2018. Interns are placed with WWF-SA's environmental programmes as well as partner organisations associated with our work. [Read more](#)

The dti's Economic Research Advisory Network (ERAN) call for papers

The dti invites interested academics, researchers, authors and interested individuals to submit abstract (s) for the second ERAN annual conference to be held on 8-10 March 2017 in Bloemfontein. Closing date for the abstract is 30 November 2016. [Read more here](#)

TIPS TRAINING WORKSHOPS

TIPS continues to hold training workshops. These are designed and run by experienced academics and experts in their respective fields.

Recently TIPS has held workshops on:

- Value Chains KZN – 16-17 August 2016
- Macroeconomics for Senior Policymakers – 22-24 August 2016
- Value Chains – 31 August 2016-1 September 2016
- Microeconomics for Non-Economists – 5-6 September 2016
- Research Methodology – 19-21 September 2016
- Value Chains – 27-28 September 2016
- Green Economy in context – 4-5 October 2016

- Introduction to Economy-Wide Policy Impact Analysis 7 November 2016

For details of future workshops please contact Rozale Sewduth at rozale@tips.org.za.

TIPS HAS A NEW HOME

On 7 October 2016 TIPS officially opened its new offices. TIPS moved across the road and is now situated in 234 Lange Street, Nieuw Muckleneuk, Pretoria.

"This is the first time in TIPS's 20-year history that we have owned our own building and we are looking forward to another 20 years in this new building," said Saul Levin, TIPS Executive director.

NEW STAFF AND INTERNS

TIPS would like to welcome new staff members to the team: Mbongeni Ndlovu, appointed as an Economist, and Bhavna Deonarain, as a Researcher: Sustainable Growth. TIPS also appointed Siphosethu Tetani and Struan Robertson as Interns.

TIPS hosts a regular internship programme. For more information [read here](#).



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