SOUTH AFRICAN STATEMENT TO THE 14TH SESSION OF THE COMMISSION FOR SUSTAINABLE DEVELOPMENT

Theme: Position on Industrial Development and Sustainable Natural Resource Management

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INTRODUCTION

South Africa recognises the role of industrial diversification and maximised value addition through manufacturing in balancing and stabilizing industrial development

South Africa derives just over 70% of its energy from coal, and will more than likely continue to do so well into the future, South Africa is semi-arid with an uneven distribution of water availability across the country, and lacks significant groundwater resources. Some 34% of South Africa's terrestrial ecosystems are categorised as threatened, mainly due to loss and degradation of natural habitat, followed by invasion by alien species. 82% of our mainstream river ecosystems are classified as threatened; it is estimated that 50% of our wetlands have already been destroyed; and 36% of freshwater fish are threatened. River ecosystems are under pressure from over-abstraction of water.

South Africa is dominated by very shallow sandy soils with severe inherent limitations from an agricultural point of view. Only 3% of our land is considered high potential land. Our rich mineral resources are seen as an engine of economic development at a national level, while, locally, communities look to the sector to provide employment, infrastructure and skills development. The mining industry makes a substantial direct contribution to sustainable development.

World-class policies and regulatory measures, as well as a variety of voluntary measures and partnerships are in place to encourage the sustainable use of natural resources and the minimization of waste and pollution.

CONSTRAINTS AND CHALLENGES

Industrial development is dependent on sustainable natural resource management. Key challenges inhibiting industrial development include:

National Constrains

1. Coping with increasingly competitive global trade. In this context South African manufacturing companies in future will depend even more on flexibility, speed, and sustainable local beneficiation of natural resources.
2. Eradicating the lack of skills, in particular the combination of skills and knowledge required to understand and gainfully manage industrial development whilst maintaining sustainable best practice in respect of natural resources.
3. Keeping up with rapidly advancing science and technology that are *inter alia* focused on resource efficiency;
4. Increasing South Africa's ability to integrate best practice and new technologies into product and process standards supported by measurement capabilities and conformity assessment infrastructure.
5. The need to accelerate the pace at which industry and utilities adopt cleaner technologies and Cleaner Production practices

Global Constrains

1. Complying with stricter environmental regulations and technical requirements for international trade, which will require the adoption of costly resource-saving technologies, testing, certification and labelling.
2. Managing the impacts of the EU proposal on Registration, Evaluation and Authorisation of Chemicals (REACH) that was put forward by the European Commission on the Chemicals Sector and the Mining and Minerals Sectors.

The Government Programme of Action in the economic area for the next five years will focus interventions on the following:

- Reducing resource input costs to develop downstream labour intensive sub-sectors;
- Exploiting synergies amongst different value chains to make use of domestic raw materials where possible; and
- Supporting the above with innovation and skills development.

Government is considering proposals to develop a strategy to grow the South African environmental goods and services industry. In addition to the growth opportunities offered by this industry in terms of investment and employment, the technologies and services offered by the environmental industry can go a long way in making South Africa's much needed industrial development more sustainable in terms of natural resources.

Special efforts are ongoing to finalise sector development strategies and programmes, with regard to chemicals, business outsourcing and tourism, ICT and telecommunications, agro-processing, community, social services, wood and paper, appliances, the retail and construction industries which includes cleaner production elements.

Government is finalising the National Sustainable Development Strategy (NSSD), which will guide sustainable development *inter alia* through improved efficiency in natural resource beneficiation.

The National Cleaner Production Centre has been re-focused with the aim of making a substantive impact in respect of resource efficiency at priority sector level. Resource efficiency are promoted by means of the Cleaner Production Components of the Customised Sector Programmes (CSP) for the automotive, agro-processing and textile sectors, and the Growth and Development Strategy for the chemicals industry.

KEY CONSIDERATIONS FOR THE POLICY SESSION

The following key considerations are suggested for the policy session

- Provision of support for natural resource management to create sustainable livelihoods for the poor
- Strengthening of international and regional cooperation in cleaner production efforts
- Mobilising and strengthening of cooperation in terms of the Marrakech process
- Developing R&D networks to enhance innovative capacity and knowledge
- Promote increased industrial R&D investment
- Promoting regional collaboration in the African continent within the NEPAD framework.
- The need to consider the impact of bilateral and multilateral trade agreements on sustainable natural resource management