

REMARKS BY PREMIER DAVID MAKHURA ON THE OCCASION OF THE LAUNCH OF THE TSHWANE AUTOMOTIVE HUB (SPECIAL ECONOMIC ZONE), SILVERTON, CITY OF TSHWANE.

05 NOVEMBER 2019

His Excellency, the President of the Republic of South Africa, President Cyril Ramaphosa;

Minister of Trade and Industry, Hon. Ebrahim Patel;

Gauteng MEC for Economic Development, Agriculture and Rural Development, Morakane Mosupye;

Mayor of the City of Tshwane, Stevens Mokgalapa;

CEO of the Ford Motor Company South Africa, Mr Neale Hill and Executive Team;

The Director General of the Dti, Mr Lionel October;

Gauteng Director General, HOD of Economic Development and senior officials;

Ladies and Gentlemen:

Mr President, increasing levels of investment is one of the hallmarks of your Presidency and this requires that all spheres of government play their full role.

In February 2019, I had a meeting with DG Lionel October in Cape Town immediately after President Ramaphosa's State of the Nation Address to discuss what we need to do to fast-track and unlock investment in Gauteng.

For four years, our province had been putting great effort in reversing de-industrialisation through a ten-pillar programme for Transformation, Modernisation and Re-industrialisation of the Gauteng economy.

Needless to say that out of that February meeting, this initiative of setting up a new Automotive Special Economic Zone in Tshwane and the overall drive for a multi-tier SEZ with footprints in different corridors of the Gauteng City Region, gained new momentum.

In March this year, I met with Ford CEO Neale Hill and Deeran to discuss all hurdles and blockages that need to be tackled to ensure this investment is fast-tracked and two weeks later met with the new Mayor of Tshwane, Cllr Stevens Mokgalapa.

I have since convened many meetings with government stakeholders and Ford Company SA. Since may, this work was taken forward with great enthusiasm and energy by Dr Kgosientsho Ramokgopa.

So you can all understand how happy I am to see that our dream of a special economic zone that focuses on growing the contribution of the automotive sector to employment, exports and GDP is crucial.

We are pushing ahead in the quest to re-industrialise and modernise the Gauteng economy so that we can make the greatest contribution to Africa's industrialisation, economic integration and structural transformation, in the context of the African Continental Free Trade Area.

Special Economic Zones have become the most potent industrial policy instruments for attracting foreign direct investment, increasing employment and growing the manufacturing capacity of nations.

Mr President, our vision is to turn the Gauteng City Region into a single, multi-tier and spatially integrated Special Economic Zone. The SEZ will boost one of the key critical sectors of the economy -manufacturing. They will also help increase exports and employment, whilst linking suppliers to the value chains of transnational corporations operating in the province.

Minister Patel, we are working with the Dti to build and revitalize industrial hubs for specific industrial sectors in specific regions or corridors of our province.

In Tshwane, we are focusing on automotive, aerospace and high tech. In Ekurhuleni, we are focusing on logistics, rail, capital equipment, machinery, mineral processing and jewellery manufacturing and agro-processing as part of the development of the aerotropolis. PRASA-GIBELA project going very well. In Sedibeng and West Rand we are focusing on boosting urban agriculture, food and beverages, agro-processing and tourism.

Beyond this Automotive Hub, we have another important initiatives we are working on:

- Development of the Science and High-Tech SEZ In Ekandustria
- Accelerated implementation of OR Tambo SEZ
- SEZ in Emfuleni, Sedibeng Region (Vaal Industrial areas)
- Development of West Rand Agri-industrial Park and Logistics Hub
- Tambo Springs Logistics Gateway

- Nigel Locomotive Hub
- Revitalization of the Babelegi Industrial Park
- Revitalization of Garankuwa Industrial Park
- Establishment of the Township Enterprise Hubs

This Ford SA investment investment will help us strengthen the position of SA as the manufacturing hub of our continent.

We are working hard to improve the ease of doing business, and streamline administrative procedures including the time required to set up operations in the country. That is why we are working with Municipalities and national governments and SOEs to ensure that investors find it easy to invest in our economy.

We have now established the Executive Council Committee on Investment and Infrastructure, which I chair. This Committee has a technical clearing house to fast-track and follow on all investment initiatives and infrastructure projects. To date, we have been working with the private sector to unlock investment projects worth R500 billion over a period of five-to-ten years.

The way we worked with national and provincial government and Ford to resolve all matters and fast-track decisions has been a major lesson that government can work faster and smarter to cut red tape.

We will use this model to contribute towards the development of all the corridors in the Gauteng City Region. This will possibly go beyond our borders more especially because the automotive sector is one of the most visible sectors receiving Foreign Direct Investments (FDI).

This launch is part of the commitment by the government in its entirety to bring economic opportunities closer to the people and ensure that the most marginalised are active participants in the key sectors of the economy.

Mr President, as Gauteng we are determined and ready to be make the largest contribution to your investment drive so that we can Grow South Africa Together.

Thank you.