

## MEDIA STATEMENT - Immediate

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**HONOURABLE DELEGATES:** Tabiso Wana (left), head of the National Council of Provinces (NCOP), visited the Coega Development Corporation in Nelson Mandela Bay. Honourable Luleka Ndzele and Honourable Elizabeth van Lingen listened to a presentation given by various Coega staff.

### Coega gets thumbs up from NCOP

THE Coega Development Corporation (CDC) says it is confident that, with logistics, agro-processing, chemical and energy sectors its main growth drivers over the past 18 months, investment momentum within the Coega Industrial Development Zone (IDZ) can generate R4,7-billion for the regional economy.

The CDC reported completion of new infrastructure development projects with a value of R809-million from the start of the 2014 financial year to the end of first quarter 2015/2016 financial year.

This will include future long-term projects that will drive commercial and industrial property development in the IDZ, according to Tabiso Wana, head of the National Council of Provinces (NCOP), who was part of a touring delegation to the IDZ last week.

The tour, part of Provincial Week, was intended to give parliament, provincial legislatures and the South African Local Government Association (SALGA), particularly

the NCOP, an opportunity to monitor the state of infrastructure in the nine provinces.

According to Wana, “Coega not only has demonstrable potential to unlock the economic prospects of this province, but is also one of the prestigious infrastructure development projects unveiled by the South African government”.

The value of commercial and industrial assets currently under construction in the Coega IDZ is R3,6 billion and these are taking place on an area of 169 170m<sup>2</sup>.

The Dedisa Peaking Power Plant - valued at R3,5 billion – has a 150 000 m<sup>2</sup> footprint, while the remaining 19 170 m<sup>2</sup> are projects in the IDZ logistics and agro-processing zones. These include the 4 038m<sup>2</sup> warehouse expansions of Digistics in the logistics zone, valued at R32 million, the 7 332 m<sup>2</sup> expansion of Coega Dairy, valued at R24 million, and the 6 000m<sup>2</sup> multi-user facility in the agro-processing zone, valued at R86 million, which offers investors smaller units of between 350 m<sup>2</sup> and 1 500 m<sup>2</sup> under one roof with communal infrastructure.

“We appreciate all the infrastructure development that we see here today. Government has prioritised infrastructure development as a catalyst to our country’s economic growth and investment, and has, to that effect, allocated R850-billion rand for capital expenditure on this project.

“Our presence here is to ensure that all government’s infrastructure projects and entities, including Coega, not only heed this call, but are on course in maximizing its potential,” Wana said.

“Most significantly, Coega is a critical component of Operation Phakisa, a drive to enhance the economic value of our maritime industry. It is aimed at bringing about a radical economic transformation that will alter the course of our country’s economic landscape. Phakisa is one of the projects that seeks to address the historical reality of economic underdevelopment of the majority of people in this country - an objective that speaks to Coega’s objective and long term goal.”

Future long-term projects at the Coega IDZ will include a new international cargo airport in the advanced manufacturing cluster; Project Mthombo, the Eastern Cape oil refinery planned in Coega; an aquaculture farm; and a second gas power plant in the IDZ.

Wana added that Coega’s impact on the economic development of this province, in particular, cannot be over emphasised.

Christopher Mashigo, CDC Business Development Executive Manager, told the NCOP delegates that the multi-billion rand investment will be in the



logistics, automotive, agro-processing, infrastructure and energy sectors.

Maritime developments, and a truck stop within the Coega IDZ were some of the pipeline projects listed. The automotive sector currently has 20 projects in the pipeline; agro-processing has 25 projects; metal has 15 projects; chemicals and allied industries has 15 projects; logistics and general manufacturing has 29 projects; business process outsourcing has five projects; and the aeronautic sector also has five projects in the pipeline.

“We plan to make inroads into the maritime industry, in order to support governments’ plans for Operation Phakisa,” Mashigo said.

The Coega IDZ has 31 investors - including Nelson Mandela Bay Logistics Park (NMBLP), 14 international companies and 17 home-grown companies - operational within its area. The organisation has R6.446 billion in private sector investment on the ground and R2.646 billion in completed top-structures for investors. More than 17 360 jobs have been created in the IDZ since it began (6 175 operational jobs and 11 192 construction jobs).

Wana said the NCOP was mindful that this province needs not only service delivery infrastructure, but also economic infrastructure to break barriers to its economic development.

“That cannot be over emphasised. In the light of the infrastructure development trajectories of both the municipality and Coega we are more than hopeful that there is a vision in place in the province to utilise its strategies to eradicate unemployment and poverty and to unlock the economic stagnation that has gripped this province.

“As NCOP, we will do our best to ensure that Coega becomes a flagship of economic development and a successful business case of this province,” she said.

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**About Coega:** The Coega Development Corporation (Pty) Ltd (CDC) is the operator of the Coega Industrial Development Zone (IDZ) in Nelson Mandela Bay, South Africa. Established in 1999, the CDC is wholly-owned by the South African Government. The Coega IDZ is South Africa’s premier location for new industrial investments. The CDC aims to provide a competitive investment location and a total business solution for its customers, as well as ensuring sustainable economic development in the region. The CDC’s IDZ Zone 2 is a fully registered Customs Control Area. To date, the CDC has delivered on its mandate to provide socio-economic development for the Eastern Cape, has enabled the creation of 96 776 direct jobs since inception, with 31 operational investors and boasts an investment portfolio in excess of R6.446 billion. The CDC has also trained 71 445 people since inception.

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