



The case for investment in South Africa

*New Dawn, new beginnings,
new growth. South Africa
inspiring new ways*

Why invest in the Republic of South Africa

REASONS WHY YOU SHOULD INVEST IN SOUTH AFRICA

01 HOT EMERGING MARKET

Growing Middle Class, Affluent Consumer Base, Excellent returns on investment e.g JSE 12.2% CAGR (2000 – 2017)

02 NO.1 DIVERSIFIED ECONOMY IN AFRICA

SA is the best manufacturing and leading services destination. SA is the regional manufacturing hub and the most industrialised country in Africa.

03 LARGEST PRESENCE OF MULTI-NATIONALS ON AFRICAN CONTINENT

SA is the Multinationals location of choice. Global corporates enjoy benefits of doing business in SA which has a growing and supportive ecosystem as a hub for innovation, tech and fintech.

04 PROGRESSIVE CONSTITUTION AND INDEPENDENT JUDICIARY

SA has a progressive Constitution and an Independent Judiciary. SA has a mature accessible legal system providing certainty and respect for the rule of law. Ranked no. 1 in Africa for the protection of investment and minority investors. Ranked 8th/36 upper-middle income countries (World Justice Project Index)

05 FAVOURABLE ACCESS TO GLOBAL MARKETS

The African Continental Free Trade Area (AfCFTA) will boost intra-Africa trade and create a bigger market of over 1 billion people with a GDP of \$2.6 trillion that will unlock industrial development. SA has several other trade agreements to enhance access to Global Markets

06 ABUNDANT NATURAL RESOURCES

SA is Abundantly endowed in precious metals. World's leading producer of PGM's. 6th largest producer of gold. World Renowned underground mining expertise. Over 110 listed mining companies with operations in SA.

07 ADVANCED FINANCIAL SERVICES AND BANKING SECTOR

Sophisticated banking sector with a major footprint in Africa. SA is a financial hub in Africa, with the JSE being the largest stock exchange by market capitalisation.

08 WORLD CLASS INFRASTRUCTURE AND LOGISTICS

Government Investment of over R1Trillion and continued investment in infrastructure. SA has the largest Air and Port networks that links into the African Continent. SA ranked no. 1 in Africa on the World Bank's Logistics Performance Index.

09 YOUNG TRAINABLE LABOUR FORCE

SA has a number of world class universities and colleges, producing a skilled, talented, capable work force. Diversified skill set, emerging talent, large pool of trainable labour and government support for training and skills development

10 EXCELLENT QUALITY OF LIFE

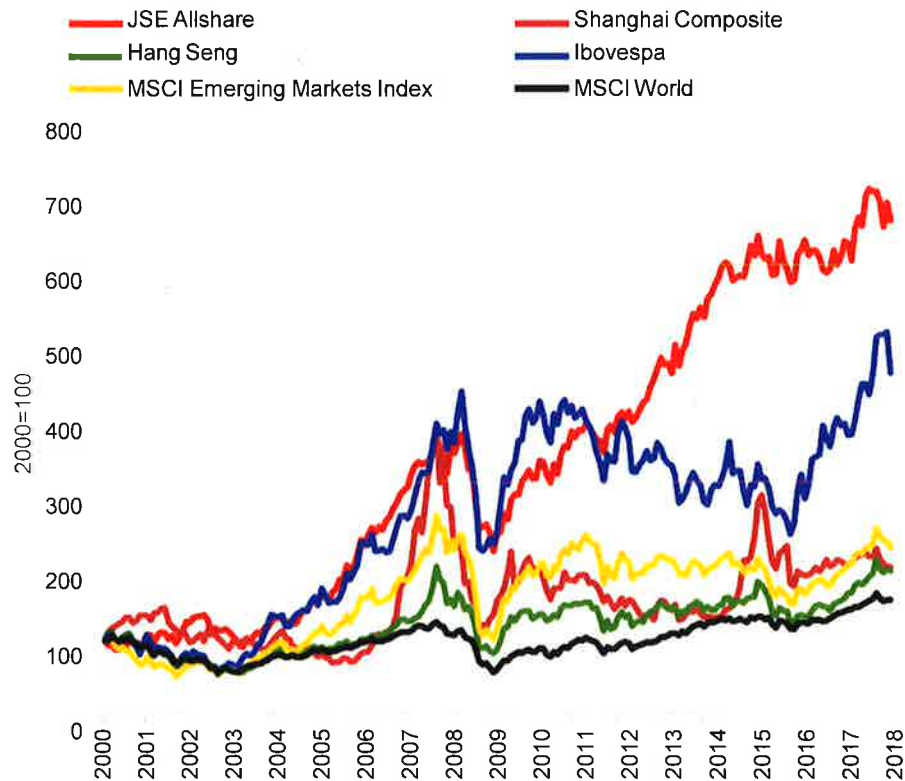
Favourable cost of living, diversified culture, cuisine and sports destination all year round. Renowned hospitality sector. South Africa has a Human Development Index (HDI) value of 0.67 putting the country in the the medium human development category

South Africa has produced exceptional long-term financial returns for investors

South Africa has outperformed a number of its peers...

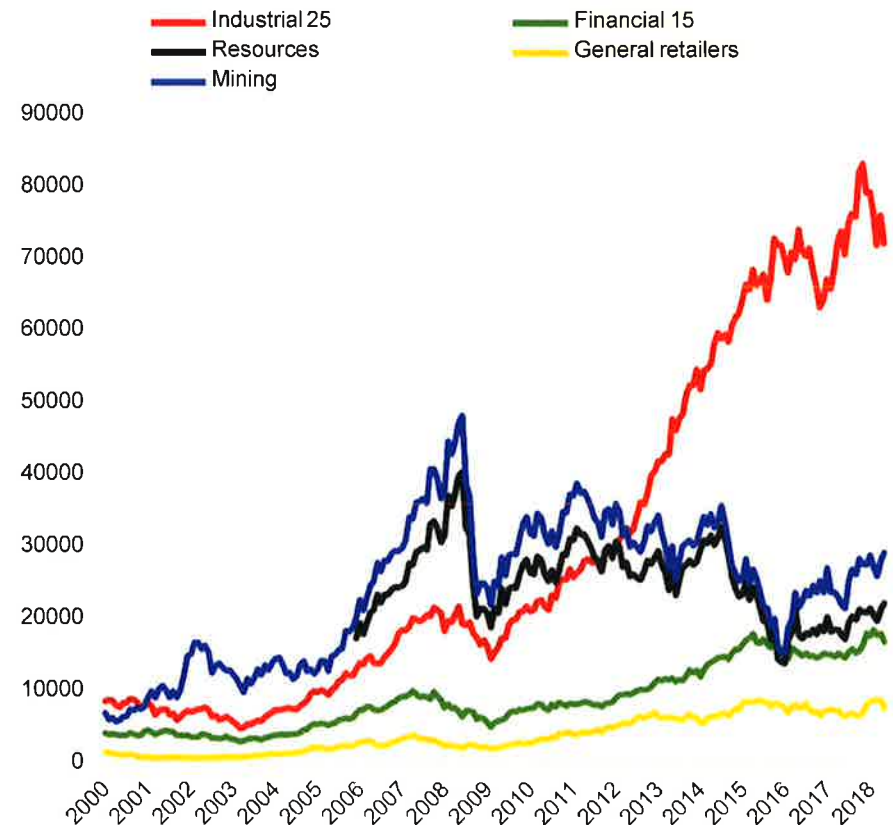
...with several sectors outside of the minerals value chain generating positive returns

Relative equities performance since 2000



Source: Bloomberg (data), National Treasury analysis

JSE Sectoral Indices



A global perspective of South Africa

- South Africa is one of the most sophisticated and promising emerging markets, offering a unique combination of highly developed first world economic infrastructure with a vibrant emerging market economy;
- South Africa is one of the world's 26 industrialized nations;
- South Africa has one of the largest economies on the African continent, accounting for approximately 25% of the continent's GDP;
- Advanced financial markets infrastructure, with the JSE Securities Exchange being Africa's largest and most developed Securities Exchange and one of the world's top 20 exchanges.



A global perspective of South Africa

- South Africa remains the world's top producer of minerals such as gold, platinum, rhodium, chrome, manganese and vanadium;
- South Africa holds 80% of global manganese reserves, 72% of chrome, 88% of platinum-group metals (PGMs), 40% of gold and 27% of vanadium;
- Unit labour costs in South Africa are significantly lower than those of many other emerging markets;
- South Africa scored well in various categories according to the 2016/17 World Competitiveness Index with overall competitiveness we are ranked 47th increasing from 49th;
- South Africa is ranked 29th in the world for efficient transport infrastructure.

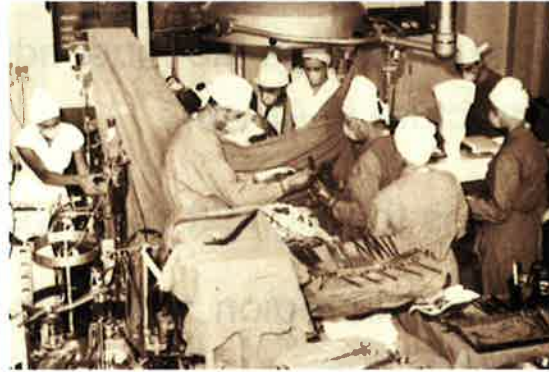


Infrastructure & accessibility in South Africa

- Internet and computer penetration in South Africa has the most advanced Information & Communications Technology (ICT) infrastructure in Africa;
- Internet and personal computer penetration is the highest in the region
- South Africa's internet infrastructure is the best in region, with upload and download speeds much higher than other regional economies;
- This helps to make South Africa an ideal location for investment in Software & IT, data centres, creative Industries and other activities involving high internet usage;
- South Africa has the highest number of secure internet servers in the region;
- South Africa has by far the largest road and rail transport system in Africa. As a result, the country hosts the largest cluster of air transport and water transport companies in Africa.



South Africa is world renowned for industrial innovation



The list of South African innovations includes:

- Computerised Axial Tomography (CAT) Scan;
- Coal-to-liquid fuel technology (Sasol);
- World's first heart transplant;
- Kreepy Krauly - world's first auto pool cleaning unit;
- Pratley's Putty;
- Dolosse;
- Retinal Cryoprobe;
- Smart lock safety syringe;
- Deep-level underground mining technology;
- Full body high speed radiology solution.

SA well positioned to facilitate regional investment

African country	Overall African ranking in 2017
Morocco	1
South Africa	2
Kenya	2
Ghana	4
Tanzania	5
Uganda	6
Cote d'Ivoire	7
Mauritius	8
Senegal	9
Botswana	10
Egypt	11
Rwanda	12
Tunisia	13
Namibia	14
Algeria	15
Zambia	16
Nigeria	17
Cape Verde	18
Cameroon	19
Ethiopia	20
Burkina Faso	21
Mozambique	22
Madagascar	23
Mali	24
Benin	25

Source: Ernest & Young

- South Africa (SA) ranks 2nd in the African continent (tied with Kenya) in terms of attractiveness, according to Ernst & Young's 2017 Africa Attractiveness Index.
- SA ranks 61st out of 137 countries in the World Economic Forum's (WEF) Global Competitiveness Index 2017/18, ranking relatively well in business sophistication (37th) and innovation (39th).
- In Sub-Saharan Africa, SA ranks 5th out of 48 countries in the World Bank's Doing Business 2018 report (after Mauritius, Rwanda, Kenya and Botswana).
- The cost of doing business in SA is a significant "pull factor", underpinned by factors such as:
 - Availability of key inputs (e.g. skilled labour, electricity supply);
 - Logistics (e.g. time to import/export etc.);
 - Supportive operating environment (e.g. sound banking sector).

SA well positioned to facilitate regional investment

Investment in Africa is projected to rise to \$1.2 trillion in 2017, according to the International Monetary Fund (IMF) in its *World Economic Outlook* (WEO) report published in April 2016.

South Africa is well positioned to attract investment, according to the WEO report. The country's strong economic fundamentals, including its high credit rating, stable macroeconomic environment, and well-developed infrastructure, are key factors that make it an attractive investment destination. The report also highlights the country's strong legal and regulatory framework, which provides a high level of investor protection.

General country information and fast facts

South Africa is a developed country with a high level of economic freedom. The country's economy is diversified, with a strong services sector and a growing manufacturing and mining sector. The country's infrastructure is well-developed, and it has a strong legal and regulatory framework. The country's credit rating is high, and it has a stable macroeconomic environment. The country's population is diverse, and it has a strong cultural heritage. The country's government is committed to economic growth and development, and it has implemented a number of reforms to improve the business environment. The country's infrastructure is well-developed, and it has a strong legal and regulatory framework. The country's credit rating is high, and it has a stable macroeconomic environment. The country's population is diverse, and it has a strong cultural heritage. The country's government is committed to economic growth and development, and it has implemented a number of reforms to improve the business environment.

South Africa (SA) ranks 5th in the African continent (tied with Kenya) in terms of attractiveness, according to Ernst & Young's 2015 Africa Attractiveness Index.

SA ranks 6th out of 131 countries in the World Economic Forum's (WEF) Global Competitiveness Index 2015, ranking relatively well in business infrastructure.

in Sub-Saharan Africa, SA ranks 5th out of 48 countries in the World Bank's Doing Business 2015 report (after Mauritius, Rwanda, Kenya, and Botswana).

The cost of doing business in SA is a significant but factor, underpinned by factors such as:

- Availability of key inputs (e.g. skilled labour, electricity supply)
- Logistics (e.g. time to import/export etc.)
- Supportive operating environment (e.g. sound banking sector)



The South African economy at a glance

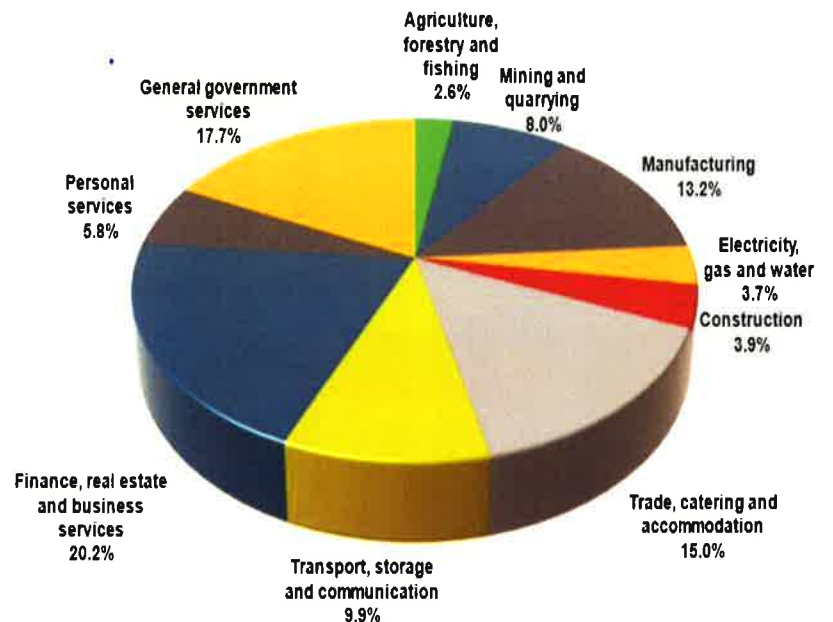
Land area	1 220 813 km ²
Population (mid-2017) % under the age of 35	56.5 million 66%
Gross domestic product (GDP) in 2017 <small>* Average R/\$ for 2017 applied</small>	R4.65 trillion US\$349.3 billion
GDP growth:	
• 2017	1.3%
• 2000 to 2017 (average)	+2.9% p.a.
• Pre-crisis (2004-07) average	+5.2% p.a.
Trade in goods & services:	
• Value of exports in 2017	R1.38 trillion / US\$104.0 billion
• Value of imports in 2017	R1.32 trillion / US\$99.3 billion
<small>* Average R/\$ for 2017 applied</small>	
Consumer price inflation (average for 2017)	5.3%
Exchange rate:	
• 2017 average	US\$1.00 = ZAR 13.31
• On 24/05/2018	US\$ 1.00 = ZAR 12.43
Prime interest rate (25/05/2018)	10.00%
Unemployment rate (First quarter of 2018)	26.7%

- South Africa has the most developed and diversified economy on the African continent.
- South Africa's economy is the 30th largest in the world, and one of the three largest in Africa.
- The levels of technological advancement and sophistication of the South African economy are the highest in Africa.
- South Africa has a world-class financial sector, comparable (if not superior) to those of many of its global peers.
- Exports from South Africa accounted for 0.5% of global exports in 2017, the 37th largest exporter in the world. The country's export base is broad, with its manufacturing component accounting for roughly 57% of total merchandise exports in 2017.
- The Johannesburg Securities Exchange is the 19th largest stock exchange in the world by market capitalization and the largest in the African continent.
- A robust and well-entrenched democracy with an independent judiciary underpin South African society.
- South Africa has a modern and extensive infrastructure network which is well connected to the southern African region and the world at large.

Source: IDC analysis

South Africa's diversified economy forms an important basis for sustained growth & returns on invested capital

Sectoral composition of the South African economy in 2017



Source: IDC, compiled from Stats SA data

Note: Sector share according to GDP at basic prices (current prices)

Addressing structural impediments & economic bottlenecks could ignite SA's growth engine

- The economy has diversified its mining sector concentration risk and is now geared toward services and manufacturing industries;
- Mining, via its vast backward sectoral linkages, remains a key contributor to growth and export earnings. SA's mineral resources portfolio has also become more diversified over time;
- With the most developed and diversified economy on the African continent, South Africa remains competitively positioned to leverage continental growth opportunities;
- The country's technological base, advanced manufacturing capabilities and economic infrastructure, supported by sophisticated and globally integrated capital markets, facilitated the development of domestic industrial value chains;
- While certain constraints have weighed on SA's competitive positioning in global value chains, integrated domestic value chains have not only supported economic growth through challenging periods, but have also opened up investment opportunities in sectors with high growth potential, particularly those that are export-oriented.

Distribution of South African Investment trends 2003 - 2017

- Europe, China and the US constitute the key sources of inward investment into the South African economy

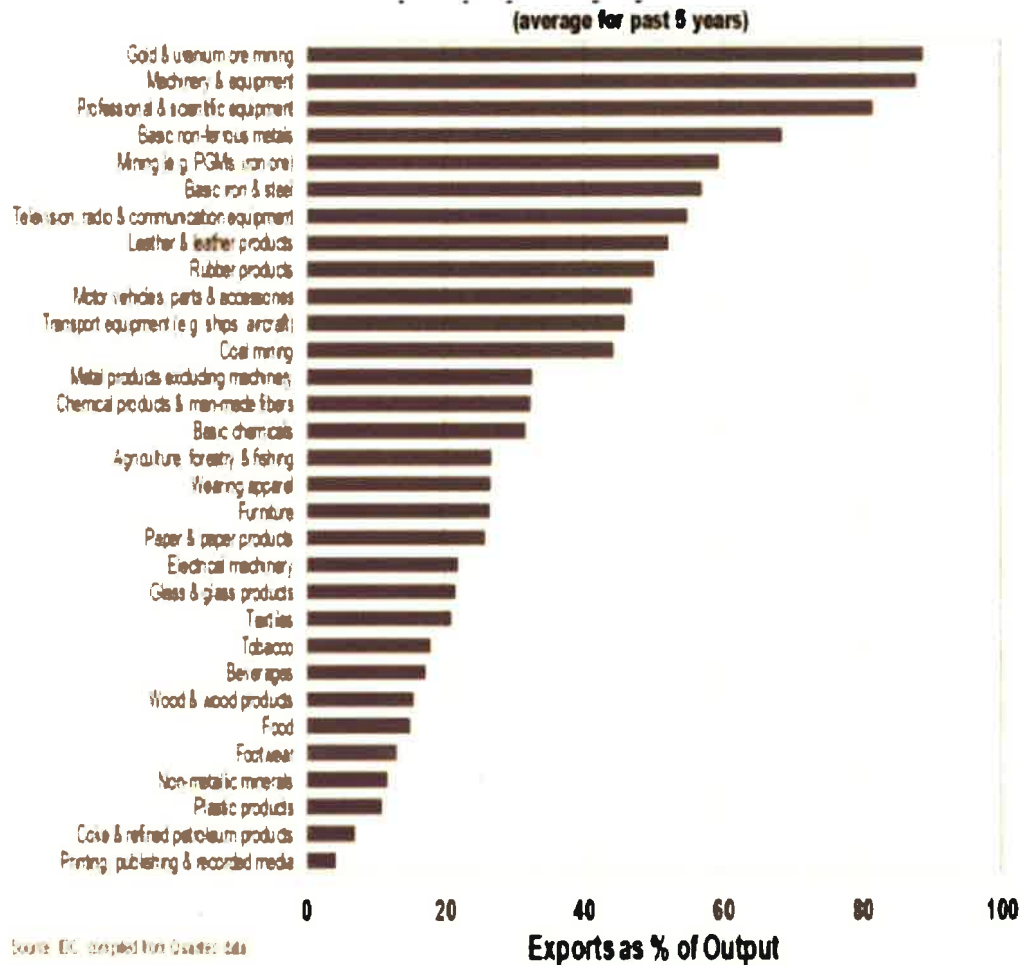
Investment into SA	Proportion %
1. United States	19.97%
2. United Kingdom	19.69%
3. Germany	6.70%
4. China	6.14%
5. France	5.72%
6. India	4.32%
7. Italy	3.91%
8. Switzerland	3.07%
9. Japan	2.93%
10. Netherlands	2.93%

Investment from SA	Proportion %
1. United Kingdom	10.28%
2. Nigeria	5.60%
3. United States	4.98%
4. Kenya	4.82%
5. Ghana	4.67%
6. Zambia	4.51%
7. Namibia	3.89%
8. Mozambique	3.42%
9. Germany	3.11%
10. India	2.64%

Source: Invest SA

Exports are a key driver of growth in South Africa's economy

Sectoral contribution to manufacturing sales in 2017



- SA has one of the most open economies in the world, with the combined share of exports and imports to GDP having measured just over 58% in 2017.
- The SA economy has become increasingly integrated into the global economy, with the export orientation now extending beyond just the mining and mineral sectors.
- Mining and mineral exports are predominantly sold in China, the Eurozone, the USA and Japan.
- A number of manufacturing sectors are now relying to a large extent on global demand as a key market for their products.
- Exports of mining and agricultural machinery and equipment (part of machinery and equipment sector) are mostly destined to markets elsewhere in Africa.
- Processed food products are mostly exported to the rest of Africa.

South Africa has several trade agreements

Agreement Name	Type of Agreement	Countries Involved
Southern African Customs Union	Customs Union	South Africa, Botswana, Lesotho Swaziland
Southern African Development Community (SADC) FTA	Free Trade Agreement	15 SADC member states
Economic Partnership Agreements	FTA	SACU- EU EPA plus Mozambique and Angola
EFTA-SACU (FTA)	FTA	SACU + EFTA (Iceland, Liechtenstein, Norway and Switzerland)
Africa Growth & Opportunity Act (AGOA)	Unilateral assistance measures (non- reciprocal)	US- 39 sub-Saharan African countries
Generalised System of Preferences	Unilateral (non-reciprocal)	SA- EU, Norway, Switzerland, Russia, Turkey, the US, Canada, Japan
SACU-Mercosur	Preferential Trade agreement	SACU and Argentina, Brazil, Paraguay and Uruguay

Source: Invest SA

Enabling environment

Economic infrastructure geared to support production activity and investment, including export oriented development

- South Africa has a highly developed economic infrastructure;
- World class ports form part of an integrated logistics network geared to support export-oriented industrial development and investment across a diversified suite of industrial and mineral value chains.



Economic infrastructure geared to support production activity and investment, including export oriented development (contd.)

Port of Cape Town: Renowned for the export of deciduous fruit, wine, perishables and frozen products.



Port of Saldanha: Africa's largest iron ore exporting port



Durban Container Terminal: Africa's biggest and busiest container terminal



East London Terminal: Motor vehicles and components, textiles, sugar, rice, timber, scrap steel, chemicals



Economic infrastructure geared to support production activity and investment, including export oriented development (contd.)

Quality of air transport infrastructure

WEF ranking: **25th** out of 137 countries



Quality of rail infrastructure

WEF ranking: **47th** out of 137 countries



Quality of roads

WEF ranking: **50th** out of 137 countries



Enabling environment for investment in South Africa

- Supportive and progressive legal framework:
 - Legislation on copyrights, patents, trademarks and disputes that is in line with international norms and conventions;
 - Strong judiciary;
 - Protection of foreign investment;
 - Exemplary Constitution from a global perspective.
- Sophisticated and robust banking environment, well regulated.
- Sound macroeconomic management, independent central bank.
- Strong industrial capabilities and cutting-edge technology, having developed leading technologies particularly in the fields of energy and fuels, deep-level mining, medicine etc.

Sasol Fischer Tropsch TM process Process
(conversion of coal-to-liquid & gas-to-liquid technologies)



Lodox Xmplar-dr full-body X-ray machine
World-class South African medical innovation



Policy support measures

- Attractive investment promotion and support system:
 - Policies and programmes that encourage foreign direct investment:
 - Economic sectors are open to foreign investors;
 - Availability of attractive incentives;
 - Export assistance (e.g. export credit insurance, export marketing assistance).
- Funding assistance (various instruments) from a range of state-owned development finance institutions.
- Several economic sectors benefiting from Industrial Policy Action Plan (IPAP) strategies and support measures, including substantial financial incentives. For example:
 - Manufacturing Investment Programme;
 - Automotive Production and Development Programme;
 - Clothing and textiles industry production incentive;
 - Critical Infrastructure Programme;
 - Aquaculture Development and Enhancement Programme;
 - Tax Based Incentives on Industrial Policy Projects;
 - Special Economic Zones (SEZs) have been designated in areas set aside for targeted economic activities. These are supported through special arrangements (including legislation) and systems that are often different from those applicable in the rest of South Africa.

Policy support measures: Special Economic Zones (SEZs)

- Incentives offered by SEZs include:
 - Preferential 15% Corporate Tax rate
 - Valued Added Tax and Customs Duty suspension in customs-controlled areas
 - Employment incentive
 - Building allowance
 - Preferential land rental and utility rates
- **7 designated zones:** Saldanha Bay (Western Cape); Dube Trade Port (KwaZulu-Natal); Coega (Eastern Cape); East London (Eastern Cape); Richards Bay (KwaZulu-Natal); Maluti a Phofung (Free State); Musina-Makhado (Limpopo)

East London IDZ



Coega IDZ



Richards Bay IDZ



Saldanha Bay EPZ



Dube Trade Port



Summary of benefits in Special Economic Zones (SEZs)

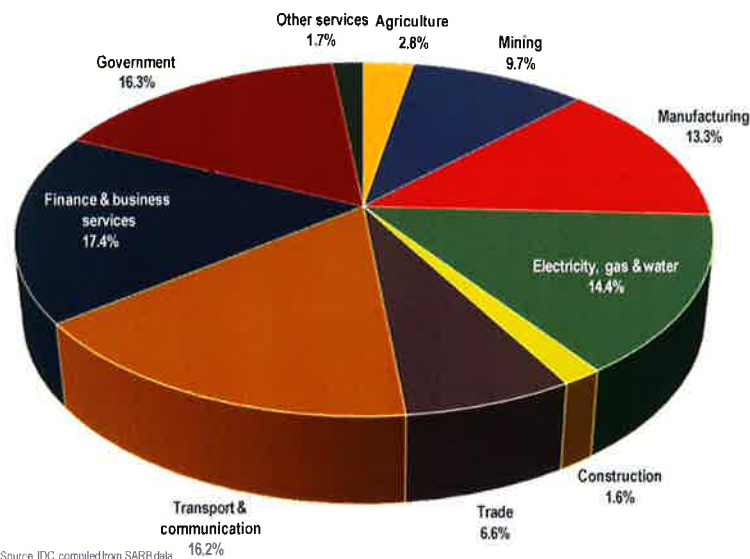
Incentive	Licensee	Operator	Investor
1. Customs Duties & VAT (in CCA)	√	√	√
2. Employment Incentive	√	√	√
3. Building Allowance*		√	√
4. 15% Corporate Tax*			√
5. 12(i) Additional Benefits (points & %)			√
6. SEZ Fund for CAPEX (Infrastructure)	√	√	
* Provided that the Minister of Finance has agreed to allow this benefit to the SEZ, and that the company is involved in activities that have not been excluded.			
7. SEZ Management support, infrastructure, security, OSS			

Investment opportunities from investment spending & infrastructure development in South Africa

Historical distribution of investment spending in South Africa

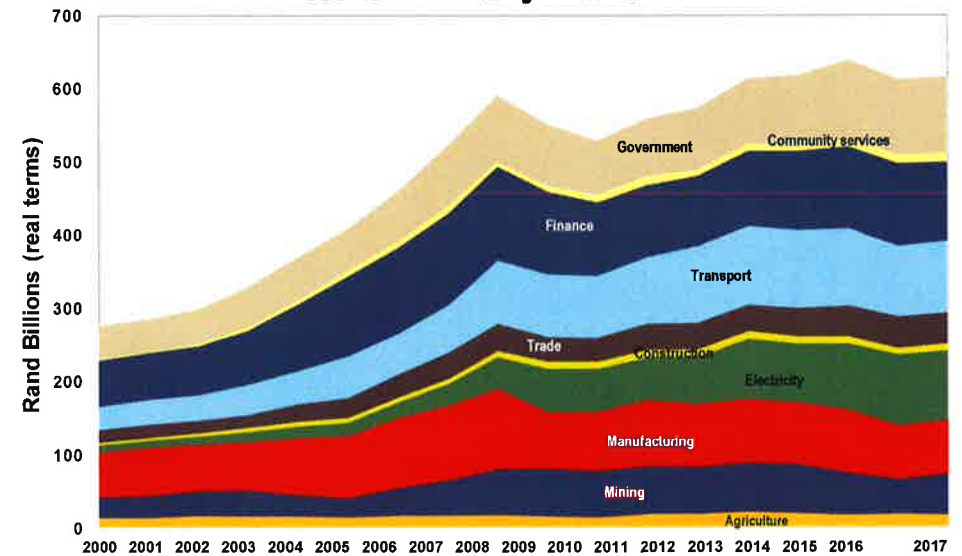
- South Africa's economy provides a multitude of investment opportunities, covering a wide range of economic sectors, with both the private and public sectors as crucial role players.
- In 2017, South Africa's overall fixed investment spending totalled R871.5 billion (of which FDI was 2.0%, or R17.7 billion):
 - Private business enterprises = R548.9 billion
 - General government = R148.8 billion
 - Public corporations = R173.8 billion
- The largest investment exposures are in sectors such as electricity, gas and water; transport, storage and communication; finance and business services; as well as in manufacturing.

Sectoral composition of fixed investment: average for 2012 to 2017



Source: IDC, compiled from SARB data

Fixed investment trends by broad economic sectors



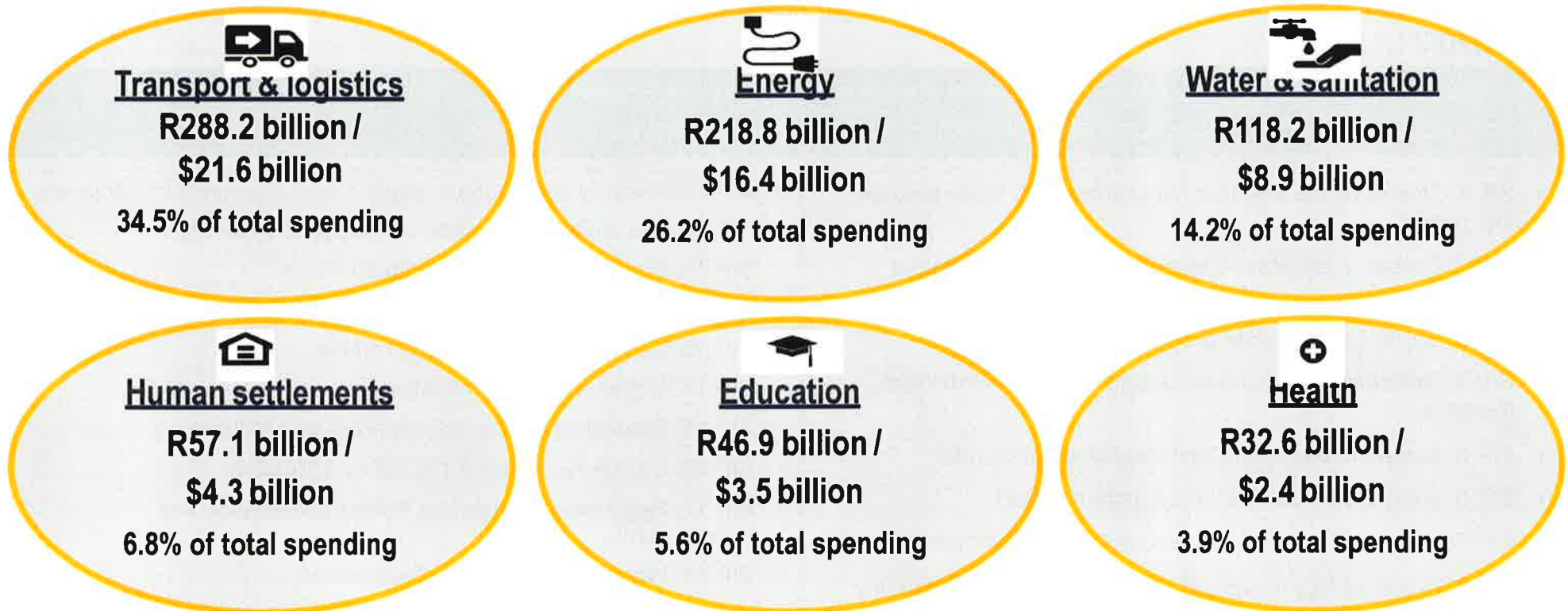
Source: IDC, compiled from SARB data

Public sector infrastructure development plans offer investment opportunities

- The very large infrastructure development programme being rolled out in SA provides opportunities for investors, including through participation in specific projects, as well as by partnering with local suppliers of goods and services.

Public sector infrastructure expenditure set to total R834.1 billion / USD62.7 billion* over next 3 years (2018/19 to 2020/21)

Key elements of the National Infrastructure Plan include:



* Average R/USD for 2017 applied

Opportunities from the PICC project pipeline

- The Presidential Infrastructure Coordination Committee (PICC) oversees the implementation of several strategic infrastructure projects (SIPs). These projects are seen as having the ability to unlock opportunities, transform the economic landscape, create new jobs, strengthen the delivery of basic services and support the integration of African economies.
- Government is committed to the roll-out of the SIP's as illustrated by the substantial capital allocations over the MTEF period.
- In the 2018 National Budget, a total amount of R394.3 billion was allocated for the 3-year period to 2020/21.

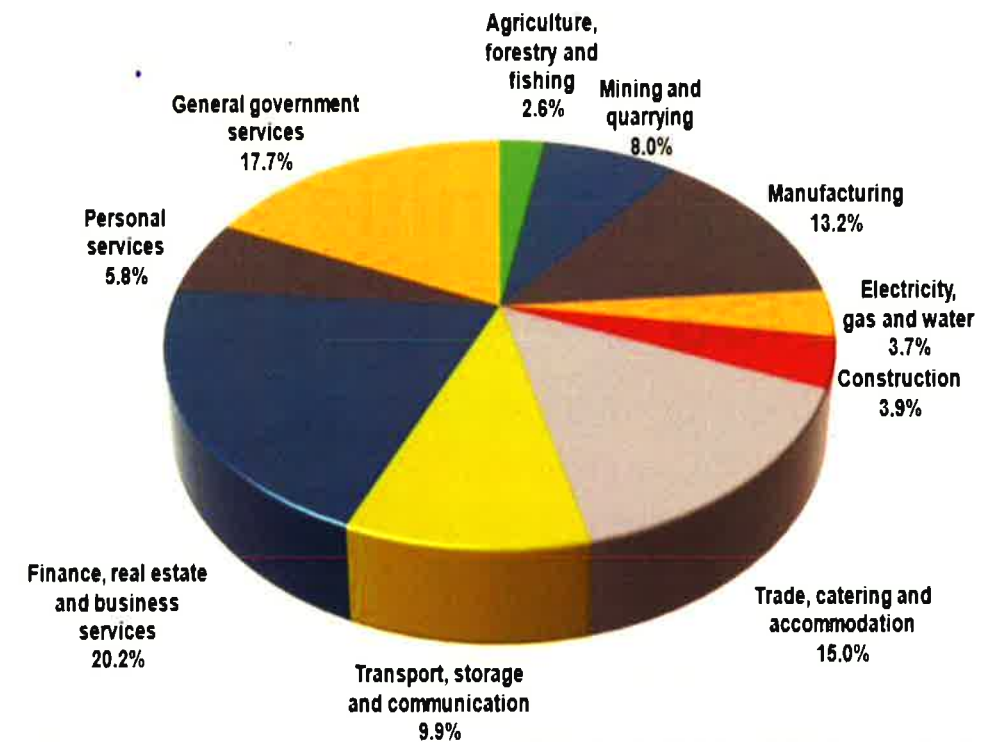
The National Infrastructure Plan identified 18 Strategic Integrated Projects (SIPs), with the aim to address SA's substantial infrastructure needs across the whole country. These SIPs are as follows:

- | | |
|---|--|
| <ul style="list-style-type: none">• SIP 1: Unlocking the northern mineral belt with Waterberg as the catalyst;• SIP 2: Durban-Free State-Gauteng logistics and industrial corridor;• SIP 3: South-Eastern node & corridor development;• SIP 4: Unlocking the economic opportunities in North West Province;• SIP 5: Saldanha-Northern Cape development corridor;• SIP 6: Integrated municipal infrastructure project;• SIP 7: Integrated urban space and public transport programme;• SIP 8: Green energy in support of the South African economy; | <ul style="list-style-type: none">• SIP 9: Electricity generation to support socioeconomic development;• SIP 10: Electricity transmission and distribution for all;• SIP 11: Agri-logistics and rural infrastructure;• SIP 12: Revitalisation of public hospitals and other health facilities;• SIP 13: National school build programme;• SIP 14: Higher education infrastructure;• SIP 15: Expanding access to communication technology;• SIP 16: Square Kilometre Array (SKA) & Meerkat;• SIP 17: Regional integration for African cooperation and development;• SIP 18: Water and sanitation infrastructure. |
|---|--|

Sectoral investment opportunities in South Africa

South Africa's diversified economy forms an important basis for sustained growth & returns on invested capital

Sectoral composition of the South African economy in 2017



Source: IDC, compiled from Stats SA data

- SA's economy is diversified and is geared toward services and manufacturing industries. The top 5 sectors in the economy, Finance & business services, general govt services, trade services, manufacturing & transport, storage & communication contributed 76% of GDP in 2017;
- Although direct mining sector concentration risk is low, it remains a significant contributor to growth and export earnings via its extensive backward linkages with other services and manufacturing industries;
- Regionally diversified sectors mean South Africa is competitively positioned to leverage continental growth opportunities;
- The country's technological base, advanced manufacturing capabilities and economic infrastructure, supported by sophisticated and globally integrated capital markets, presents value chain development opportunities;

Industrial strength of South Africa's provinces

North West:

- Agro-processing
- Bio-fuels
- Leather products
- Mining

Northern Cape:

- Agro-industries
- Transport and storage
- Mining and beneficiation

Western Cape:

- Tourism
- Agro-processing
- Biotechnology
- Petrochemicals
- Clothing and textiles
- Fishing

Free State:

- Agriculture
- Agro-processing
- Machinery and equipment
- Mining and beneficiation

Limpopo:

- Food processing
- Agri-business
- Mining
- Fertilisers and pesticides
- Energy

Eastern Cape:

- Agriculture and forestry
- Aquaculture
- Automotive
- Clothing and textiles
- Leather and leather products

Mpumalanga:

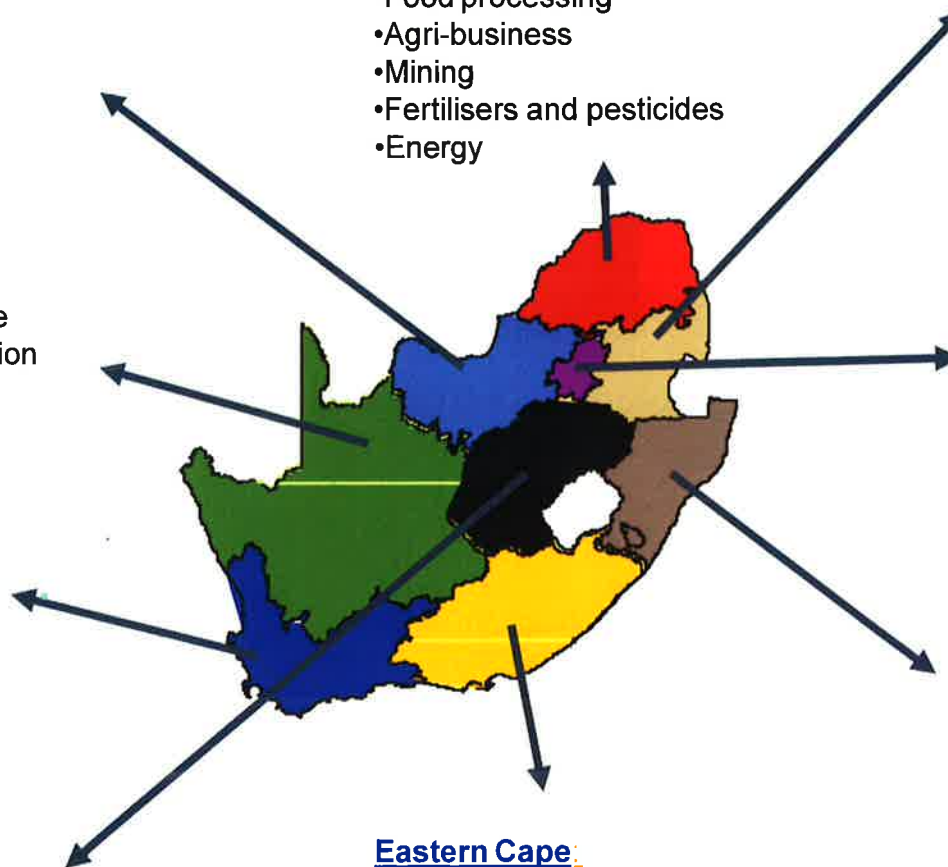
- Tourism
- Mining (Coal)
- Forestry
- Agriculture
- Agro-processing

Gauteng:

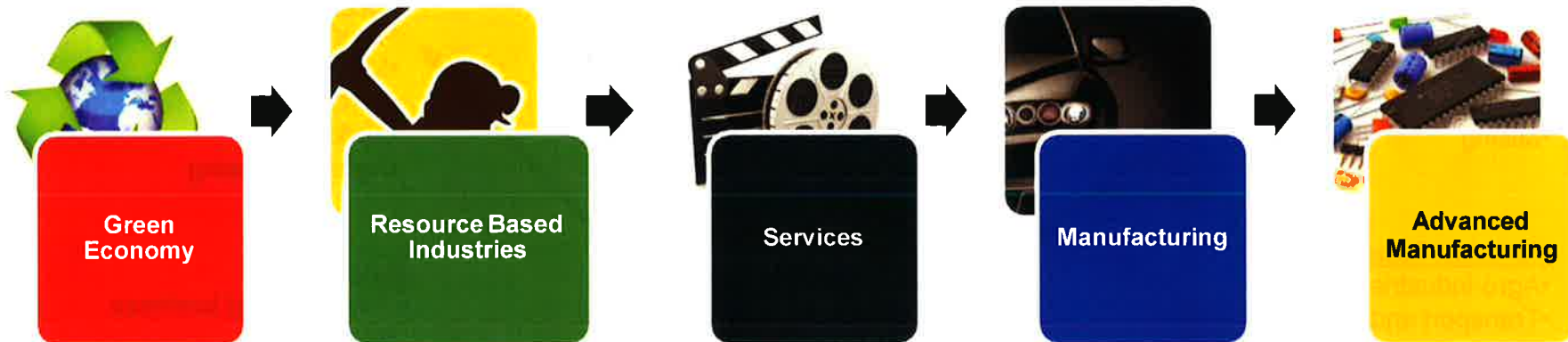
- Financial and business services
- ICT
- Pharmaceuticals
- Food and beverages
- Mining

KwaZulu-Natal:

- Aluminium
- Automotive
- Petrochemicals
- Wood and wood products
- Tourism
- Clothing and textiles



South Africa's sectoral strategy



Green economy sub-sector focus:

- Green energy;
- Recycling;
- Nuclear;
- Biofuels;
- Water infrastructure;
- Co-generation

Resource based sub-sector focus:

- Mining;
- Agro-processing;
- Aquaculture;
- Agriculture;
- Mineral beneficiation;
- Ocean/blue economy

Services sub-sector focus:

- Oil & gas;
- Ship building;
- Ship repairs;
- Business process outsourcing;
- Films;
- Mineral Exploration

Manufacturing sub-sector focus:

- Automotive;
- Leather & footwear;
- Clothing & textiles;
- Rail;
- Metals fabrication;
- Yellow goods;

- Heavy vehicles;
- Cosmetics;
- FMCG

Advanced manufacturing sub-sector focus:

- Plastics;
- Electronics;
- White goods;
- Aerospace;
- Pharma;

- Chemicals
- Biochemical;
- Defence industries

South Africa's priority industries for Foreign Direct Investment

Green Economy:

- Energy & Renewables;
- Waste management;
- Energy efficiency & cleaner technology;

Resource-based industries:

- Mining & beneficiation;
- Metals;
- Oil & gas;
- Agribusiness;

Services

- Business processing & outsourcing (BPO) & call centres;
- Information Communication Technologies (ICT) & electronics;
- Film production;
- Tourism;
- Boat building;

Manufacturing:

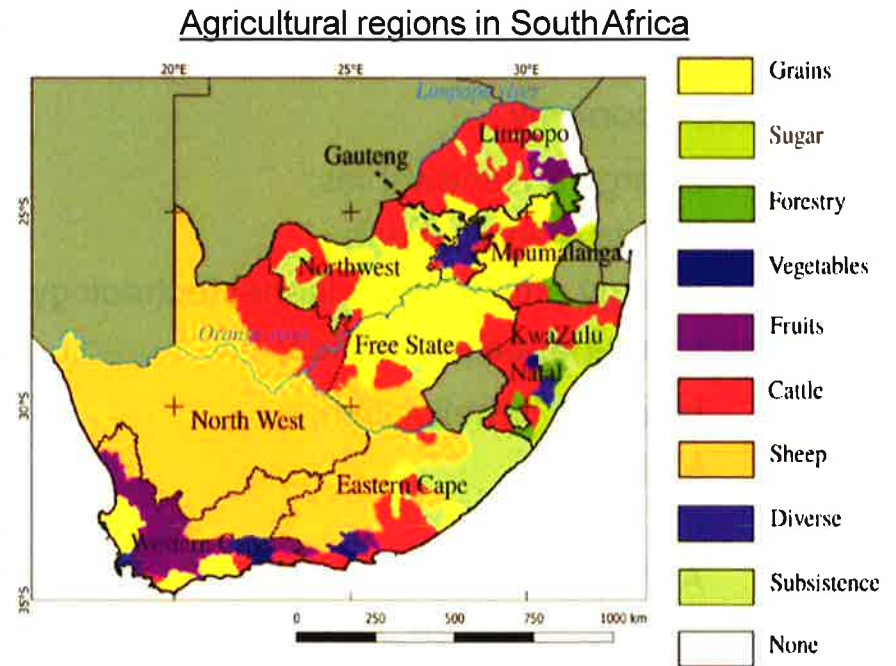
- Automotives & components;
- Capital equipment;
- Leather & footwear;
- Forestry products & furniture

Advanced manufacturing:

- Nanotechnology;
- Advanced manufacturing;
- Biofuels;
- Precision engineering;
- Aerospace;
- Chemicals & biochemicals;
- Plastics & composites;
- Bio-pharmaceuticals & medical devices;

Agriculture and agro-processing sector in South Africa

- South Africa has a well developed commercial agriculture sector due to climatic diversity supporting a wide range of soil types to support exploitation of a wide array of opportunities across the agribusiness value chain.
- Biodiversity has segmented SA into various farming regions for intensive crop production in winter rainfall and high summer rainfall areas, cattle ranching in the bushveld & sheep farming in arid regions.
- After enduring drought-induced economic distress in 2015-16, the sector recorded robust income growth across all its sub-sectors including field crops, horticulture and animal farming in recent years.
- The sector has extensive backward linkages with the manufacturing sector through the purchase of intermediate goods and services as well as forward linkages through the supply of raw materials into various processing industries.
- SA's agriculture sector is competitive with an attractive investment value proposition and emerging growth opportunities in sustainable agricultural production systems



Agriculture and agro-processing investment opportunities in SA

Basis for competitive advantage:

- Africa's most modern, productive and diverse agricultural sector. Strong capabilities in the production of wine, fruits, among others;
- Strong backward & forward linkages with other sectors of the economy;
- Competitive input costs, world-class infrastructure, counter-seasonality to northern hemisphere, vast biodiversity and marine resources;
- Processing capacity for a wide range of products - high quality commodity types to more niche market-specific products.
- Investment opportunities exist across a broad spectrum of economic activities along entire value chains, from farms, forests or fisheries through to intermediate inputs for industrial applications as well as final consumer products.



Food-based opportunities:

- Fruit and vegetable canning
- Meat processing, incl. ostrich meat
- Oil seed production, edible oil processing, oilcake
- Sub-tropical and tropical fruit juice processing
- Indigenous plant growing on a commercial scale
- Grain sorghum production; malt industry development
- Processing of soya-based products
- Processing of organic, vegan/vegetarian products, dehydrated foods
- Expansion/diversification of dairy products and of bakery and confectionery products
- Expansion of aquaculture (abalone, musk trout), freshwater aquaculture
- Canning of freshwater fish
- Walnut farming & processing



Non-food based opportunities:

- Medicinal extracts
- Aromatics, flavourants
- Non-edible oil processing
- Commercial planting of indigenous flowers
- Production of crops for feedstock into bio-fuels production
- Wool production, processing and manufacturing of wool-based textiles
- Artemisinin and respective ingredient for anti-malaria medicaments
- Flax production
- Rural forestry projects

Emerging opportunities in sustainable agriculture in SA

- A need for enhanced resource efficiency & mitigation of production losses has created investment opportunities in controlled environment agriculture and the application of green technologies that support precision farming.
- Controlled environment agriculture industry, e.g. hydroponics production, is expected to record robust rates of growth, creating opportunities for manufacturers, suppliers, installers and operators.
- Emerging growth opportunities for the application of drone technologies, mobile applications and development of software programmes for agriculture.
- The need for improved energy efficiency in the sector has created investment opportunities for renewable energy technology as well as conservation agriculture.
- SA's agri-related solar PV market has grown substantially in recent years generating opportunities for solar PV developers, installers, service providers as well as farmers.
- Conservation agriculture is growing in SA & a further opportunity for green agriculture technology. The main investment opportunity is for no-till equipment manufacturers & distributors



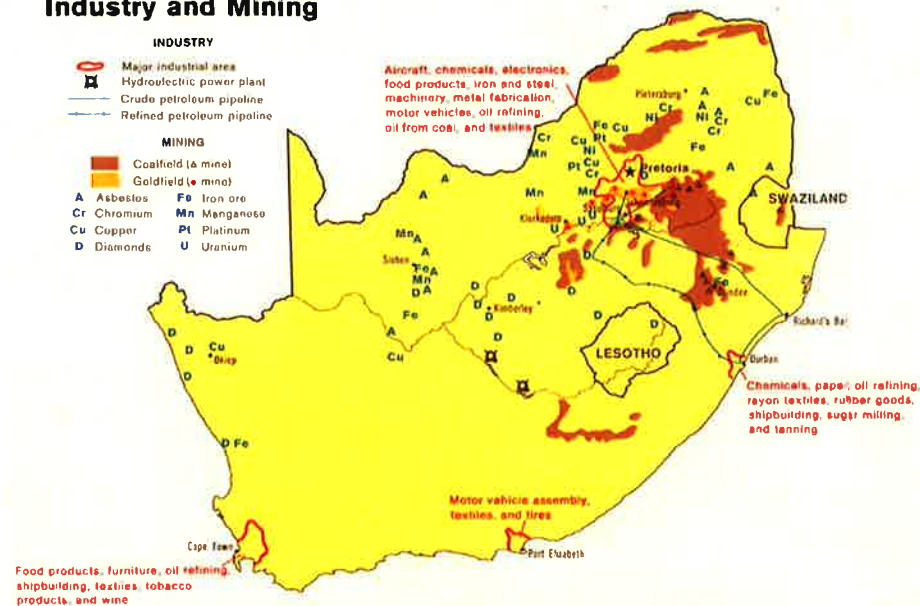
Mining & minerals beneficiation opportunities

Mining & minerals beneficiation opportunities

Value proposition:

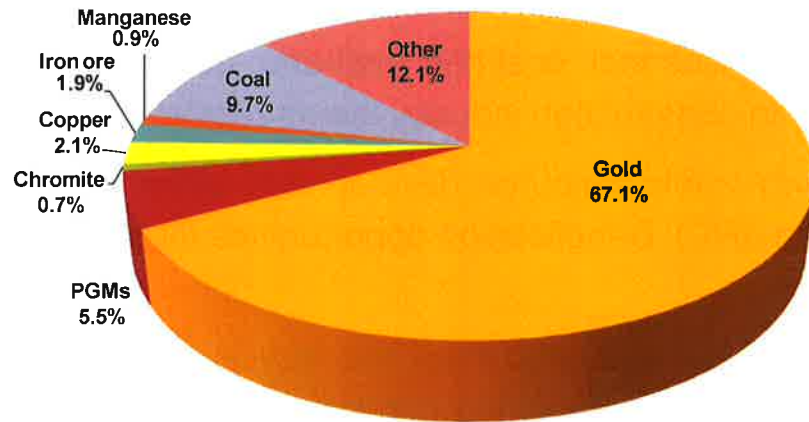
- SA is endowed with a vast and diverse mineral reserve basket (precious metals, energy minerals, ferrous & non-ferrous metals as well as other industrial minerals), providing the foundation for absolute competitive advantage for the domestic mining sector and opportunities for value addition (beneficiation).
- Its mineral reserve portfolio, estimated at over USD 1.5 trillion (2012 estimate of Citi Group), is acknowledged as one of the most valuable mineral reserves in the world.

Industry and Mining



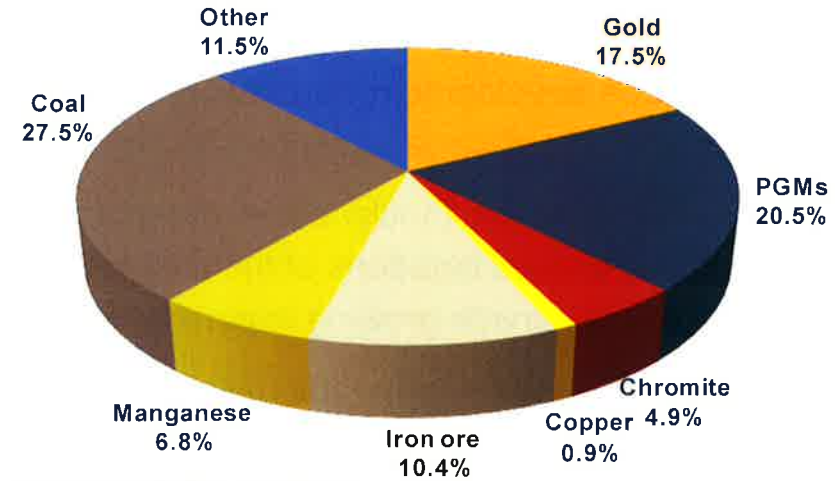
Diversification of South Africa's mineral resources portfolio has unlocked myriad investment opportunities

Share in mining industry in 1980



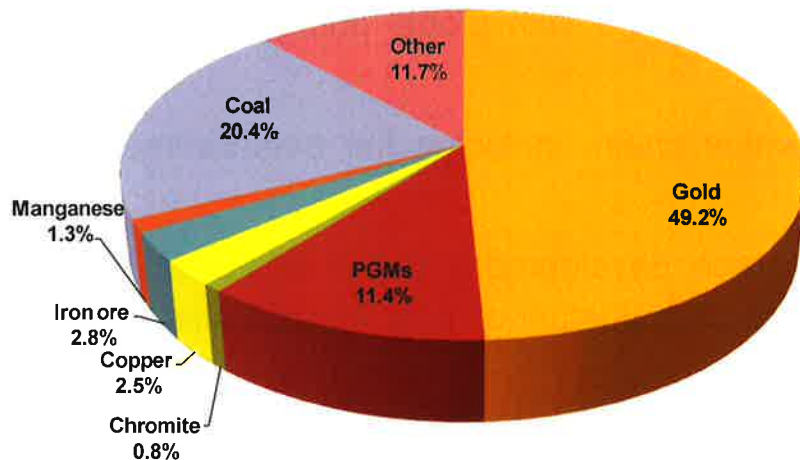
Source: IDC, compiled from DMR data

Share in mining industry in 2017



Source: IDC, compiled from DMR sales data

Share in mining industry in 1994



Source: IDC, compiled from DMR data

- The structure of SA's mining sector has changed radically over the decades (measured in terms of mineral sales per segment of the mining industry);
- Gold is no longer the dominant segment and the overall resources portfolio is now far more diversified;
- SA is competitively positioned in a myriad of mineral value chains and is thus ideally positioned to benefit from a synchronized recovery in global economic growth and resources demand

Mining & minerals beneficiation investment opportunities

Minerals beneficiation policy in SA seeks to leverage linkages between mineral value chains precipitated by economic diversification. Investment opportunities across strategic value chains include:

- **Coal:** Resource development opportunities; beneficiation opportunities incl. coal-bed methane, coal-to-liquid, carbon capture and storage, and coal ash beneficiation linked with construction industry inputs sector;
- **Uranium and thorium** (nuclear fuel manufacturing): Long-term viable resource development opportunities consistent with revised iterations of the Integrated Resource Plan (IRP). Beneficiation opportunities for nuclear fuel fabrication to service growing export demand;
- **Iron and steel value chain:** Improving the competitiveness of the domestic steel industry is a strategic mandate in SA. Investment opportunities in revitalising downstream manufacturing capacity in foundries and mini-mills supported by govt incentives;
- **Manganese:** Dominant supply position and low cost resources offer mining development opportunities;
- **Vanadium:** Vast domestic untapped resource offers opportunities linked with global energy storage value chain;
- **Pigment and titanium metal:** Development of the titanium value chain, including the establishment of a smelter and downstream production;
- **Platinum Group Metals (PGMs) and chrome:** Primary resource development in the Bushveld Igneous complex. Commercial beneficiation use as catalysts in fuel cell manufacturing, new investments in diesel particulate filters;
- **Jewellery:** resource base supports commercial fabrication of gold, PGMs and diamonds.

Revised mining charter signal's government's commitment to resolving policy uncertainty in the minerals value chain



- The withdrawal of the broadly contested 2017 Mining Charter and enhanced consultative process between government, industry, labour and general public in drafting a revised version of the Charter forms a critical basis business confidence renewal in South Africa's mining sector;
- Department of Minerals and Resources has released a draft version of the Revised Mining Charter for public comment and/or interrogation;
- The draft revised Charter exercises greater leniency for businesses operating in the mining sector to achieve Black Economic Empowerment (BEE) ownership requirements – currently set at 30% but 5 years are now offered to achieve this compared to 1 year in the pervious version;
- New proposals in the revised Charter also address key industry concerns relating to the recognition of empowerment credits to businesses emanating from past and/or lapsed BEE transactions;
- There is also exemption offered to junior miners in the industry from various provisions of the revised Charter;
- The junior mining sector crucial for mine exploration and attracting new capital investment into mineral resource development

Revised mining charter signals a government's commitment to resolving policy uncertainty in the minerals value chain

The withdrawal of the broadly contested 2017 Mining Charter and enhanced consultative process between government, industry, labour and general public in drafting a revised version of the Charter forms a critical basis for business confidence revival in South Africa's mining sector.

Government of Minerals and Resources has released a draft version of the Revised Mining Charter for public comment and consultation.

New proposals in the revised Charter also address key industry concerns relating to the recognition of empowerment credits to businesses emerging from post-apartheid BEE transactions.

There is also exemption offered to junior miners in the industry from various provisions of the revised Charter.

The junior mining sector crucial for mine exploration and attracting new capital investment into mineral resource development.

Manufacturing opportunities

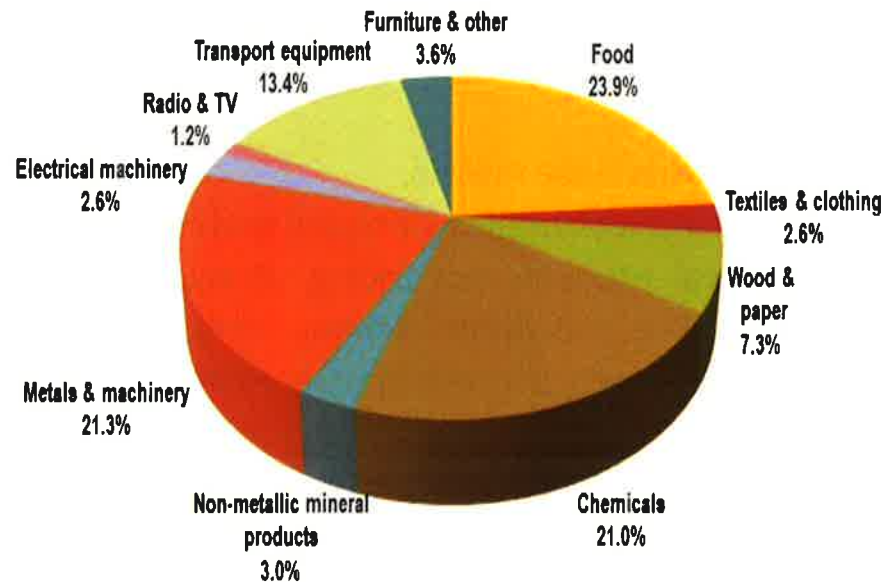


Investment opportunities in the manufacturing sector

Value proposition:

- South Africa has a well established, sophisticated and technologically advanced manufacturing sector, the most diversified on the African continent renowned for integrity and high manufacturing standards;
- Manufacturing accounts for 13.2% of national GDP, with substantial linkages to many other sectors across.

Sectoral contribution to manufacturing sales in 2017



Source: IDC, compiled from Stats SA data

- The sector employs approximately 1.85 million people, or 11.3% of the entire workforce;
- In 2017, the sector accounted for 57% of all of SA's merchandise exports;
- Exports of processed food products stood at R50.4 billion in 2017, equivalent to 4.3% of overall merchandise exports and 7.5% of total manufactured exports;
- SA's automotive industry is well integrated into global supply chains (e.g. Mercedes Benz, BMW, VW).
- The chemical sector is world renowned for its coal-to-liquid technology (e.g. Sasol: market capitalization of R316.5 billion).
- The country has a well established base metals and metal fabrication industry.

Assessing South Africa's base metals & metals fabrication capacity



- South Africa has the most established metals sector in Africa, hosting major international, vertically integrated mining firms Anglo American, BHP Billiton and ArcelorMittal SA in the steel value chain;
- Non-ferrous metals production capacity in SA includes:
 - Non-ferrous base metals from raw and recycled materials. These include aluminium (SA is Africa's top producer of aluminium ca. 1% of global production), lead, zinc and tin;
 - Unwrought non-ferrous base metals;
 - Production of alumina and mattes of nickel and copper;
 - Semi-finished metal products via rolling, drawing and extruding to produce powders, flakes, foil, plates, sheets or strips, bars, rods or profiles, wire, tubes, pipes & pipe fittings.
- Basic non-ferrous metals production industry accounts for ca. 3% of overall merchandise exports;
- Non-ferrous metals industry supported by strategic policy support programmes for local component supply chain development in the automotive sector

South Africa's base metals & metals fabrication capacity



- Ferrous metal production value chain in SA is also well developed. It encompasses the production of primary steel products including:
 - Flat and long steel products
 - Primary ferrous metal products in granular or powder form, in pigs, blocks, lumps or liquid forms, smelted from ore or scrap materials;
 - Semi-finished products including billets, blooms, slabs, forgings, light- medium- & heavy-sections, bars, railway track material, wire rods, seamless tubes, plates, hot- and cold-rolled coils and sheets, electrolytic galvanized coils and sheets, tinsplate and pre-painted coils and sheets;
- Various production technologies are applied in SA's ferrous metal industry ranging from smelting and blast furnaces to semi-finished products used in rolling mills and foundries;
- Domestic automotive value chain development, government infrastructure development & capital expenditure programmes and deployment of SA's localization strategy provide basis for sustained growth of ferrous metals industry

Investment opportunities: motor vehicles, parts & accessories

Basis for competitive advantage

- SA hosts by far the largest automotive industry in Africa, producing more than 500,000 vehicles annually & attracts high levels of FDI annually, from seven leading OEMs in the world and numerous components manufacturers;
- South Africa is biggest vehicle market in Africa ca. 37% of new vehicle sales on the continent
- Tailor-made support programmes for the development of the industry have been in place for many decades. The Automotive Production and Development Programme (APDP) is focused on incentives to boost production capacity and investment in the sector;
- The automotive industry in South Africa is supported by a dedicated world-class export infrastructure and a large integrated components manufacturing industry;

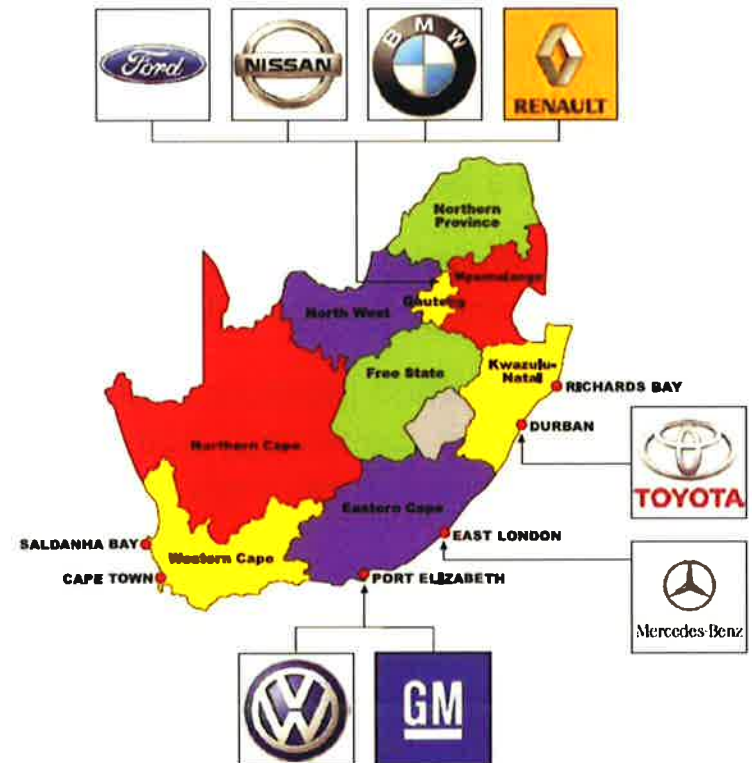


Investment opportunities:

Opportunities for either expansion and/or new capacity development abound particularly in the components industry with. Integration into the global supply chains of global OEMs located and operating from SA can unlock significant export growth opportunities.

SA hosts several global OEMs across the automotive value chain

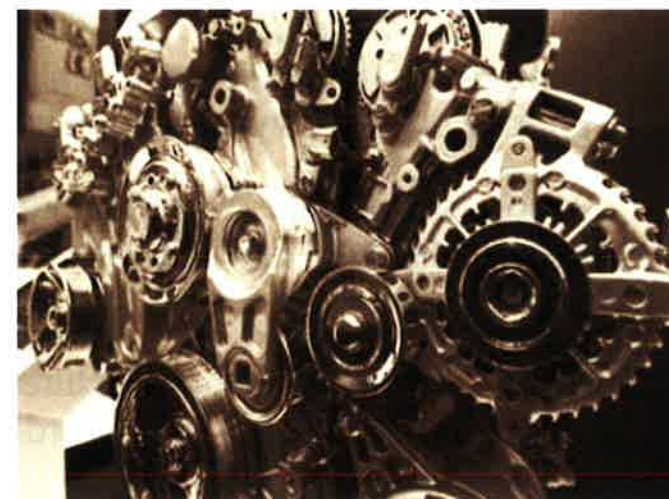
- The presence of several global OEMs in SA signals its growing prominence as a manufacturing hub;
- The FAW SA plant, at a start-up cost of \$60m, was the first large investment in the Eastern Cape by a China-based company. A number of China-based companies are considering following suit, while, Beijing Automotive, has already started construction of its new factory in Coega;
- Japanese vehicle manufacturers represented in SA – Nissan/Renault and Toyota are both wholly owned subsidiaries;
- Other Multinational manufacturers, Mercedes Benz, BMW, VW, General Motors, and Ford are also 100% controlled subsidiaries;
- More than 400 auto component suppliers including global first tier suppliers such as Faurecia, Johnson Controls and Benteler have established supply chains in SouthAfrica;



Investment opportunities: capital/transport equipment & metals fabrication

Basis for competitive advantage:

- SA has a large export-oriented capital goods industry with strong capabilities in mining machinery and equipment and active in many parts of Africa
- Access to a large regional market by global standards;
- SA is revitalising and expanding its passenger and freight rail systems through a large public sector investment programme;
- A world-renowned pleasure boat building industry concentrated in coastal cities benefiting from a competitive exchange rate continues to perform strongly;
- highly export-oriented and has an established supplier industry;
- A diversified metal products industry with strong links with the construction sector;



Investment opportunities:

Opportunities for expansion and/or new capacity development abound particularly in the globally-competitive rail equipment industry

Other transport equipment industry performance metrics & investment opportunities

Trend analysis: 2017 y-o-y (except: capacity utilisation, employment and remuneration - Q4 2017 y-o-y)

↓ -5.6%	↑ 4.1 (percentage points)	↓ -3.2%	↑ 6.3%	↓ -21.8%	↓ -20.6%
Production (seas. adj.)	Capacity utilisation	Employment*	Gross monthly remuneration per worker	Exports (ZAR)	Imports (ZAR)

Despite broad growth pressures on the industry, several sub-sectors offer opportunities for export growth and import replacement

Export growth and metal fabrication opportunities:

- Rail-tracks and slipways, locomotives and components
- Electrical cables and overhead transmission lines, pylons
- Water distribution and treatment (incl. pumps, valves, meters)
- Mining construction equipment including automation, fuel cells and original equipment manufacturing;
- Scrap metal recycling, incl. e-waste (especially platinum recovery from autocatalytic converters);
- Downstream manufacture of metal products incl. blanks, cutlery and motor vehicle bodies

Capacity investment opportunities for import replacement:

- Aircraft satellites;
- Aircraft and spacecraft parts;
- Special purpose ships & vessels;
- Railway passenger & special purpose coaches;
- Spark ignition engine components.

Major traded export products

R million

	R million
Top exports	
H8803 Parts of aircraft, spacecraft, etc	2 861 05
H8903 Yachts, pleasure sports vessels, boats, canoes	1626 M
H8802 Aircraft, spacecraft, satellites	1437 75
H8407 Spark-ignition internal combustion engines	796 74
H8411 Turbo-jets/-propellers/other gas turbine engines	790 00
H8906 Warships, lifeboats, hospital ships, vessels nes	706 20
H8807 Parts of railway, tramway locomotives, etc	424 74
Exports Total (including others)	10 231 02
Top gainers	
H8906 Warships, lifeboats, hospital ships, vessels nes	523 93
H8803 Self-propelled rail or tramway vehicles	398 0
H8407 Spark-ignition internal combustion engines	2 9 73
H8906 Special purpose ships, vessels, nes	16 93
H8805 Aircraft launching gear, flight simulators	9 54
Top losers	
H8802 Aircraft, spacecraft, satellites	-2 007 48
H8803 Parts of aircraft, spacecraft, etc	-534 32
H8411 Turbo-jets/-propellers/other gas turbine engines	-385 51
H8901 Passenger and goods transport ships, boats	-284 87
H8806 Railway and tramway goods vans and wagons	-182 08

Major traded import products

R million

	R million
Top imports	
H8802 Aircraft, spacecraft, satellites	9 506 44
H8803 Parts of aircraft, spacecraft, etc	3 408 70
H8411 Turbo-jets/-propellers/other gas turbine engines	1634 62
H8803 Self-propelled rail or tramway vehicles	1528 70
H8807 Parts of railway, tramway locomotives, etc	1511 84
H8711 Motorcycles, bicycles, etc with auxiliary motor	1330 43
H87 M Parts & accessories of bicycles, motorcycles, etc	764 62
Imports Total (including others)	22 496 77
Top gainers	
H8411 Turbo-jets/-propellers/other gas turbine engines	66 23
H8902 Fishing vessels and factory ships	64 75
H8412 Engines and motors, nes	40 40
H8808 Signals, etc for rail, tram, water-way, port, airfield	30 29
H8906 Warships, lifeboats, hospital ships, vessels nes	0 41
Top losers	
H8802 Aircraft, spacecraft, satellites	-3 316 34
H8803 Parts of aircraft, spacecraft, etc	-581 33
H8906 Special purpose ships, vessels, nes	-537 32
H8805 Railway passenger and special purpose coaches	-420 28
H8407 Spark-ignition internal combustion engines	-257 45



Inspiring new ways

Investment opportunities: Advanced manufacturing

Basis for competitive advantage:

- Advanced materials consist of new materials and modifications to existing materials to obtain superior performance incl. composites. Niche investment opportunities and markets exist in South Africa's petrochemicals and aerospace industries
- South Africa is among the countries that have made good progress in developing additive manufacturing and commercialising university research related to 3D industries;
- Absolute competitive advantage from being the largest platinum producer in the world to leverage commercialization of fuel cells. SA's Anglo American Platinum has been spearheading this growth;
- SA is among the pioneers of technology in the global Fuel cell industry even though developments in SA like in other many parts of the world are still in infancy but progressing steadily;



Advanced manufacturing investment opportunities:

- Fuel cells industry (variety of applications, incl. motor vehicles, energy generation);
- Set-top boxes, digital televisions;
- Specialty materials;
- Medical devices;
- Additive manufacturing, incl. 3D printing (various applications) and the development of niche composite materials for application in niche markets in South Africa

Investment opportunities: Green industries

Basis for competitive advantage:

- South Africa has vast untapped capacity for renewable energy project development (e.g. 6,700GW wind energy potential according to the World Wide Fund (WWF). SA also has low relative solar irradiation levels;
- Coal's share of installed energy capacity is expected to decline from ca.70% currently to below 20% by 2050 with increased renewable energy capacity expected to account for the bulk of the balance;
- Integrated Resource Plan to support proliferation of renewable energy sector;
- Eskom, the domestic power utility, recently signed power purchase agreements with 27 Independent Power Producers resulting in investment commitments of R56 billion;
- South Africa's current waste economy is estimated to be worth R15 billion and employs almost 30 000 people. An estimated R17 billion worth of resources could be unlocked if 100% 13 waste streams could be recycled;
- SA's Glass recycling rate has grown considerably from 18% in 2005/06 to 41.5% with used-can recovery rate at 72%



Green industries investment opportunities:

- Roll-out of renewable energy technologies, e.g. wind and solar;
- Energy efficiency technologies;
- Solar energy components (solar panels, solar water geysers, geyser timers etc.); wind turbines and components; production of PV modules;
- Pyrolysis/gasification, anaerobic digestion;
- Recycling activities (plastics, paper, glass, e-waste).

Manufacturing sector opportunities: Chemicals, plastics & pharmaceuticals

Basis for competitive advantage

- The competitive advantage of SA's basic chemicals industry derives from the abundance of raw materials due to the country's strong minerals base;
- SA demand for pharmaceutical products is attributable to a structural shift to healthier lifestyles, rising disposable income of households, increased access to innovative products. SA has established supply chain, with local production meeting almost 70% of the pharmaceutical sector's demand;
- Chemicals value chain constitutes one of the largest contributors to manufacturing output. SA produces approximately 600 different types of chemicals;
- The fertiliser segment is dominated by a limited number of producers with nitrogen-based fertilisers being the most commonly used fertilisers;
- The SA plastic industry is well established, coal-based and dependent on feedstock from Sasol;
- Almost 20% of new plastic material is recycled per annum, with the re-use initiative resulting in a saving of 110 000 tons (8.5% of virgin polymer production) of plastic annually;
- The bulk of the local pharmaceutical output comprises generic medicines, representing 50% of the overall pharmaceutical market



Chemicals, plastics & pharmaceuticals:

- Polypropylene and poly-vinyl chloride beneficiation, incl. a variety of plastic products (e.g. auto-plastics, tubes and pipes)
- Composite materials, incl. bio-composites
- Fluorspar beneficiation
- Titanium oxide pigments
- Pharmaceuticals, incl. ARV active ingredients, vaccine production
- Organic fertilisers
- Specialty and fine chemicals production

Basic chemicals industry performance metrics & investment opportunities

Trend analysis: 2017 y-o-y (except: capacity utilisation, employment and remuneration - Q4 2017 y-o-y)

↓ -1.6%	↑ 0.7 (percentage points)	↓ -1.2%	↑ 3.0%	↑ 9.9%	↑ 2.0%
Production (eess. adj.)	Capacity utilisation	Employment*	Gross monthly remuneration per worker	Exports (ZAR)	Imports (ZAR)

Rising capacity utilization points to emerging growth opportunities in some sub-sectors in the industry

Strategic opportunities:

- Polypropylene and poly-vinyl chloride beneficiation, incl. a variety of plastic products (e.g. auto-plastics, tubes and pipes)
- Composite materials, incl. bio-composites
- Fluorspar beneficiation
- Titanium oxide pigments
- Pharmaceuticals, incl. ARV active ingredients, vaccine production
- Organic fertilisers
- Specialty and fine chemicals production

Select export growth and import replacement opportunities:

- Acrylic hydrocarbons, Polymers of propylene and ethylene;
- Mineral or nitrogenous chemical fertilizers;
- Polyacetals, polyethers, nitrates and potassic mineral or chemical fertilizers

Major traded export products

R million

	R million
Top exports	
H2901 Acyclic hydrocarbons	5 387.71
H3902 Polymers of propylene, olefins in primary forms	5 144.04
H2905 Acyclic alcohols and their derivatives	2 861.65
H3102 Mineral or chemical fertilizers, nitrogenous	2 831.98
H2833 Sulphates, alums, peroxosulphates (persulphates)	2 730.40
H2904 Ketones and quinones, their derivatives	2 671.93
H3901 Polymers of ethylene, in primary forms	1 727.00
Exports Total (including others)	45 044.03
Top gainers	
H2833 Sulphates, alums, peroxosulphates (persulphates)	1 330.62
H2904 Ketones and quinones, their derivatives	929.52
H2905 Acyclic alcohols and their derivatives	798.10
H2826 Hydrazine, hydroxylamine, metal oxides etc	450.48
H2707 Coal-tar distillation products including oils	452.36
Top losers	
H2804 Hydrogen, rare gases, non-metallic elements	- 595.29
H3102 Mineral or chemical fertilizers, nitrogenous	- 341.51
H3902 Polymers of propylene, olefins in primary forms	- 286.12
H2708 Pitch and pitch coke, from coal, mineralites	- 207.65
H2822 Cobalt oxides and hydroxides	- 132.55

Major traded import products

R million

	R million
Top imports	
H3901 Polymers of ethylene, in primary forms	4 767.13
H3102 Mineral or chemical fertilizers, nitrogenous	3 862.87
H3907 Polyacetals, polyethers, etc. primary	2 722.09
H2836 Carbonates	2 139.52
H3903 Polymers of styrene, in primary forms	1 543.49
H2905 Acyclic alcohols and their derivatives	1 513.92
H3908 Acrylic polymers, in primary forms	1 414.99
Imports Total (including others)	51 200.13
Top gainers	
H3102 Mineral or chemical fertilizers, nitrogenous	550.51
H2836 Carbonates	440.88
H2816 Hydroxides and peroxides of sodium & potassium	357.16
H2901 Acyclic hydrocarbons	194.33
H3507 Enzymes, prepared enzymes	160.31
Top losers	
H3907 Polyacetals, polyethers, etc. primary	- 587.52
H2834 Nitriles, nitroles	- 212.55
H3912 Cellulose, chemical derivatives nes (primary forms)	- 164.90
H3901 Polymers of ethylene, in primary forms	- 107.75
H3104 Mineral or chemical fertilizers, potassic	- 103.43

Investment opportunities: Forestry, pulp, paper & furniture

Basis for competitive advantage:

- The South Africa is at the forefront of environmental conservatism and is a world leader in practising Sustainable Forest Management (FSM)
- ca.80% of its SA's forest plantation area certified by the Forest Stewardship Council (FSC) as being managed in a sustainable manner
- SA manufactures wide range of paper and paper products from pulp and chemical processes;
- The advent of information technology has not had an adverse impact on demand due to raised levels of schooling and literacy in SouthAfrica;
- The largest portion of furniture manufacturing in South Africa is destined for households accounting for 74% of total furniture production;
- A strong forestry sector remains a pillar of strength for local manufacturers pulp, paper and furniture manufacturing.



Forestry, pulp, paper & furniture capacity investment opportunities:

- Domestic, office and school furniture manufacturing
- Packaging materials
- Paper recycling;
- Timber roof trusses, poles and frames manufacturing;

Services sector opportunities

Services sector opportunities

South Africa's services sectors have expanded substantially over time, servicing the country's manufacturing, mining, agricultural sectors within the business sector, the public and household sectors, and embracing new technological developments in a variety of fields.

A variety of opportunities are present in many services segments, including:

- **Tourism:** the sector has developed into one of the major contributors to SA's economy and opportunities can still be exploited in adventure tourism (incl. marine tourism such as game fishing, shark cage diving, etc.), sports tourism, medical tourism, and theme parks.
- **Ship/oil rig repair and maintenance services:** provided to ocean vessels travelling along one of the world's busiest shipping routes; underpinned by significant skills locally, unique opportunities to service (maintain and repair) marine oil rigs along the west coast of Africa, as well as new natural resource extraction projects (e.g. gas in Mozambique).
- **Business Process Services:** from a global perspective, SA is regarded as one of the most attractive countries for off-shoring services provision, thus presenting a multitude of opportunities (back-office hubs; knowledge process outsourcing; legal process outsourcing; ICT, software design and engineering; game development; transcription services etc.)
- **Film:** SA's film industry has also made inroads internationally, with opportunities still existing in pre- and post- production facilities, as well as other services supporting the film industry (special effects, design and making of costumes, décor or film sets, animation).

Oil and Gas Infrastructure Opportunities

SALDANHA SUPPLY BASE OPERATION: AN OPPORTUNITY FOR PRIVATE SECTOR INVESTORS,

Recently awarded 20-year concession for a private consortium

The consortium will provide superstructure and capital equipment, and will provide essential services:

- Material loading & offloading facilities
- Ancillary bunkering, fuel, oil and lubricants refill services
- Water refill
- Office facilities
- Handling of oil waste
- Warehousing and facility yard management
- Cleaning, maintenance and preservation of off-shore oil and gas related materials and equipment

Bidders were invited to propose additional concessions to enhance the project's RoI and sustainability

Potential options pre-approved include:

- Maintenance & repair services to vessels including the provision of a floating dock
- Boat building
- Accommodation for customs and clearing services



The initiative will create a range of important infrastructure, including:

- Handling equipment for containerised cargo
- Warehousing
- Pipe yard (including coating facilities)
- Reefer points
- Waste disposal systems including for oil waste

A DEDICATED OIL & GAS SUPPORT COMPLEX AT SALDANHA BAY

Largest and deepest natural port in the Southern Hemisphere

Depth up to 23.7m

Land and sea surface of over 19 300ha

Handles 12% of South Africa's liquid bulk cargo

Can dock Very Large Crude Carriers

Purpose-built oil & gas support infrastructure

Logistics, repairs and maintenance, and fabrication

Will include a Customs Control Area/Free Port

General Maintenance Quay to be upgraded (berth length: 294m; depth: -6.5m)

A **deep-water rig repair facility** will be constructed at **Berth 205** (length: 380m; depth: -21m), with the ability to accommodate 2 rigs

Extension to the Mossgas Quay includes a **1000m jetty** (depth: -8.0m). Floating docks will be accommodated via pockets of water depths of -12m



South Africa's waters are a promising location for exploration, attracting investors from Europe, Asia and the US as well as from Africa.

Africa Energy Corporation
Anadarko Petroleum Cooperation
Bayfield Energy
Cairn India
CNR International (South Africa) (Pty) Ltd
Exxon Mobil International Limited
Global Offshore Oil Exploration (SA) (Pty) Ltd
New Age
OK Energy
PetroSA
Shell South Africa Upstream B.V.
Silverwave Energy PTE LTD
Sunbird Energy Ltd
Thombo Petroleum Ltd



Contact Details

Email: investsa@thedti.gov.za

Website: www.investsa.gov.za

Telephone - local: 086 1222 308 / international +2712 394 3078



Inspiring new ways