

The Politics of the Strategic Defence Procurement Programme in South Africa: The Kwa-Zulu Natal Experience

The paper explores select experiences within the province of Kwa-Zulu Natal regarding the implementation and impact of the NIP (National Industrial Participation) and DIP (Defence Industrial Participation) components of the South African defence offsets. The research approach is primarily qualitative in nature, and utilizes a range of in-depth interviews to explore the dynamics of the offset negotiations and decisions.

There are four focal areas:

- ✍ ✍ An assessment of the NIP programme within the province;
- ✍ ✍ A examination of the lack of offset investment in high-end purpose-built industrial projects and infrastructure;
- ✍ ✍ An investigation of relevant issues in the shipbuilding industry; and
- ✍ ✍ The perceived conflict of interest between the respective port developments in Durban (KZN) and the Eastern Cape is also scrutinized.

These are contextualized within a discussion of actual and potential backward and forward industrial linkages within the national and local economy.

The paper suggests that if the stated objective of securing the integrated expansion and development of South Africa's industrial base is to be achieved, the formal and informal criteria invoked by the DTI (Department of Trade and Industry) in selecting suitable projects within the national space economy should be rethought. In addition; a more systematic approach to the linkage of defence and other industrial participation (IP) offsets should be established.

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