



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 2455

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

With regard to the Musina-Makhado Special Economic Zone, what is the update on the (a) status of securing funds to complete the basic infrastructure necessary for the construction of top structures, (b) total funds (i) raised to date and (ii) still to be raised and (c) commitments from private sector investors in various sectors including (i) coal mining, (ii) electricity generation, (iii) steel making and (iv) other manufactured products?
NW3853E

REPLY:

- (a) The Musina-Makhado Special Economic Zone (MMSEZ) entity has indicated that they have secured via the Provincial MTEF for the period 2020/21 – 2026/27, R 1,070 billion in order to complete the basic infrastructure necessary.

Furthermore, **the dtic**'s Industrial Zones Programme is also assisting the MMSEZ entity with Technical Infrastructure advisory to ensure the development and implementation of infrastructure is done on time and within budget.

- (b) The estimated funds required to complete the bulk infrastructure is R 2,270 billion –
- (i) According to the MMSEZ entity from the R1, 070 billion MTEF allocation they have already received R 510 million to date; and

(ii) a further R 1,2 billion is still required.

(c) (i) The entity has reported that there is no coal mining commitment from the private sector.

(ii) The entity has highlighted that they have received commitments to the value of R38 billion within the renewable energy space from two companies, Red Rocket Energy (R10 Billion); and Kona Maanda (R28 Billion). It is estimated that these companies will generate a combined 3500MW.

(iii) MMSEZ reported on 5 private sector investors with a cumulative investment value of R 90,047 billion in iron and steel manufacturing:

Taiyuan Iron & Steel Company (Metua)	R72 billion
MCC International (Meta)	R14.4 billion
Tengy GROUP CO., Ltd (Meta)	R3.6 billion
Guangdong Yuda Construction Engineering Group Co., Ltd	R38 million
Kinetic Group	R900 million

(iv) MMSEZ also indicated, investment commitments in other manufactured products amount to approximately R 7 billion, with a focus on agri-processing, pharma and logistics:

TomAfricka - Merit Group (Agri)	R 350 million
Agri-Intelect Pty (Agri)	R 82 million
Berakot Farms	R43 million
Mob Power Solutions (Manu)	R1.6 billion
IntProd Synergy Development (Manu)	R3 billion
Abok Pharmaceuticals (Manu)	R263 billion
Soleil Du Sud (Manu)	R380 million
African Chemicals (Logi)	R20 million
Synergia Oil and Chemicals Pty(Ltd) (Logi)	R2.4 billion

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