

MINISTER OF TRADE AND INDUSTRY EBRAHIM PATEL

Investment Conference 2019 opening remarks.

On behalf of the South African government, I wish to very warmly welcome every delegate here today, to thank you for joining us on this beautiful early November day, in the industrial, commercial and financial heart of the African continent, at today's Second Presidential Investment Conference.

A special welcome to our foreign visitors, from 22 countries across the world, from developed and developing nations, from innovation-driven firms and multi-national corporations, from Fortune 500 Companies and representatives from 7 of the 10 largest global banks, to sovereign wealth funds and global DFIs with more than \$1,4 trillion US dollars under management.

I want to welcome delegates from the rest of the African continent, our home, our largest export market for manufactured products, increasingly a source of capital, skills and innovation.

To all our international guests, I want to welcome you all to Gauteng, where 35% of South Africa's wealth is generated; the province that accounts for 5% of the entire African continent's GDP; this place that is the Cradle of Humankind where of the earliest fossil record of humanity has been found and where today much of Africa's advanced technologies and scientific and industrial research capabilities are housed.

I want to welcome the delegates from South Africa, assembled here from all provinces, drawing together,

- Our publicly-listed companies a market capitalization of more than R10 trillion;
- the largest BEE companies and black industrialists in South Africa;
- Retirement Funds and the main asset and fund managers of the nation who have more than R6.2 trillion of assets under management;
- The five largest banks in SA
- youth entrepreneurs who represent the face of young South Africa,
- the largest women-owned firms drawing in a huge economic resource;
- rural enterprises who feed the nation;
- Members of Cabinet, Premiers, Parliamentarians, Mayors, economic regulators and government officials.

One year ago, President Ramaphosa convened the Inaugural Investment Conference. Investors engaged government on a range of topics, and many pledged fixed capital investments that totaled some R300 billion over a five year period.

In all, some R75 billion of that investment has already been spent in construction works, or ordering new equipment, or in expanding the business. That is one quarter of the total, in the first year of a five year investment horizon.

We would like to show you a few video clips of what companies have done since the pledges were made.

They included Mara Phones, who undertook last year to invest in a smart-phone manufacturing factory in SA, one that the President opened a few weeks ago in the Dube Trade Port in KZN. The manufacturing plant employs 200 youth, 67% of which are women , 94% of them unemployed but skilled.

They include

Komatsu South Africa, who pledged 960 million rands towards the development of a state of the art Komatsu campus in Johannesburg. This will serve as a regional hub. The company is currently busy with the final construction stages of their manufacturing centre on the campus that will be completed by June 2020.

Sumitomo Rubber pledged R970 million at the 2018 investment conference. They have since opened their factory and the tyres are rolling off the production line. They to partner with the rural and township area to encourage community development in the tyre fitment industry. The company aims to create 325 jobs by the end of 2019 as well as developing export markets in Sub Saharan Africa and elsewhere.

Vedanta is a natural resource company with interest in zinc-lead silver, iron ore, steel, copper, aluminium as well as oil and gas. The company pledged 21.4 billion rands at the 2018 conference for the construction of a Zinc smelter refinery in the Northern Cape province. The mining operations of this project

was launched in February 2019, and the company is looking to double mining production.

Aspen pledged 3.3 billion at the 2018 conference towards a new ampule and vial manufacturing facility, which will be largely dedicated to the manufacture of both local and general anaesthetics. You can see evidence of the construction of the facility that is taking place and is expected to be completed in December 2020.

SAPPI

SAPPI pledged R7.7 billion in 2018 towards its existing plants. Some R2.7 billion was allocated to expand SAPPi's dissolving wood pulp capacity, and R5 billion for the upgrade of its existing facilities. The facility is currently under construction and is at 40% completion. It is expected to yield 150 million rands worth of local enterprise and supplier development opportunities. SAPPI hopes to create 300 jobs through the investment. SAPPI is making another significant investment announcement today.

Anglo

Anglo American has committed to invest R72 billion between 2018 and 2022 on sustaining and extending the lives of its mining operations in South Africa. 14.8 billion rands was spent last year. Anglo aims to support the current 47000 jobs at its operations in Limpopo, North West, Mpumalanga and Northern Cape. Around 1500 jobs have already been created locally, and an additional 500 is expected, as construction activities ramp up.

EXARRO Resources

Exarro pledged an investment of R20 billion which is being rolled out across the six mining operations in the Limpopo and Mpumalanga provinces. The investment is geared towards the expansion of their production portfolio with R10 billion injected into expansion projects in Limpopo and another R10 billion across its mines in Mpumalanga.

Toyota made a pledge as part of the auto industry commitment and used that investment to upgrade their plant and localize the manufacture of side panels and floor sides as part of their additional local content for the Hi-Ace mini-bus taxi as you can see here in their Durban plant creating 80 additional jobs. They've brought advanced manufacturing technologies - 118 local parts are now being produced in South Africa, increasing the local content from 38% to 44%.

These visuals are snapshots of what investors have been doing following the last Conference. There are many others, like yesterday's sod-turning at the Tshwane Auto Hub, or the opening of the In2Foods Factory at the OR Tambo SEZ, or the opening of a Proctor and Gamble Factory last week Friday.

But today is also about the future.

I want to welcome now the President of the Republic, His Excellency Matamela Cyril Ramaphosa who is the host today, who set us the target to secure R1,2 trillion of investment in a five-year period, and who moonlights as a lifter of World Cups on an island somewhere in Asia.

It is my pleasure therefore to call on His Excellency, the President of the Republic, to officially open the Conference and give the keynote Address.

Mr President, your audience is settled, the nation is ready, the floor is yours.

Please welcome the President.