



**ADDRESS BY THE MINISTER OF DEFENCE AT THE
OFFICIAL OPENING OF THE AFRICA AEROSPACE AND
DEFENCE 2008, AIR FORCE BASE YSTERPLAAT,
CAPE TOWN, 17 SEPTEMBER 2008**

Honourable Ministers and Deputy Ministers

Honourable Members of Parliament present

The Premier of the Western Cape Ms Lynn Browne

The Executive Mayor of City of Cape Town, Helen Zille

Acting Secretary for Defence

Chief of the South African National Defence Force

Chief of Services and Divisions

Members of the Diplomatic Corps

Foreign Delegates

Senior Officers

Industry Representatives

AAD Exhibitors

Representatives of the Media

Visitors to the Africa Aerospace and Defence Show

Ladies and Gentlemen

It is delightful once again to be part of the 5th edition of Africa Aerospace and Defence (AAD), taking place for the second time in the mother city of Cape Town. I am sure that you will agree that the backdrop of the majestic Table Mountain adds to the show's appeal. Much as the weather is not good to us today we are sure that all of us will enjoy what the exhibitors are showcasing.

The AAD, co-owned by the South African Aerospace, Maritime and Defence Industries Association (AMD), Armscor, the Department of Defence (DoD) and the Commercial Aviation Association of Southern Africa (CAASA), has become an integral part of the international aerospace and defence calendar.

Together with our partners, we are privileged to be among those countries able to stage an international exhibition of this nature.

As a consolidated expo in which the security and defence-related sectors are shown alongside general and commercial aviation, AAD 2008 serves to stimulate very important industry and economic activities.

These industries constitute an appropriate vehicle for our contribution to the broader economic development of our country and region.

What we have here has great potential for export growth, value adding and international collaboration that can stimulate industrial innovation, competitiveness and supply chain growth.

The defence and aerospace sectors have a positive impact in terms of research and development. This is evident in the phenomenal rise of the global aviation industry driving the very latest developments in modern aircraft with related maintenance and support services. In South Africa we have seen the benefits of the aviation sector in the economy, which is increasingly spilling over into the region as a whole.

The African continent is heavily reliant on air transport for its continued social and economic development. Our view is that by utilising the technologies available to humankind

today, we can boost the socio-economic development of South Africa and thereby enhance the stability and growth of our region and the entire continent.

Aviation encompasses more than aircraft. Associated ground support activities and infrastructure contribute to regional development.

We see an escalation in cross-border economic activities associated with trade and tourism. Coupled with this is the constant challenge to retain and generate skills, in order to operate efficiently and within accepted safety norms.

For us, therefore, the South African aerospace industry has become a high priority sector, which we envisage to follow a growth and consolidation path similar to that of South Africa's automotive industry, which has had phenomenal success.

As part of Accelerated and Shared Growth Initiative of South Africa (Asgisa) and Joint Initiative on Priority Skills Acquisition (Jipsa) we have identified the need for greater innovation and skills development in line with the specific requirements of the aerospace industry. We identified the

need to further engage the industry and other role players, like the universities and research entities, on this issue. This culminated in the Department of Trade and Industry (dti) launching three aerospace initiatives in August 2007.

The first was the Aerospace Industry Support Initiative (AISI) to enhance the South African aerospace industry's global competitiveness.

This is aimed at providing a broad framework encompassing the development of supply-chain, human resources and skills, as well as production and process engineering. This programme - managed by the Council for Scientific and Industrial Research (CSIR) – also looks at Small Medium Micro Enterprises /Black Economic Empowerment (BEE) development and technology consolidation and optimisation.

The second initiative is the launch of the Centurion Aerospace Village (CAV) an essentially local aerospace manufacturing cluster. This initiative is to be built around areas of specialist engineering, design and manufacturing of aircraft structures and systems, as well as maintenance, repair and overhaul.

The third project is the National Aerospace Centre of Excellence (NACoE) based at the University of the Witwatersrand in Johannesburg. This is a partnership between Government, industry, academic and research institutions to address scarce skills and to promote the aerospace sector.

Through these Industrial Centres of Excellence driven by the Department of Trade and Industry (DTI), government aims to develop human capital in critical and scarce skills areas, as well as to promote the sector's global competitiveness to meet current and future market requirements.

It is our view that this sector contributes significantly to the national economy and we consider it a vibrant national asset. I am glad to witness the array of leaders in the aerospace and defence technology arena present here today. At the glance like Denel, Air Transport Europe, Aerosud, Air Defence Systems, Saab Grintek, BAE Systems,

and many others. You are already recognised for your innovative work and expertise.

The vital role you play in the development and sustenance of the industry together with your participation in international programmes with companies like Airbus and Boeing, world leaders in aviation is deeply appreciated. Some of these programmes have gone beyond the defence arena into the commercial sphere of the two giants in the aerospace world.

Such international collaboration addresses issues such as technology development, skills and job creation and retention, greater SMME opportunities, downstream training and development, as well as the enhanced growth of the micro economy.

Government is acutely aware that these local companies – often with their international partners – offer valuable services in terms of maintenance, repair, overhaul, integration, upgrades and modernisation, as well as providing through life support of equipment in service with the SANDF and security agencies. These capabilities ensure we have a large measure of strategic independence, whilst

working according to international best practice and processes, at competitive prices to the SANDF.

It is with deep satisfaction that we welcome the growing number of sister delegations present in this year's show. This is evident that our region and continent is consolidating efforts in search of new areas of cooperation. And in the light of the ever-growing need to forge structures of mutual Defence and security this is a welcome development.

We must collectively build on what already exist in the region and is more affordable before we cast our sights on markets in distant lands. When we named this show the African Aerospace show it was with the humble hope that in years to come more and more African countries would become part of it. NOT just as spectators but as direct exhibitors.

Your presence here in this numerous delegation confirms the validity of our initial hopes.

As you are all aware, in times of natural disasters, and in peace support operations, South Africa has shown that it is

able to field dependable and cost-effective equipment for humanitarian, search and rescue operations.

We were also able to fulfill our obligations to the AU where regional conflicts needed our peacekeeping support, in combined operations with the AU and United Nations.

In times like these, our aerospace, maritime and land capabilities depended on proven equipment that has stood the test of operational deployments.

Ladies and Gentlemen: I am confident that the diverse products and systems on show here have the potential to provide solutions to unique aviation, security and defence-related challenges on our continent and in many regions around the world.

What we would like to see is for the local commercial and general aviation industries, along with the security and defence industries, contribute meaningfully to the economy. These can assist in building capacity and ensuring foreign direct investment, whilst also generating additional spin-offs to other clusters of the economy.

South Africa fully supports the innovative approaches of our captains of industry in forging business alliances with international groups for much-needed products and technologies.

I want to assure you all that our government will continue to promote the aviation and aerospace industries in their drive to achieve international quality output.

I trust all participants and exhibitors here at AAD 2008 will be utilising the opportunity to interact in a manner that will be beneficial to all.

May I congratulate the AAD organisers for staging a world-class event. I am especially thrilled to see that a very special effort was made to include an exciting Youth Development Programme - a powerful vehicle to involve public entities, industry, communities and government structures to promote technology and science among the youth.

I wish all our visitors and exhibitors a very pleasant successful event. I now declare the Africa Aerospace Defence Show 2008 open.

I thank you,