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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1636

Mr R W T Chance (DA) to ask the Minister of Trade, Industry and Competition:

- (1) Whether he and/or his department is involved in the processing of the application by Coega Development Corporation, with the support of the Eastern Cape Provincial Government, to proclaim erven 2892 and 3278 as an extension of the Coega Special Economic Zone (SEZ) as per the Government Gazette Notice 5221; if not, what is the position in this regard; if so,
- (2) whether he will furnish Mr R W T Chance with a copy of the application; if not, why not; if so, what are the relevant details;
- (3) whether the application was in response to a request by a certain company (name furnished) to have a new facility included in the SEZ; if not, what is the position in this regard; if so; what (a) provisions of the Special Economic Zones Act 16 of 2014, were relied on to extend the SEZ as requested in the application and (b) are the reasons that the proposed facility was not located in the current Coega SEZ?
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REPLY:

- (1) Yes, the Minister has published on the 05 March 2025, his intention, in terms of the Special Economic Zones (SEZ) Act, 2014 (Act No. 16 of 2014), to designate the expansion of Coega SEZ; to include the development of a pharmaceutical and vaccine manufacturing precinct. The general public was given thirty (30) days to comment, which closes on 12 April 2025. Once all comments are received, the Department's SEZ Unit will evaluate and process the application for Cabinet approval.

- (2) No, the application has not incorporated the commentary process yet, as it is still open for public consultation; in addition, the draft application contains confidential clauses, which cannot be disclosed.
- (3) No, the Coega Development Corporation, with the support of the Eastern Cape provincial government, through the MEC of the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), submitted an application in November 2022 for the expansion of the Coega SEZ, to establish the proposed pharmaceutical and vaccine manufacturing hub; which will be located adjacent to Aspen SA's Operations Manufacturing Plant, in Gqeberha (Port Elizabeth). The planned expansion has secured four investments to the value of R2.4 billion; of which the Aspen expansion investment is considered the anchor investment in the hub.
- (a) The SEZ Act, 2014, does not contain any prescriptions on the amendment of SEZ boundaries. Therefore, when an application is received to establish a SEZ or amend its boundaries, it will be reviewed in line with section 23 of the Act. In the case of the Coega expansion application, it is aligned to section 23(1),(2)&(3) of the Act, however, based on the value proposition and the importance of the Zone, it was considered in terms of section 24(1) of the Act, which states: "Despite section 23, the Minister may, on his or her own accord, designate an area as a Special Economic Zone in pursuance of strategic national interests", to proceed with the application.
- (b) The available sites in the Coega SEZ do not provide the stringent accreditations required by the industry. The identified brownfield sites, which are already well developed, will reduce the number of new potential environmental permits necessary as oppose to the greenfield sites existing in Coega. Furthermore, given the identified site is located adjacent to Aspen SA's manufacturing precinct, it will allow for 'Just in Time' and 'Just in Sequence' support to Aspen.

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