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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

104. Mr M Nhanha (Eastern Cape: DA) to ask the Minister of Trade, Industry and Competition: (*Interdepartmental transfer – 26 April 2024*)

- (1) When will he invite and/or join the person in whose name the question stands for an oversight at Beijing Automotive Industry Corporation (BAIC) in Port Elizabeth as he made an undertaking to the National Council of Provinces in the Policy debate on Budget Vote 39: Trade, Industry and Competition on 25 May 2023;
- (2) (a) what is the breakdown of funding that assists in the operations of BAIC since its inception to date, including the funding (i) sources and (ii) model and (b) when will the first car be manufactured at the plant? CW112E

Reply:

It appears the question was initially directed to the Minister of Public Enterprise on 19 April, and only redirected to Trade, Industry and Competition. My office was not able to find a reference to an undertaking made and the member is kindly requested to provide further details.

In respect of the further queries, I am advised as follows:

The funding for Phase 1 of the project involves about R4,5 billion, the bulk of which comes from BAIC, with co-funding by the IDC and the dtic. The funding from BAIC and IDC is made up of shareholder loans as well as ordinary equity.

The budgeted amount for Phase 1 was R5 billion, but the actual cost of construction came to R 4,3 billion.

The DTIC approved R243 million for BAIC bulk infrastructure (includes Platform Construction; Ring Road Construction; Fire Ring Main Construction; and electrical works) which was completed in February 2024. The only outstanding process is the Electricity switchover from Nelson Mandela Bay Metro Substation to BAIC Substation within the Coega SEZ.

The plant was originally set up up/built to produce X25 and B20 models. The success of the X55 model in South Africa has necessitated a modification of the plant to produce this locally.

The plant was completed and commissioned in June 2023. The first car was tested and came off the plant line at this time. Since January 2024, SKD (semi knocked down) production has commenced with ca. 95 units per month being produced.

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