



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

QUESTION NO. 360

Establishment of SEZs in Nkomazi

Ms H S Boshoff (Mpumalanga: DA) to ask the Minister of Trade, Industry and Competition:

- (1) Whether, with reference to the establishment of Special Economic Zone (SEZ) in Nkomazi, (a) the Right of Way Servitude and (b) Water Use Licence that is subject to detailed engineering designs have been obtained from the private owner; if not, why not; if so, what are the relevant details;
- (2) (a) what discussions have taken place between his department, the Mpumalanga Economic Grant Agency and SEZ entity, (b) how many investors have been secured, (c) in which sectors, (d) what amount has each investor agreed upon and (e) how many jobs will be secured in each sector? CW490E

REPLY

- (1) (a) The Industrial Zones Programme (IZP) indicated that the Right of Way Servitude for the main entrance has not been finalised. The process requires the finalisation of detailed engineering designs. Discussions have been held with SASOL and the private operator of the garage for the registration of the servitude. The exact point for Right of Way Servitude will be identified once designs are in place.
- (b) the Water Use Licence has been obtained.

- (2) (a) Discussions that took place between the Mpumalanga Economic Growth Agency (MEGA) and SEZ entity, have been facilitated by the IZP on behalf of the Department. These discussions resulted in MEGA entering into a Service Level Agreement (SLA) with the Department of Economic Development and Tourism. The SLA entrusts MEGA to lead to the establishment phase of the Nkomazi SEZ entity and appoint full-time staff.
- (b) One investor (DP World) has been secured and Heads of Terms signed.
- (c) DP World is a Logistics company.
- (d) The IZP has confirmed that DP World has indicated the intention to invest R400 million in the SEZ. Three other investors are at an advanced stage – (i) Vutomi Energy to invest R8 billion on a Gas-to-Power Plant; (ii) Quattro-Cana to invest R1,8 billion in hemp processing incorporating the value chain; and (iii) Lebombo Cotton Gin to invest R150 million for cotton processing.
- (e) The DP World investment has projected 1,000 jobs.

-END-