SIYAKHULA

we are growing

July 2018

Profile
of companies
funded by

the dti

the dti
Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

towards full-scale industrialisation and inclusive growth

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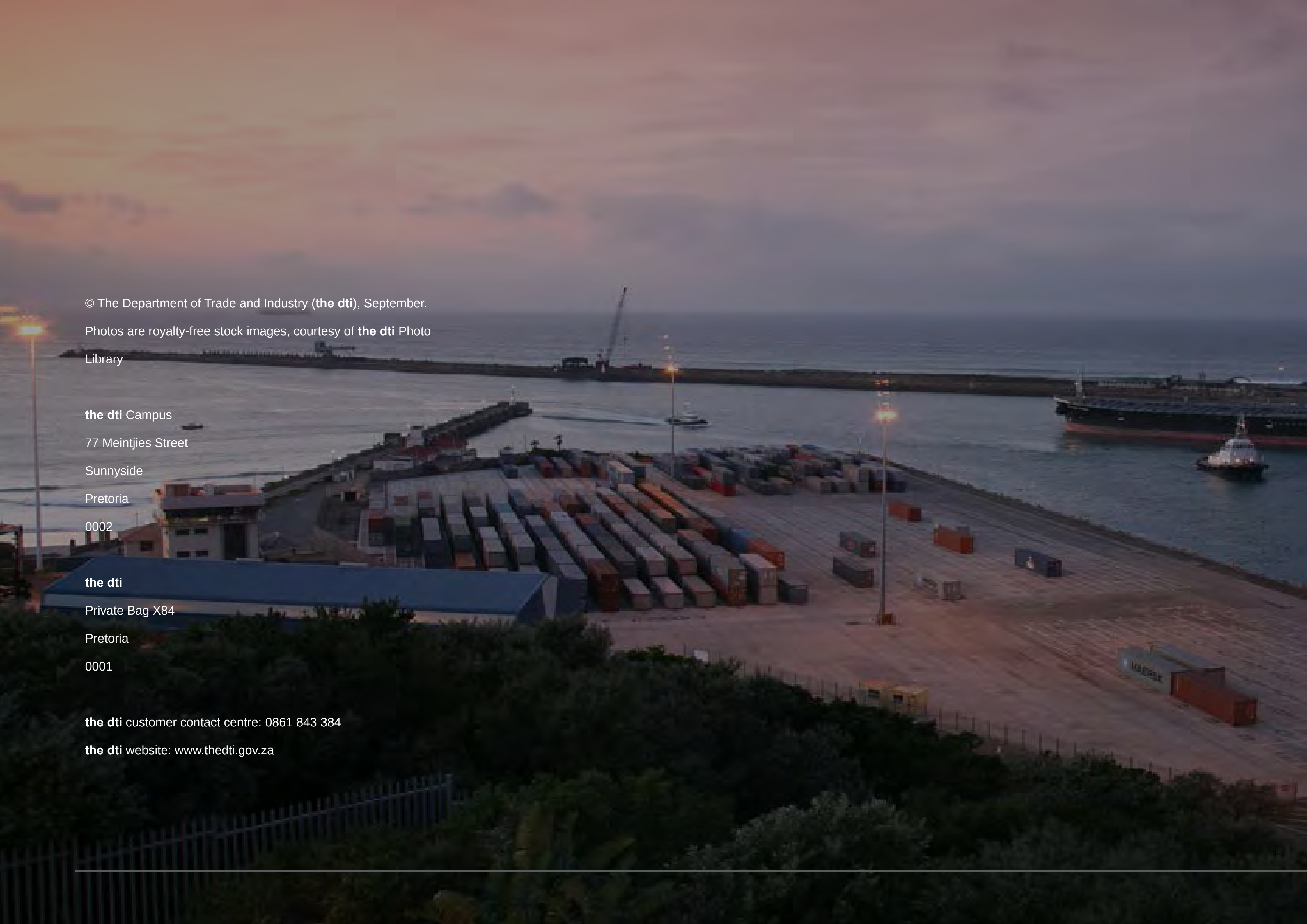
Nelson Mandela Centenary 2018 Be the legacy

2030 NDP



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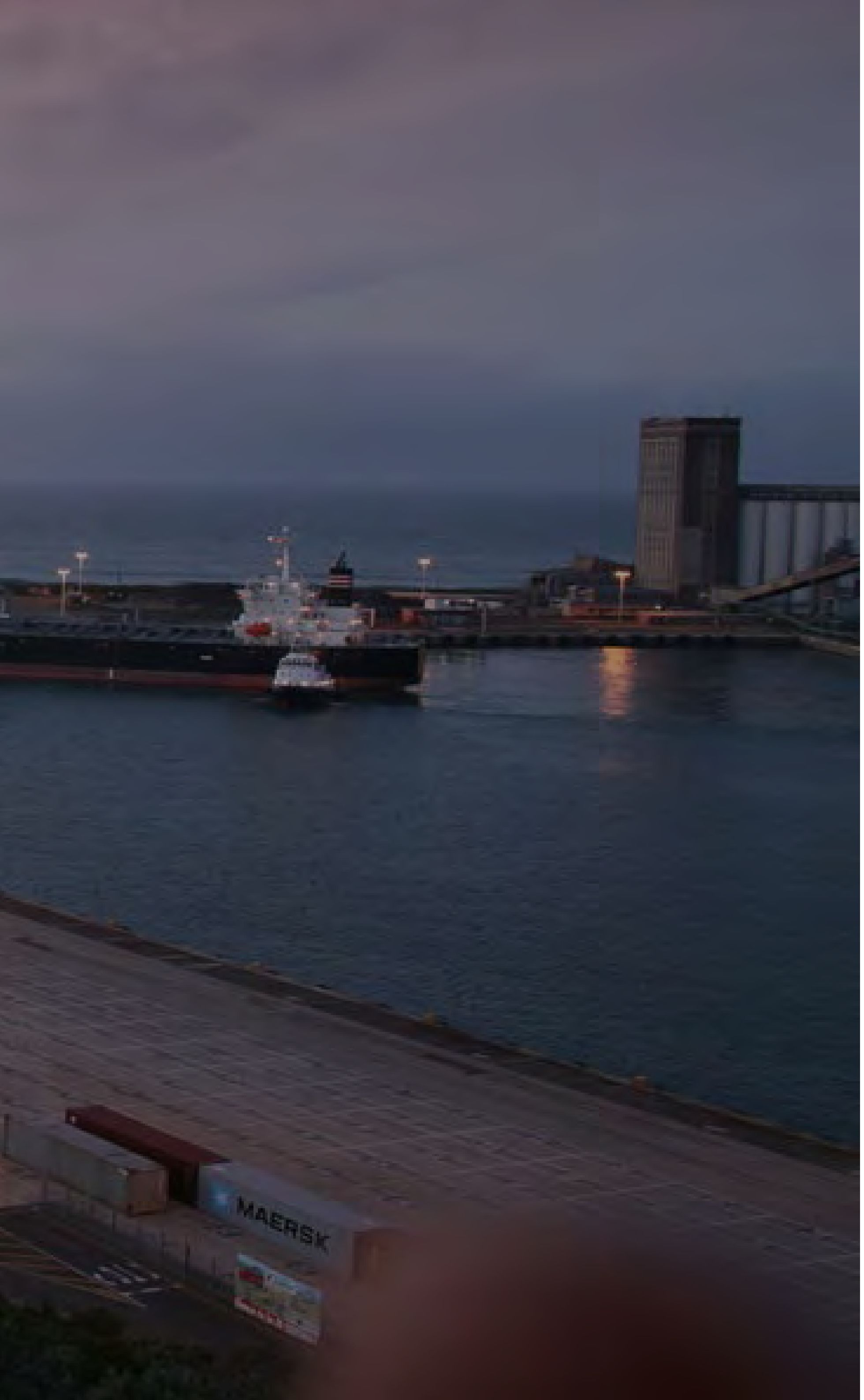


Contents

Foreword by the Minister of Trade and Industry

The work of the Department of Trade and Industry (**the dti**) covers every major town and city in South Africa. More than 1.7-million people work direclty in the manufacturing sector and an additional five million people work in sectors that are linked to manufacturing. These sectors and industries create jobs, increase exports and contribute to economic growth as a result of the policies, programmes and financial incentives provided by **the dti**.

In the 2017/18 financial year, the department approved 849 applications that are projected to crowd-in private-sector investment to the value of approximately R35 billion. Government's Special Economic Zones (SEZ) are spread across almost all provinces, and the Africa Continental Free Trade Area (AfCFTA) will create a market of more than one-billion consumers in Africa.

Given the breadth and scale of the work of **the dti**, it is sometimes easy to forget that our interventions touch individuals; that they fundamentally improve the livelihoods of families, households and communities.

It is these household-level impacts that remind us that a better for life for all is the key objective of Government's programme of action. This report is therefore the first of a series that **the dti** will be releasing. In so doing, we seek to highlight how our programmes impact on the lives of ordinary South Africans; how complex trade negotiations or intricate industrial policy interventions improve or change the economic environment and outlook that ordinary South African's experience.

We do this not to seek credit for the work of Government, but rather to assess and, where appropriate, re-assert the policies and programmes of government that are improving the lives of our citizens. This series of reports will profile a selection of enterprises and their workers who have been affected by the work of **the dti**, giving them a stronger voice in policy debates, and thereby assisting Government in considering the needs of all stakeholders as we seek to grow the South African economy.

We hope that these voices will assist Government in implementing programmes with even greater impact and better outcomes.

Dr Rob Davies, MP

Minister of Trade and Industry

Introduction

The National Development Plan (NDP) identified South Africa's triple challenges of poverty, unemployment and inequality. It further articulates that to address these challenges the economy must grow by 5.4% per annum by 2030. Reaching this goal will require government and all stakeholders to work together towards the achievement of the 2030 Vision for South Africa . For **the dti**, this requires renewed vigour in the implementation of growth and transformation -enhancing industrial policies as captured in the Industrial Policy Action Plan (IPAP).

It is now widely accepted across the globe that industrialisation is fundamental to economic deveopment. This is because the industrial sector is unique in its ability to directly create decent jobs, while also catalysing investment and job creation in related sectors such as mining, agriculture and services.

Consequently, for every direct job created in the manufacturing sector, almost four indirect jobs are created and sustained in industries that supply inputs or provide services to the manufacturing sector.

Today, the richest countries in the world are classified as industrialised countries, providing a stark reminder that industrialisattion is essential to poverty alleviation and economic development.

For South Africa's industrialisation programme to succeed, however, there has to be adequate government support that creates a conducive environment for business to operate. To this end, Government developed and adopted the National Industrial Policy Framework (NIPF) and its implementation plan, the IPAP, in 2007.

The NIPF sets out Government's broad approach to industrialisation, while the IPAP sets out key actions for the implementation of industrial policy. Key industrial policy levers include a suite of incentives and investment support; trade policy measures to grow exports and lock-out illegal imports; the provision of world-class infrastructure in Special Economic Zones (SEZs); and targeted support for local procurement of the goods and services that the state procures itself.

Using these industrial policy levers, **the dti** has attracted and sustained investment in the manufacturing and related sectors, created decent jobs, increased exports, grown tax revenue and directly contributed to economic growth.

Furthemore, these levers have contributed to skills development and capabilities building, equipment upgrading, and helped to sustain companies that would have been lost due to increased international competition in sectors such as clothing and textiles. Ninian and Lester clothing company, for example, may well have closed down due to the sustained import surge South Africa has been experiencing.

Instead, the company has received assistance from **the dti** and is now not just growing, but has also saved another company, Dyefin, from shutting down its operations.

These success stories confirm that South Africa is home to many outstanding entrepreneurs, many of whom require - often only very modest - assistance from Government to grow their businesses , transform and create jobs. The successes go beyond clothing and textiles to many other sectors such as automotives, agro-processing and boat- building.

However, these success stories often share a common thread, a determined entrepreneur or management team, responsive government support, and a progressive workplace where workers are valued and nurtured. The purpose of this report is to showcase concrete examples of the partnerships between business, Government and workers to grow the economy create jobs and transform South Africa.

The industrial policy interventions and their impact on enterprises clearly demonstrate that Government support works if it is carefully designed and consistently implemented.

RHODES FOOD GROUP

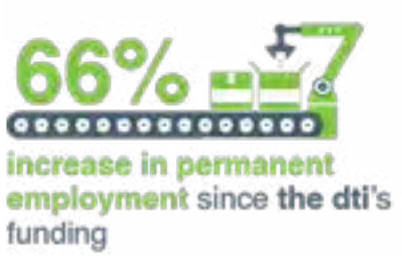
Western Cape

Company background

Rhodes Food Group has established itself as one of the leading brands in high-quality meal solutions for fresh, frozen and long-life products across Africa. The Rhodes Food Group was established in 1896 as a fruit-processing company and is now a top listed food company on the Johannesburg Stock Exchange (JSE).

Funding has enabled Rhodes to expand its facilities, and increase capacity and employment.

Rhodes Food Group boasts 13 state-of-the-art manufacturing and storage facilities, and two agricultural farms (dairy and pineapple). Other agricultural products are acquired from contract farmers, which in turn provide employment opportunities.



Installations and upgrades

Funding has enabled the Rhodes Food Group to upgrade six of its facilities, including Bull Brand, pies and pastries, storage and dispatch facilities, juice (production) plant, and vegetable plant with the installation of a state-of-the-art tomato-paste sachet line.

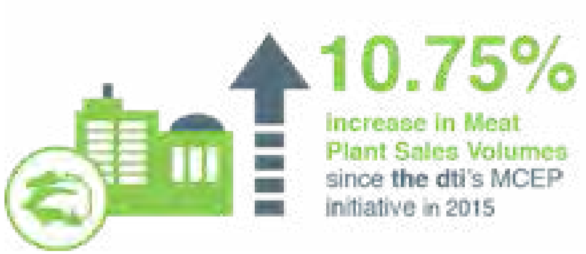
New product ranges

Rhodes has been able to install and upgrade equipment to produce nine new product ranges, including fruit cup products, pies and pastries, fruit juices, baby food, canned vegetables and tomato-paste sachets.

Impact on production and sales volumes

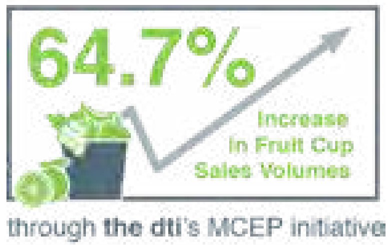
The Krugersdorp meat plant sales volumes have increased by 10,75% since 2015, from 35 919 864 units to 39 781 386 units in 2017. This has been due to a factory upgrade.

The expansion of Rhodes Food Group pie factory and cold-storage facilities, together with the acquisition and incorporation of the St Pie business, resulted in a 104,7% increase in production volumes (1 977 779kg in 2015 to 4 048 815kg in 2017).



Growing export markets

Previously, Rhodes exported fruit cups mainly to the Australian market from its manufacturing plant in Swaziland. Rhodes installed a fruit-cup manufacturing plant in Tulbagh, Western Cape, to expand its exports to Europe and North America. This has also increased the overall fruit-cup sales volumes by 64,7% (from 21 083 746 units in 2015 to 34 726 780 units in 2017).



Tomato-paste sachet line

The MCEP incentive has enabled Rhodes to relocate and upgrade existing equipment to produce tomato-paste sachets, which were previously imported from China. Production of tomato-paste sachets at the flexible packaging factory in Groot Drakenstein began in October 2017 and has since produced 41 104kg of product.

Tomato-paste sachet packaging

46 new jobs created at the newly-commissioned Flexible Packaging factory, thanks to **the dti**

Storage facility, Groot Drakenstein

Flexible packaging

Flexible packaging equipment, Groot Drakenstein

The newly commissioned flexible packaging line at the Groot Drakenstein site also produces the Squish baby food range and has created 46 new jobs, giving preference to locals. Local production and a shortened logistical chain has reduced the cost of products, and minimised exposure to foreign currency fluctuations thereby increasing competitiveness.

Increasing employment opportunities

Before **the dti**’s involvement, Rhodes Food Group employed a total of 3 914 permanent and non-permanent employees. An additional 536 people have since been employed, bringing the total number to 4 450.

Ready-meals facility, Groot Drakenstein

Employment creation

Women

In 2015, 2 080 women were employed at Rhodes. The number of women employees has increased by 225 or 10,8%, totalling 2 305 in 2017.

Ready-meals facility, Groot Drakenstein

Youth

In 2015, there were 442 youth employed at Rhodes Food Group. A further 1 538 youth have been employed, bringing the total number to 1 980 in 2017.

Ready-Meals Facility, Groot Drakenstein

Persons with disabilities

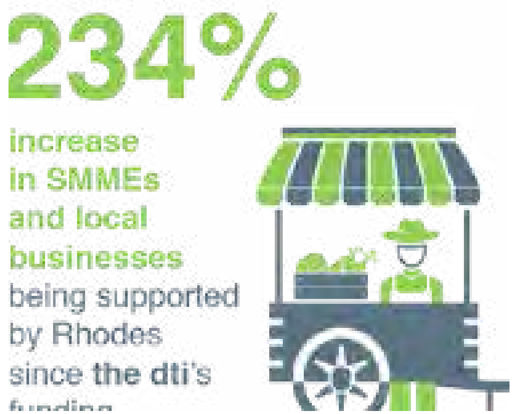
Before receiving funding from **the dti**, Rhodes employed 32 persons with disabilities. It increased its employment of persons with disabilities by 100%, from 32 to 64 in 2017.

From general worker to permanent filling operator

Grant de Villiers has been working for the Rhodes Food Group for the past three years. He has been promoted from a non-permanent general worker to a permanent filling operator. His promotion is a result of the MCEP incentive, which included funding for Rhodes employees to be trained to operate new equipment and machinery.

Providing education for the next generation

Zolile Enoch Betane previously worked as a decanter, forklift driver and maintenance worker before Rhodes acquired the company he worked for. He has been a supervisor at Rhodes for the past two years. As the breadwinner of his household, Enoch is now able to send his children to school and give his family a better life.



Supporting SMMEs and local businesses

Rhodes Food Group supported 292 SMMEs and local businesses in 2015. Since then, the number of SMMEs and local businesses supported increased by 682 or 234%, resulting in a total of 974 for 2017.

Rhodes' ready-meals facilities in Gauteng and the Western Cape have been partially funded by the MCEP. This funding has enabled Rhodes to purchase JetCook equipment, which has significantly reduced cooking times, thereby increasing production volumes and profits.

Industrial boilers and Jet Cook equipment – new Clear Juice plant

Wellington Juice Plant

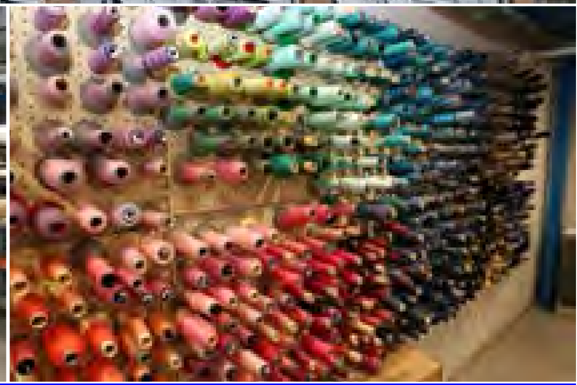
The Rhodes Juice Plant in Wellington benefitted from the 12i Tax Allowance in 2016 and has since installed four new packaging lines, improved blending, upgraded the warehouse and doubled its previous turnover of R365 million. The plant produces 600 to 700 different juices, packages and sizes, and focuses on contract packaging of juices for various brands, as well as the blending and packaging of Rhodes juices.

Juice production line, Wellington

Juice plant, Wellington

Clear Juice equipment to be installed in the refurbished building, Groot Drakenstein



NINIAN AND LESTER
KwaZulu-Natal

Company background

Ninian and Lester was established in 1936 to manufacture ladies' underwear and is now a vertically integrated textile manufacturing business situated in Durban, KwaZulu-Natal. Since 1951, Ninian and Lester has been the sole licence holder for the manufacture of the renowned American Jockey brand in South Africa and African countries south of the Sahara.

Ninian and Lester has utilised **the dti**'s funding to focus on meeting the demand and supply of its consumers. This has been achieved through the introduction of advanced systems, processes and equipment that allow for more capacity and improved turnaround times, ultimately giving Ninian and Lester a competitive edge.

A vital part of the value chain

Towards the end of 2010, Ninian and Lester made a decision to close its wet processing and printing plant in Pinetown. The company considered the offshore manufacture of goods from China, but this came with the problem of long turnaround times that could result in excess stock that would not sell by the time it arrived. Instead, Ninian and Lester acquired a 50% shareholding in Dyefin, which at the time was struggling with the effects of cheaper imports in the textile industry. Ninian and Lester's investment helped to sustain Dyefin and prevent it from closing its doors.

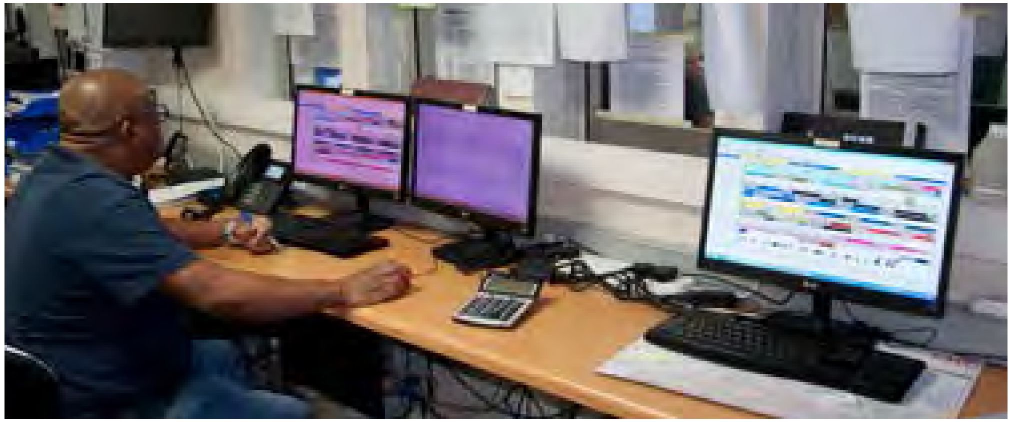
Thies iMaster dyeing machines

Ninian and Lester invested R49 million from the PI funding into equipment installed at Dyefin. This equipment enabled printing capabilities and the introduction of digital printing in 2018.

The new Bruckner tubular dryer installed at Dyefin

Dyefin has installed 10 new Thies iMaster dyeing machines since 2014. These machines have not only resulted in greater productivity, but also cut water and electricity consumption by 40% and 50% respectively. Setex process control software runs the Thies iMaster Dyeing Machines and ensures that Dyefin gets the best out of the machines.

Thies iMaster dyeing machines



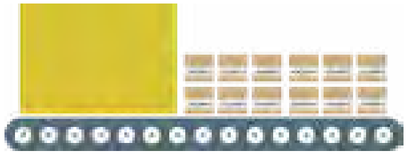
Enabling export

Ninian and Lester was struggling with inefficient equipment and processes that could not produce garments for export that met European standards. Since receiving funding and investing in improved equipment and processes, Ninian and Lester has been able to export garments throughout Africa since 2011 and Europe since 2014. Europe previously imported Jockey garments from China, but now imports from Ninian and Lester, affirming the company's competitive edge.

Efficient processes

Ninian and Lester has introduced advanced systems and processes that improve turnaround times, increase volume output and allow for flexible capacity. The Agile approach encourages all members of the team to work together in the same area to reduce turnaround times and increase productivity.

3 x more volume



Output enabled by **the dti**'s funding

Ninian and Lester recently purchased two Bulmer automatic laying machines. Fabric is rolled out by the machines before it is cut into different shapes according to the lay. The lays are done at a computer farm in Ireland to determine the best possible way to utilise all the material without wastage.

Elastic robot machines were also purchased to join the elastic bands of garments with a perfect stitch in less than 10 seconds. The elastic bands were previously joined by hand-stitching. Automation of this process has significantly reduced production times.

Ink and heat transfer machines were purchased to move branding and labelling in-house. This process previously took around three weeks when outsourced, but now takes around three hours done internally.

Three hours as opposed to three weeks for branding and labelling

Binding machines, which bind the fabric for garments, were also purchased and have significantly reduced wastage and improved production times.

One of the ways in which Ninian and Lester meets supply and demand is by prioritising capacity over stock. Capacity should be flexible and be able to produce high demand garments very quickly. The 'cage' holds more 400 000 stock-keeping units and all units are dispatched every 10 days.

Stock keeping units dispatched within 10 days

Increasing employment opportunities

Ninian and Lester employed a total of 1 092 employees before the dti**'s funding in 2010. Employment has since increased by 156 to reach 1 248 employees in 2017.**

156 people employed since receiving funding from the dti

Retaining employment through learning

During off-peak seasons, some employees are retained in the training school where they acquire skills. Adult Education and Training (AET) has also been provided, improving literacy among Ninian and Lester employees. The training school boasted more than 600 000 training hours in 2017.

120 employees retained through training since 2010

Employment creation

Women

In 2010, 932 women were employed at Ninian and Lester. One hundred and nineteen additional women have been employed, bringing the total number to 1 051 in 2017.

119

Women employed through the dti's funding

Youth

In 2010, there were 538 youth employed at Ninian and Lester. An additional 165 have since been employed, bringing the total number to 703 in 2017.

165

youth employed since receiving funding from the dti

5

persons with disabilities employed since receiving funding from the dti **in 2010**

Persons with disabilities

Previously, there were no persons with disabilities employed at Ninian and Lester. Since receiving funding in 2010, five persons with disabilities have been employed.

Dreams do come true

Precious Msizwama had always dreamt of becoming a supervisor. Through **the dti**'s funding, she has achieved level 3 in AET and is currently on Phase 2 of her supervisor training. In a few more months her dream will become reality.

From social grant to monthly salary

Msizi Mbili was previously unemployed and living off a disability grant. Funding into Ninian and Lester led to his employment in the receiving department of the company in May 2017. He is proud to be earning a living and supporting his family.

“Before, I could not do much with a disability grant, but now that I have a job, I can support my family and it makes me feel so happy.” said Mbili.

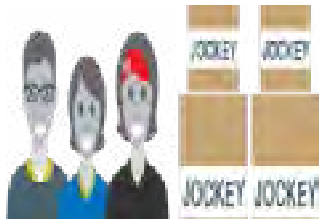
Enterprise Development Programme

As part of the Enterprise Development Programme, Ninian and Lester has partnered with Texcon (Pty) Ltd to create the Texcon Hawkers Forum. The programme was created for hawkers who purchase products from the Ninian and Lester factory store and sell them in informal shops. Ninian and Lester recognised the business acumen in these street vendors and wanted to assist them to become formal business people who are collectively seen as a large consumer. The company afforded them the opportunity to study an accredited business course to improve their skills. At the end of the first year learnership, these street vendors were awarded a SETA certification and formal graduation ceremony.

Loba Media Networks is a youth-owned SMME that is currently developing an app with Vodacom that will allow the hawkers to pay for the stock they purchase. Egsibit, a black- and women-owned entity, has facilitated the New Venture Creation and IT training in Durban for the Texcon Hawkers Forum, while Texcon (Pty) Ltd, a youth- and women-owned company in Durban, facilitates the sales and marketing for the hawkers.

R4 million

worth of garments purchased by hawkers in 2017



70

street vendors in the Texcon Hawker’s Forum programme since 2016

PROFIBRE
KwaZulu-Natal

Company background

Profibre (Pty) Ltd offers turnkey solutions for the design, manufacture, production, assembly and delivery of composite parts for medium and heavy commercial vehicles. The company produces fibreglass products for Bell trucks, MAN, Marcopolo, General Electric and Gibella.

Assembly of Bell E-Series hoods

Moulding stage of Bell E-Series hoods

Aiding the expansion of a business

Previously, Profibre produced the Bell D-Series hood. In order to continue work for Bell, Profibre needed to upgrade and install equipment necessary to produce the Bell E-Series hood. Without **the dti**'s funding, Profibre would not have tendered or won the tender for the new model of Bell hoods.

E-Series Hoods

Welding, assembly and automated cutting and trimming

Profibre purchased a Robotic welder to weld the frames for the Bell E-Series hoods. Handrails for Bell trucks and frames for Gibela Rail train seats are also produced using this equipment.

The Robotic Trimmer is used to cut through the fibreglass components of the Bell E-Series hoods. This equipment is also used to trim the fibreglass fronts for buses and seats for Gibela Rail trains, as well as other fibreglass products manufactured at Profibre.

Galvanised steel extractors were purchased and installed in the grinding room.

The SAICO Post-Cure Oven is used for drying the fibreglass and removing air pockets from the hoods

.

Stores were upgraded to make room for the new components.

The Gel Coater is used in the moulding stage of the Bell E-Series hoods.

Improved capabilities with existing customers

Equipment for the Bell E-Series hoods has produced fronts for VW and MAN buses and safety handrails for Bell.

Fronts for MAN buses

Bell safety handrails

A competitive edge

The new equipment has enabled Profibre to produce seat frames and seats for Gibela Rail trains. The Gibela Rail project is a substantial development for South Africa and being a part of it gives Profibre a competitive edge.

Seat frames for Gibela rail trains

Completed and packaged seats for Gibela rail trains

Employment retention

Thirty employees were retained at Profibre as a result of the company being able to produce the Bell E-Series hoods. These employees would have been retrenched if the factory had not been able to produce the hoods.

30 employees

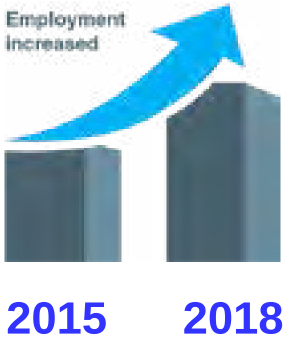
were retained as a result of Profibre being able to produce the Bell E-Series Hoods

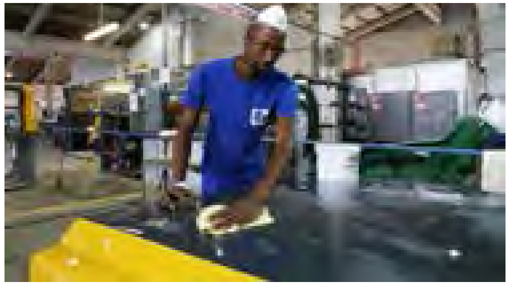
56%

of youth make up Profibre's current total number of employees

Employment creation

In 2015, Profibre had 149 in its employ. Employees increased to 155 in 2018.





Youth

In 2015, there were 82 youths employed at Profibre. The number of youth employed has increased to 86 in 2018. Fifty-six per cent of youth make up Profibre's current total number of employees.

A brighter future for Khayelihle

Londiwe Gumede has been an employee at Profibre since 2007. Her recent promotion to Senior Quality Inspector in 2015 enabled her to take care of her disabled son, Khayelihle Gumede (11), underwent an operation in May 2017 and is now able to walk for the first time with the aid of a walker.

Rising up the ranks

Kyle McVie has worked at Profibre for the past seven years. He became a Team Leader in the Bell E-Series production line in 2015. His new position has allowed him to support his wife and son, as well as the little McVie baby on the way.

Products

Handrails and seats produced by Profibre

Hood covers produced by Profibre

Front covers produced by Profibre


BELL
B40D





COEGA (CDC) SPECIAL ECONOMIC ZONE
Eastern Cape

The Coega SEZ main building, completely funded by **the dti**

Introduction

Coega (CDC) is the largest Special Economic Zone (SEZ) in Southern Africa. It was designated in 1999 and was South Africa's first Industrial Development Zone (IDZ). The Coega SEZ is strategically located on the east-west trade route to service both world and African markets. It leverages public-sector investment to attract domestic and foreign direct investment in the manufacturing sector with an export orientation. The SEZ has attracted investment in the agro-processing, automotive, aquaculture, energy, metals, logistics and business process services (BPS) sectors. This has advanced socio-economic development in the Eastern Cape region through skills development, technology transfer and job creation.

Responding to an economic challenge

Coega was designated as an SEZ in response to an economic challenge facing South Africa at the time, and has successfully spread economic development with its ever-increasing number of investors. The Coega SEZ contributed approximately R3.9 billion to the Eastern Cape GDP as at March 2018 and more than 69% of the companies source 70% or more of their inputs locally.

SEZ's competitive edge through incentives

the dti offers a number of incentives to investors to ensure the growth of the SEZ, generation of revenue, creation of jobs, attraction of FDI and international competitiveness.

These include:

- a **reduced corporate income tax rate** of 15% for qualifying companies, instead of 24%;
- an accelerated depreciation **building allowance** of 10% for qualifying businesses;
- a **12i tax allowance** in relation to capital investment for new projects and expansions to existing projects;
- **VAT and customs relief** for businesses within customer-controlled areas; and
- **employment tax incentive** for employers that hire low-salaried staff (below R60 000 per annum).

SEZ's competitive edge: Close proximity to Port of Nqgura

Coega is conveniently located adjacent to the Port of Nqgura, the third-largest harbour in South Africa, owned by Transnet. Nqgura is a deep-water port and can accommodate expansion and larger ships, unlike other ports. This makes the SEZ an ideal location for investors. OSHO Cement, for example, is a new investor at the SEZ that requires larger ships to come into the harbour for its exports of cement. As a result, the Transnet Port Terminal (TBT) is expanding its berths.

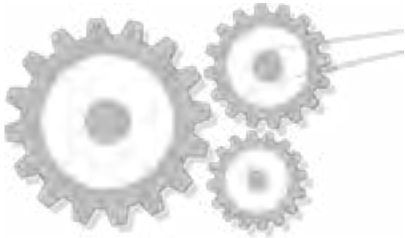
A total of 6 697 unemployed people benefitted from the Coega HCS training programme.

SEZ's competitive edge: Human Capital Solutions

Coega provides added value to its investors through Human Capital Solutions (HCS). The training and social facilitation services provided by HCS give members of the community a fair and equal chance of working in the SEZ.

Investment

the dti's funding into Coega has gone into the development of the SEZ. Coega utilises the funds to build infrastructure and provide basic amenities such as water and electricity, enabling investors to start production as soon as they move in. This is one of the many reasons investors are drawn to the SEZ.



122 projects,

R77 billion investment value

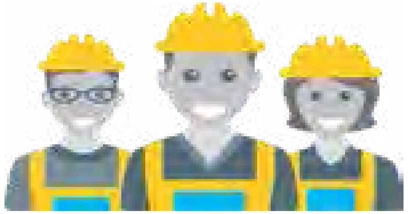
34 operational investors

The Coega SEZ has attracted more than 34 operational investors with a total investment value of R77 billion, 15 of which joined the SEZ in the 2017/18 financial year. Investors in the Coega SEZ are from a wide variety of sectors such as automotive, metals/metallurgical, logistics, agro-processing, aquaculture, energy, chemicals and business process outsourcing (BPO).

Eighty-four per cent of companies that invested in the Coega SEZ reported an increase in profitability and 60% of the Coega SEZ's operational investors are considering expansion.

Employment created through construction

the dti's funding has enabled the SEZ to hire more employees for the construction and development of factories, warehouses, buildings and infrastructure. Since inception to date, the Coega SEZ has created 8 516 construction jobs for people within the community, who can then bring in an income to the local economy and sustain their families.



8 516

construction jobs were created since the inception of Coega SEZ

Direct and indirect employment created

Total direct operational employment in the CDC-managed zones is 5 542. Fruit processing for export is the single-largest generator of operational employment, with 1 783 jobs created. During the construction phase, 8 516 jobs were created, supporting many households in the Eastern Cape. Indirect jobs created are by far the largest (28 932), clearly showing the linkages that these investments have with other sectors of the economy. Seventy-five per cent of staff employed by investors are previously disadvantaged individuals.

Women employed at the SEZ

The Coega SEZ reported a figure of 2 697 women working within the SEZ to date. This is 43,7% of the total employment.

43.7% (2 697)

of women employed

Youth

Fifty-six per cent (3 493) of operationally employed people in the Coega SEZ are between the ages of 18 and 35.

56% (3 493)

of youth employed

Persons with disabilities

Currently, Coega has 16 persons with disabilities throughout the organisation. As part of Coega's strategic talent management approach, the organisation has developed partnerships with Nelson Mandela University to develop training programmes that focus on skills development of youth and persons with disabilities, including diversity and personal effectiveness, safety, health and environmental risk control, applied emotional intelligence for self-management and communication in business.

Selected companies operating in the SEZ

Auto Sector

Beijing Automobile International Corporation (BAIC)

BAIC is a wholly-owned subsidiary company of BAIC International Development Co. Ltd. The Chinese state-owned company is the holding company for several brands, including Beijing Automotive Works and an import and export corporation of the BAIC Group. The R11-billion automotive investor is expected to create 2 500 jobs once operational.

2 500 jobs

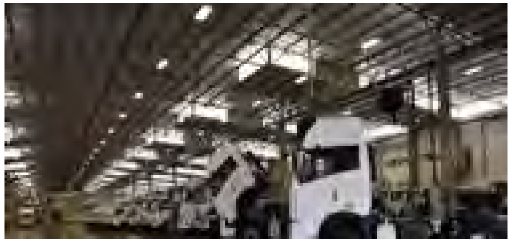
expected to be created once BAIC become operational

First Automobile Works (FAW)

FAW is a leading Chinese vehicle manufacturer with a total investment value of R600 million in the Coega SEZ. Since it became operational in July 2014, the company has created 101 jobs. FAW is one of the four companies within the SEZ that exports products to countries such as Kenya, Tanzania and Australia.

101 jobs

created



ISUZU

The ISUZU plant was previously General Motors South Africa, which housed its Pan-African Parts Distribution for ISUZU, Opel and Chevrolet. General Motors was signed as an investor in 2009, but became ISUZU in 2017 when General Motors moved out of South Africa. The automotive parts distributor invested a total of R176 million, creating 110 jobs

Renewable Energy

Dedisa Peaking Power Plant

Dedisa is a consortium led by international power company GDF Suez. It originates from France and has invested R3.5 billion in the SEZ. The plant consists of two open-cycle gas turbines (OCGTs) able to produce 335MW of renewable energy, supplying roughly half of Nelson Mandela Bay's power requirement. The energy-sector investor has created 30 operational jobs to date.

Electrawind

Electrawind is a Belgian company that has invested R1.2 billion in the Coega Wind Farm Project to build 25 turbines, each producing enough renewable energy to power about 1 700 Nelson Mandela Bay Metropolitan households within the national grid. This project has created 120 jobs

Agro-processing

Dynamic Commodities

Dynamic Commodities has grown into an award-winning company in the Coega SEZ. The agro-processing company produces a range of frozen food products for export and was the first investor in the Coega SEZ. The South African-based company has invested R61.5 million into its operations since 2007 and currently employs the most people of any investor in the SEZ, between 1 200 and 1 400 workers, from the 160 before moving into the SEZ. Ninety per cent of the employees are women.


90%

of the employees are women

Coega Concentrate

Coega Concentrate, which is a joint venture of Coega Dairy and Famous Brands, is a state-of-the-art tomato-paste manufacturing plant. The agro-processing South African company is valued at R90 million.

Coega Dairy

Coega Dairy is owned by 13 commercial milk famers and shareholders. The South African agro-processing company has been operational from September 2011. Coega Dairy is the first dairy in South Africa to invest in a plant design that is significantly more efficient than conventional ultra-high temperature (UHT) milk-processing solutions available in other South African plants. The R40-million investment has created 182 jobs.

Cerebos

Cerebos operates in the agro-processing sector and was signed in 2007. The South African company produces a variety of salts for domestic and export markets. The R60-million investment has created 137 jobs.

Cement

OSHO Cement

OSHO Cement is a R600-million investor from India in the metals sector. Two-hundred-and-fifty-seven construction jobs have been created thus far. Construction is expected to be completed at the end of 2018, creating 150 operational jobs. OSHO Cement is one of the three registered CCA enterprises that use **the dti**'s VAT and customs relief incentive.

Kenako Concrete

Kenako Concrete is a beneficiary of **the dti**'s Black Industrialist Programme. Construction is under way for the R78-million ready-mix concrete plant in the Coega SEZ, creating 98 construction jobs. The plant will create 59 sustainable jobs once operational.

Logistics

APM Terminals

The R25-million logistics investor is a global first-class depot and port terminal operator originating from South Africa. It meets the needs and expectations of shipping lines and cargo owners by providing a full range of services for dry and reefer containers, including landside services such as repairs, handling, storage, monitoring and container conversion. APM Terminals also operates a trucking yard from its depot and has created 25 jobs.

PE Cold Storage

The South African logistics company operates a pre-cooling and storage facility in the Coega SEZ for the local citrus and deciduous fruit industries, as well as for export. PE Cold Storage signed with Coega in 2007. Recently, the company injected a further investment of R100 million, which resulted in the doubling of the existing storage capacity of 7 500 pallets to about 15 000 pallets, with a total value amounting to R49 250 000 and 160 jobs created.

Vector Logistics

Vector Logistics is a frozen distribution facility in Zone 1 of the Coega SEZ. The company operates within the South African food industry, providing integrated logistics services to the retail, wholesale and food service sectors. The value of this investor is R141 million and it has created 135 jobs to date.

Digistics

Digistics is a South African logistics company operating in the Coega SEZ since 2009. The fast food warehousing for distribution company has a total investment value of R5 million and has created 51 jobs.

ID Logistics

ID Logistics is a cold storage and distribution centre. Its products include end-to-end control of product flows, from manufacturer to end customer, allowing for whole chain traceability, faster product flows and lower stock levels. The South African company was signed in 2013 with a value of R35 million and 50 jobs.

DSV

DSV Distribution is Southern Africa's largest distribution company in the logistics sector, specialising in the movement of small parcels and documents through South Africa. The company has been operating in the SEZ since June 2008, with a total value of R30 million, and has created 86 jobs to date.

Gas

Air Products

The R300-million Air Products air separation unit (ASU) became operational in 2014. The plant is a highly efficient and reliable plant that produces liquid oxygen and nitrogen, as well as the installation of strategic product storage facilities for critical customers in the Eastern Cape. The industrial gases investor has created nine operational and 42 construction jobs.

Afrox

Afrox operates within the chemicals sector and utilises a 150-ton-per-day ASU in the SEZ to service customers throughout the Eastern Cape. Afrox was signed in 2013 with a total value of R264 million, creating 12 operational and 150 construction jobs.

Steel Sector

Agni Steel SA

Agni Steel SA has invested R400 million in a steel plant in the Coega SEZ. The Indian steel manufacturer operates a high-tech smelting facility to produce mild steel billets from scrap metal. These billets are then exported to India and other African countries. The company has created 200 operational jobs in the SEZ.

SMME Support: CDC Multi-User Facility

The CDC Multi-User Facility offers 18 units for SMMEs to join the SEZ, with cost reductions resulting from the sharing of infrastructure such as off-loading and secured parking areas, sufficient truck turning areas, 24-hour security, boardrooms and offices, and modern information communication technology (ICT) that enables a plug-and-play environment. The R86-million facility is currently fully occupied, creating 197 jobs.

SMME support: Contracts

Coega SEZ awarded 29 SMMEs with contracts in 2016/17 and 19 in 2017/18. Four of these SMMEs were youth-owned enterprises, while 12 were women-owned. These contracts were for the construction of SEZ buildings and supply of concrete and civil works.

The Maxwele Clinic, a R24-million project, was built with the help of 52 local residents, who benefited with 35% of the project value. The clearing of the BAIC site saw 11 SMMEs from the Nelson Mandela Bay Metropolitan Area, including two women-owned companies, given work packages valued at more than R17 million.

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SMMEs were awarded contracts from 2016-2018

In addition, four SMMEs were awarded the contract to supply fencing for the Customs Control Area in Zones 1 and 2 of the IDZ. This project is putting R5 million into the local coffers. The CCA Warehouse (shown below) in Zone 1 is currently being built entirely by SMMEs.

Coega Business Process Outsourcing Park

The Coega BPO Park houses Discovery and WNS call centres.

- Discovery is one of the largest companies in South Africa, offering a range of insurance policies within South Africa. The investment value is R15 million with 1 200 jobs, the majority for youth.
- WNS Holdings is a Business Process Management leader, offering a variety of services within South Africa. The R33-million investment has created 956 jobs.

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