

The first quarter of 2023 has seen a record amount of electricity rationing with loadshedding taking place almost every day this year. The impact on industry has been significant and TIPS held a Development Dialogue a few weeks ago to gain further insights into the challenges faced by businesses and municipalities. The response by industry to generate their own electricity can be seen in the applications tabled at NERSA. If all these applications are approved and the investments made, the combined effect would see less loadshedding from next year June. Until this new private capacity comes onstream we have been warned of greater levels of loadshedding, especially over winter. TIPS will continue its research in this area, including the potential to build industrial capacity through these investments, and we will be holding further dialogue seminars over the coming months.

As part of TIPS's work on the Just Transition we will be continuing our work in Mpumalanga as part of the JustSA project. This project was launched in March this year and will work with a number of stakeholders to support the different aspects of the transition.

The global response to the impact of climate change will see a number of trade measures being implemented. As one of our largest trading regions, the European Union's Carbon Border Adjustment Mechanism (CBAM) will have an impact on South Africa's exports. These issues are discussed in our paper on CBAM. We have also published a report on the impact of the trade measures by the United States on the TIPS website.

The impact of the COVID-19 pandemic on small business and the subsequent recovery is discussed in the TIPS annual edition of the Small Business REB. We have also published a paper on small business in industrial policy, both of which will be discussed in our upcoming Development Dialogue on 1 June. We have also partnered on research on the opportunities for small business in the green economy and published a paper on inclusive finance for green entrepreneurs.

TIPS continues with the quarterly bulletins and trackers, and we have recently published our provincial reports on the economic structure and activity per province. These trackers and bulletins are all available on the TIPS website, and are part of our contribution to supporting evidence-based policymaking.

In-person events have returned! We will, however, continue to offer a virtual option for our seminars and dialogues. The annual TIPS Forum will be on 1 and 2 August, and we look forward to seeing you either in-person or joining us online. TIPS has restarted its training programme this year and we have already run several courses during the first quarter. We will be hosting APORDE and IPPM again this year with several public seminars during September 2023.

Saul Levin  
Executive Director: TIPS

## DEVELOPMENT DIALOGUE



The TIPS Development Dialogue on Loadshedding and the implications for industrial policy: How to make the economy more resilient (24 April 2023) looked at how industrial policy can assist businesses to stay resilient. Watch the video on the [TIPS YouTube](#) channel. Copies of the video and presentations are also [available here](#).

## IPPM 2023

The Industrial Policy for Policy Makers (IPPM) training programme will take place in September 2023, alongside the annual APORDE programme. This year's IPPM theme is: Financing Industrialisation in Africa. It is aimed at senior government officials from across Africa and will be held in Gauteng in South Africa. More about the programme, the application process, and the application form [available here](#).

## APORDE

The African Programme on Rethinking Development Economics (APORDE) is a training initiative of the Department of Trade, Industry and Competition, with the support of TIPS. This year's programme will be held in-person from 4-15 September. For more about the programme go to [www.aporde.co.za](http://www.aporde.co.za)

## TIPS FORUM 2023



TIPS will host its Annual Forum 2023 on 1-2 August. The theme is Industrial policy in an era of global structural change: Implications for Southern Africa. More about this year's Forum is available on the Forum website [forum.tips.org.za](http://forum.tips.org.za)

## THE REAL ECONOMY BULLETIN

The Real Economy Bulletin assesses trends and developments in the real economy and provides data and analysis on key manufacturing industries. Fourth Quarter 2022 is at [REB Q4 2022](#).

Briefing Notes in this edition:  
[The 2023/4 budget and industrial policy](#)  
[Loadshedding and the economy](#)  
[The small business REB](#)

Previous issues: [REB](#)

## REB PROVINCIAL REVIEW

The Real Economy Bulletin Provincial Review 2022 analyses developments in the real economy and in development policies and projects at the provincial level. The review provides an overview and profiles of the nine provinces. Available here: [Provincial Review 2022](#).

## TIPS IMPORT TRACKER

The Import Tracker is a quarterly analysis of import trends, providing an overview of import patterns and a look at causes of surges in manufacturing imports and their likely impact on industry. Third Quarter 2022 is available at [Import Tracker](#).

For previous issues: [Import Tracker](#)

## EXPORT TRACKER

The Export Tracker provides updates on export trends, and identifies sectors and products that are performing well and those that are lagging. Quarter 3 2022 is available at [Export Tracker](#).

Previous issues: [Export Tracker](#)

## FDI TRACKER

The FDI Tracker monitors inward foreign direct investment projects. It reports on new FDI projects, analyses these, and adds them to an ongoing list of investment projects. Quarter 3 2022 is available at [FDI Tracker](#).

Previous issues: [FDI Tracker](#)  
**SELECTED MEDIA ARTICLES**

[State-owned companies cost a fortune](#) – Business Day 18 April by Neva Makgetla (TIPS)  
[Longer-term measures needed to reduce prices of staple foods](#) – Business Day 7 February by Neva Makgetla

For more articles: [TIPS in the News](#)

## THE REAL ECONOMY BULLETIN

TRENDS, DEVELOPMENTS AND DATA

STATE OF SMALL BUSINESS 2023

The latest edition of the TIPS State of Small Business in South Africa, a special edition of our Real Economy Bulletin, provides baseline data on the number of small businesses and their contribution to the economy, as well as distribution by industry and location, ownership by race, gender and age, investment and profitability. Available here: [The State of Small Business in South Africa 2023](#)

The TIPS working paper, [Small business in industrial policy](#), analyses factors behind the state of small business as described in this bulletin.

## BLACK INDUSTRIALISTS CASE STUDIES

The Black Industrialists Conference in August 2022 examined the impact of the Black Industrialists Programme and explored support measures to boost entry of black-owned businesses and producers into the mainstream economy. It also showcased the work of black industrialists. TIPS prepared nine case studies on black industrialists: CapeBio Technologies, Easy Farm; Equal ELM Trading; Flat-Foot Engineering; Ikusasa Green; Microfinish; Pambili Media; PepsiCo ESOP; and Sindane Mining Ventures.

Case studies available here: [Black industrialists profiles](#)

## SMALL IS POWERFUL

Small businesses lack access to the finance they need to grow. This Green Economy Coalition (GEC) report, *Small is Powerful: Local green enterprises - how to finance a powerful catalyst for change* looks at barriers that small business faces. The report includes case studies from countries such as India, Peru, Senegal, Uganda and South Africa. The South African case study looks at the Seeds for Life Farm Primary Cooperative.

Main Report: [Small is powerful](#)  
Case Study: [South Africa](#)



## SOUTH AFRICA'S ALUMINIUM VALUE CHAIN

This study provides an overview of the South African aluminium value chain. It covers the socio-economic and environmental contributions of the industry and outlines its performance in GHG emissions, energy efficiency and carbon intensity. The accompanying Policy Brief draws on this study to look at options for the South32 (previously BHP Billiton) Hillside Aluminium smelter, the only primary aluminium producer in South Africa and the largest in the Southern Hemisphere.

Report: [South Africa's aluminium value chain and climate change compatibility](#) – Lerato Monaisa and Gaylor Montmasson-Clair (TIPS)

Policy Brief: [Hillside Aluminium: Low-carbon energy options and the implications](#) – Lerato Monaisa (TIPS)

## RESEARCH AND POLICY BRIEFS

Report: [A tale of life and death: the coal value chain's impacts on local communities in South Africa](#) – Lerato Monaisa and Gaylor Montmasson-Clair (TIPS)

Working Paper: [Alignment of local economic development and industrial policy](#) – Neva Makgetla, Saul Levin, Rapula Diale, Itumeleng Mokoena, Mboholowo Tsedu and Kelello Mashiane (TIPS)

Report: [Services and inclusive industrialisation](#) – Neva Makgetla, Nokwanda Maseko and Itumeleng Mokoena (TIPS)

Country Brief: [Climate change and trade risk: South Africa's trade with the United States of America](#) – Kiara Mthusame and Seutamele Maimela (TIPS)

Policy Brief: [The European Union's Carbon Border Adjustment Mechanism and Implications for South African exports](#) – Lerato Monaisa and Seutamele Maimela (TIPS)

Policy Brief: [Strengthening access to inclusive finance for local green entrepreneurs in South Africa](#) – Elize Hattingh and Ebenaezer Appies (TIPS)

Policy Brief: [The rail rolling stock manufacturing sector in South Africa](#) – Max Smeiman, Nokwanda Maseko, Garth Strachan



The Technological Change and Innovation System Observatory project aims to track and create awareness of disruptive innovation and discontinuous technological change by organisations in the public, private and not-for-profit sectors. This includes profiling technologies at the frontier.

Profile: [Augmented reality in the manufacturing sector](#)

Profile: [Robotics in the manufacturing sector](#)

Blog: [Using cycles to predict how technologies might change soon](#)

See: [Technological Change and Innovation System Observatory](#)

## UPCOMING TRAINING

For information about the TIPS training courses in 2023, contact Rozale Sewduth at [rozale@tips.org.za](mailto:rozale@tips.org.za).

TIPS is an independent, non-profit economic research institution established in 1996 to support economic policy development.

TIPS undertakes quantitative and qualitative research, project management, dialogue facilitation, capacity building and knowledge sharing. Its areas of focus are industrial policy, trade and regional integration, sustainable growth, and a just transition to a sustainable inclusive economy.

[info@tips.org.za](mailto:info@tips.org.za) + 2712 433 9340

[JOIN US ON FACEBOOK](#)

[FOLLOW US ON TWITTER](#)

[CONNECT ON LINKEDIN](#)

[WATCH US ON YOUTUBE](#)

[www.tips.org.za](http://www.tips.org.za)

[www.forum.tips.org.za](http://www.forum.tips.org.za)

[www.aporde.org.za](http://www.aporde.org.za)

CELEBRATING

# 25

YEARS OF SUPPORTING POLICY DEVELOPMENT THROUGH RESEARCH AND DIALOGUE