

## Major new projects

*This section summarises major new foreign direct investment (FDI) projects, drawing on a new TIPS database, as well as domestic initiatives in the real economy.*

Two new FDI projects were confirmed in the final quarter of 2016, for a combined total investment value of R1,57 billion with almost 500 permanent jobs.

The projects were Cipla's new Biotech manufacturing plant and an expansion of the 3M's Maple Park Plant in Kempton Park. Both were notable because of their advanced technology as well as their link to long-standing investors in South Africa.

The Indian pharmaceuticals company Cipla is investing R1,3 billion in a biosimilars manufacturing plant, with construction starting in early 2017 for completion by the third quarter of 2018. The plant aims to create 300 jobs, most of which will be high-skilled engineering. The plant will be in the Dube Trade Port Special Economic Zone, with the investor citing a memorandum of understanding with Dube Trade Port as its key engagement with government. Initial plans are to target the domestic market, but the plant does have the potential for export in the future.

The US company 3M is involved in South Africa mostly in chemicals, automotive components, healthcare, and other industrial and commercial products. Its R120 million investment will upgrade its existing complex in Kempton Park, and aims to create 75 new jobs.

Notable real-economy domestic investment projects in 2016 included developing a nickel beneficiation plant project in the North West by Thakadu Battery Materials and Lonmin, valued at R15 million and expected to create 60 jobs.

In the public sector, Gauteng launched a new agri-park in the West Rand. The agri-park aims to assist small farmers in joint storage and marketing of their products.