

Food and Beverage Growth Coalition launches in Cape Town

The City of Cape Town has teamed up with the Western Cape Economic Development Partnership and industry business partners to launch a Food and Beverage Growth Coalition, aimed at boosting the development of the region's food and beverage manufacturing sector and its exports.



Source: Supplied

According to Alderman James Vos, the City's mayoral committee member for economic growth, the development is a response to calls for collaborative partnerships between all sectors – government, business, communities and academia in the form of growth coalitions within Cape Town's most high-value industries.

"South Africa is facing the effects of resilience-testing challenges such as load shedding, the pandemic, and global conflict. As a result, many people are finding it difficult to make ends meet as companies are forced to pass the rising costs on to the consumer," said Vos.

He explained that the structured and outcome-driven stakeholder engagements brought about through initiatives like the Food and Beverage Growth Coalition are critical for sharing knowledge, planning and implementing together, ensuring alignment for the realisation of growth opportunities and resolution of challenges.

"The City is committed to eliminating the barriers to doing business, and through this approach, will support its current regulatory reform process," Vos said.



Alderman James Vos, City of Cape Town's mayoral committee member for economic growth. Source: Supplied

Economic value of F&B manufacturing

Food and beverages have always been one of the biggest sub-categories within Cape Town's manufacturing industry, contributing 3.6% of Cape Town's gross value add and 4.1% of its formal employment.

The industry contributes a substantial portion of the Cape's export and destination profile. "More importantly, food security is one of our most important concerns as a government and thus we must work closely with businesses to ensure that the industry has the resources to adequately respond to trends and stresses when they happen," Vos added.

Vos said the City has already held engagements with several business leaders to gain insights into the challenges and innovations within this specific sector and establish a working relationship with businesses.

Addressing business owners at the official launch of the City's <u>#FoodAndBeverageGrowthCoalition</u> because collaboration and connection is key to realising opportunity <u>pic.twitter.com/FfKNDzlHcU</u>— James Vos (@VosJames) August 31, 2022

According to the City, growth in food and beverage exports paints a positive picture for the industry with beverage exports from Cape Town growing by 21% between 2015 and 2016 and fish exports by 22.7%.

Recent findings from the Trade Research Advisory further show that South Africa stands to generate up to R840bn by fully capitalising on the export agreements under the EU-SADC Economic Partnership Agreement with foodstuffs such as fruit,

dairy goods and canned foods making up a significant part.

Ultimately, Vos said the Growth Coalition will assist the business sector to develop action plans to boost development and ultimately take advantage of such trade pacts.

Expanding to other sectors

Following the launch and rollout of the Food and Beverage Coalition, the City plans to follow suit with other sectors such as marine manufacturing and creative production.

"The emphasis should be on improving our processes and systems, to improve the quality of engagements and the initiatives that are implemented. To grow our economy and create jobs, there is a need for new businesses to be established, existing businesses expanded, and new investors invited and assisted with operational setup. We aim to grow our presence in the current markets while working to access new regions," Vos said.

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