

MEDIA STATEMENT

Issued By: Coega Development Corporation

Date: 02 December 2015

Sweet investment for Coega IDZ worth R10 million

A sugar processing company with a network that stretches throughout Southern Africa is one of the first new investors in a new R86-million (US\$ 7,4-million) agro-processing multi-user facility in the Coega Industrial Development Zone (IDZ).

River Edge Trading 4 (Pty) Ltd (RET) is to invest R10 million in a sugar processing plant to be situated in Zone 3 of the IDZ. It joins a number of other agro-processing and food packaging and storage facilities in the Coega IDZ. They include Coega Dairy, Famous Brands, PE Cold Storage, Vector Logistics, Digistics, ID Logistics and Dynamic Commodities.

River Edge Trading, which is based in the Western Cape, has been operational in the sugar business since 1997. It is involved in the trading of sugar and syrup between South Africa, Swaziland, Zimbabwe, Botswana, Mozambique, Malawi, Zambia and Brazil.

“Our selection of the Coega IDZ is due to their location. The IDZ’s strategic proximity to the Port of Ngqura as well as serving the local market works in our advantage,” said Chris Engelbrecht, the River Edge Managing Director.

“In addition, being located in a Customs Controlled Area is crucial, the other options were just too far or the risk too high to make it viable, so Coega was the best fit.”

“Further I must also express my appreciation towards the Coega team. They were professional and efficient in all our engagements which impressed me very much,” added Chris.

A wholly-owned subsidiary Super Syrup produces Inverted liquid sugar or COT-75 which, according to the company, has a number of advantages over normal crystallised sugar.

It improves the shelf life of products, enhances flavours, and requires less baking time at lower temperatures.

Major companies currently supplied by River Edge include KWV, Nuberry, Stellen Fine Wines, Darling Dairies, Distell, various dairies and large canneries.

In 2013, Super Syrups started a new Invert Sugar Syrup plant in Durbanville, Cape Town, which produces two thousand tons of inverted syrup a month for supply to local clients.

According to Engelbrecht the new plant in the Coega IDZ will commence production with 1 400 tons of syrup per month to meet growing demand. The initial jobs to be created are looking at double figures with double the number as operations increase.

Raw sugar will be imported from Brazil, India and Thailand, with the final product being supplied to customers in South Africa and internationally.

According to Dr Keith du Plessis, the CDC's agro-processing business development manager, the CDC is in discussions with a number of other agro-processing companies.

"It brings us great joy to sign our first investor in the multi user facility as it provides us with the necessary momentum to attract other business's within the scale of size," added Dr du Plessis

"In addition, agro-processing has seen traction in terms of interests from various key players in the industry. It's proving to afford the Nelson Mandela Bay with a diversified approach in economic offering to both local and foreign investors," adds Dr du Plessis.

The CDC has prioritised the attraction of investment by agro-processing companies because of the jobs spin-off. "Agro-processing has proven to be one of the biggest job creators in the Coega IDZ, with the benefits extending into the

deep rural areas where the crops are grown,” says Dr Vilakazi, CDC Unit Head marketing and communications.

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 R161-billion. The CDC has also trained 71 445 people since inception.

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