



**President Cyril Ramaphosa: Regulatory reforms are yielding positive results**

It was as much about the numbers as the mood. Investor confidence in SA inc as an attractive investment destination was on full display at the recent 4<sup>th</sup> SA Investment Conference (SAIC) hosted by President Cyril Ramaphosa.

New investments to the value of R332 billion pledged at the conference takes the President's haul to R1.14-trillion since he announced an ambitious goal in 2018 to raise R1.2 trillion over five years. It's almost certain that the President will achieve this target at next year's

investment conference.

Against the backdrop of a devastating Covid-19 pandemic, slow economic growth and an energy crisis exacerbated by Eskom's incapacity to meet rising demand, Ramaphosa maintained an upbeat tone. "I am not here to pretend that these challenges are not real," said the President. Ramaphosa was however quick to assure that government was doing its best to address the country's challenges.

With this as a backdrop, the depth and quantum of these pledges - which if they materialise will flow into the most critical sectors of the economy and rejuvenate growth including in some of the most marginalised regions of the country, is encouraging to SA's economic growth prospects.

Discovery Holdings CEO Adrian Gore - in sentiments he shared during a panel discussion with outgoing Anglo CEO Mark Cutifani and Naspers South Africa CEO Phuti Mahanyele-Dabengwa, echoed Ramaphosa's optimism. Said Gore: "It is critical to shift the negative narrative that was pervasive in the country. This country is more resilient than people think, and our economy is even more resilient and bigger than people give it credit for," remarked Gore.

And the number of regulatory reforms notably in the telecoms and energy sectors recently announced by government have added impetus to private sector led - investment. One of the single biggest investments announced came from the African Development Bank (ADB), whose president, Dr Akinwumi Adesina, noted that the ADB's R42.5 billion pledge would primarily be allocated towards projects designed to support SA's shift towards renewables. "South Africa has the potential to be a global energy transition leader and deliver social and employment benefits in the process" said Adesina.

Norwegian group, Scatec pledged to invest R16 billion in among others, a solar power plant based in the Northern Cape. Scatec will also channel part of its

pledge in the production of biogas, photo-voltaic generation capacity and lithium battery technology - technologies which are likely to dominate SA's energy generation landscape as the country accelerates implementation of a Just Energy Transition. Local energy group, African Rainbow Energy pledged to invest R3 billion in renewable resources.

Nascent confidence in South Africa's economic reconstruction and recovery is also reflected in the willingness of global leaders in their fields to commit investments in sectors with high potential for growth. From as far afield as Canada and China, Belgium and Turkey, and the Czech Republic there were commitments directed at infrastructure development, healthcare, property, logistics, agri-processing and the creative industries.

Major global vehicle manufacturers doubled down on their long-standing investments in the automotive sectors through the expansion of the facilities in the Eastern Cape and Gauteng. This is a catalyst for smaller industry players - predominantly black-owned - to announce ventures within the automotive supply chains, from tyres, to batteries, to components and assembly facilities.

Success breeds success, and the country's initial achievements in the manufacturing of vaccines for Covid-19 attracted a host of new investments in the healthcare and pharmaceuticals sector which will greatly benefit the economies of KwaZulu-Natal, the Eastern Cape and the Western Cape.

**Quotes verbatim**

The Investment Conference is but one high-profile event in a process of confidence building that has gained traction. The key focus now will be to put the building blocks in place to ensure the sustainability of the commitments that were announced. Phumzile Langeni - one of President Ramaphosa's investment envoys.

The energy transition could provide an economic stimulus that could yield new industrial opportunities and create a net 160 000 additional jobs. This includes jobs in communities currently linked to coal. Andre de Ruyter - Eskom CEO.

South Africa can be Africa's innovation hub for health technology and the lynchpin for healthcare in general, communications, infrastructure, biomaterials and in addressing climate change. Dr Patrick Soon-Shiong - SA born entrepreneur based in the US.

Business should speak responsibly when it comes to public matters and support the government in its drive to grow the economy. We are all in this together. Mark Cutifani - outgoing CEO of mining giant Anglo

South Africa has the potential to be a global energy transition leader and deliver social and employment benefits in the process. Akinwumi Adesina - African Development Bank President.

The ground-breaking changes to the regulatory environment currently in motion - including the unlocking of spectrum for mobile communications - will accelerate this momentum. Investments in this sector have been doubling year on year for the past five years. Samantha Pokroy - CEO of a private equity firm investing in new growth opportunities.

**SAIC 2022 in numbers**

S/No		
1	African Rainbow Energy	R3 billion
2	Bio2Watt	R463 million
3	Seraphim	R437 million
4	Polarium	R30 million
5	Scatec	R16 billion
6	Compagnie Mauricienne de Textile Ltee	R390 million
7	Norfund	R2.25 billion
8	Meridiam	R3.3. billion
9	African Development Bank	R42.5 billion
10	New Development Bank	R21.7 billion
11	SAB	R4.5 billion
12	Equator Breweries	R2 billion
13	ECP Private Equity	R500 million
14	Lotus	R170 million
15	Afrigen Biologics & Vaccines	R652 million
16	Cato Ridge Logistics Hub Consortium	R6.2 billion
17	Ford	R16.4 billion
18	Africa Auto Group	R550 million
19	BMW	R800 million
20	Daimler trucks & Buses Southern Africa	R190 million
21	Fromex Industries	R102 million
22	Wheel Assemblers	R180 million
23	Volkswagen	R350 million
24	African Rainbow Minerals	R11 billion
25	Anglo Amercian	R10 billion
26	Implats	R11.8 billion
27	Isondo Precious Metals	R140 million
28	Ivanhoe Mines New Horizons	R2.8 billion
29	Sedibelo Platinum Mines Kell Process	R9.4 billion
30	Reenergen	R14 billion
31	African Rainbow Capital Kropz Elandsfontein	R497 million
32	Tshwane Automotive SEZ	R1.8 billion
33	Biovac	R2.5 billion
34	Aspen Pharmacare	R500 million
35	Cipla	R150 million
36	Pfizer	R255 million
37	BT Industrial Group	R226 million
38	IMT	R20 million
39	NantSA	R3 billion
40	Siemens	R484 million
41	Warner Media	R350 million
42	Netflix	R929 billion

43	Videovision Entertainment	R7.5 billion
44	PFN	R650 million
45	DSV	R2.2 billion
46	Imperial	R2.1 billion
47	Collins Residential	R2 billion
48	Waterfall	R18 billion
49	Telkom	R7 billion
50	RCL Foods	R400 million
51	Synergy Blenders	R94 million
52	ITAC	R427 million
53	VSA Group	R204 million
54	Government Incentives support programme	R6 billion
55	IDC support to companies, black industrialists and SMMEs	R20.1 billion
56	Swartland	R106 million
57	National Empowerment Fund	R2.5 billion
58	SEFA loans to support SMMEs	R2.3 billion
59	Everflo	R65 million
60	Anchora Enterprises	R1.8 billion
61	African Quartz	R1.5 billion
62	Smartway SA	R139 million
63	LM Diapers	R75 million
64	African Rainbow Capital Tyme Bank	R1.1 billion
65	DiDi	R1.2 billion
66	Airlift	R300 million
67	Teraco Data Environments	R1.1 billion
68	Sigma Connected	R267 million
69	P&G	R450 million
70	TetraPak	R500 million
71	iSanti Glass	R496 million
72	Huhtamaki	R150 million
73	Ardagh Group Consol	R1.5 billion
74	Defy	R317 million
75	LVSA Group	R204 million
76	Cape Ocean Terminals	R2 billion
77	Royal	R280 million
78	Hangda	R300 million
79	Highveld Robusteel	R800 million
80	Nyanza Light Metals	R5 billion
81	SA Steel Mills	R300 million
82	Scaw Metals Group	R2 billion
83	Alfeco Veer Aluminium Veer Steel Mills	R3.5 billion
84	Velocity Ventures	R470 million