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Foreign Direct Investment Tracker

Quarter 3 2018

Report prepared for the Department of Trade and Industry

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October 2018

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FDI Trends, Q3 2018

Quarterly trends

Monitoring for Quarter 3 identified 11 projects not previously captured by the FDI tracker; while five existing projects were updated during the quarter, with many of them coming to completion. Projects this quarter had a total pledged value of R47,7 billion, an increase from the R21,1 billion recorded in the previous quarter. It is also higher than the R 37,6 billion pledged for projects from the same quarter of 2017. Tracking identified 4880 permanent and temporary job opportunities, the bulk of which are temporary opportunities from a single project. This is 27% (1045) more jobs compared to the same period 2017 and a marked increase from the 1805 combined job opportunities identified in quarters 1 and 2 of 2018.



Six projects were newly announced, as indicated in table 1, among them additional renewable projects following the recent signing of the fourth round Renewable Energy Independent Power Producer Programme (REIPPP) agreements, which also make up the bulk of the pledged investment value for the quarter. The remainder of the announced investments are in manufacturing, including an upgrade by KLT Automotive & Tubular Products South Africa, a supplier of chassis for Ford Motor Company of Southern Africa (Ford SA). All completed projects identified are in the automotives sector, with two of these undertaken by UD Trucks Southern Africa (UD Trucks); while the lone project at pre-feasibility is in mining, with a planned expansion by Vedanta Zinc-International. Vedanta is amongst the companies whose future investments were announced at the South African Investment Conference in October. The investments included in this quarter's report were announced in the quarter prior to the conference, which is discussed further below.

Table 1: Investment stages

Stage	Value (R billion)	Number
Announced	35, 2	6
Complete	1, 2	4
Pre-feasibility	11, 2	1
Total	47, 7	11

Renewable energy dominates greenfield investment projects, with the only other such project being the recently completed UD Trucks Southern Africa Dealership. Upgrades and expansions, as has been the trend, are mainly in manufacturing, particularly the automotive sector. This is with the exception of ASSA ABLOY's automation project, with an upgrade of its door and lock systems manufacturing facility in South Africa.

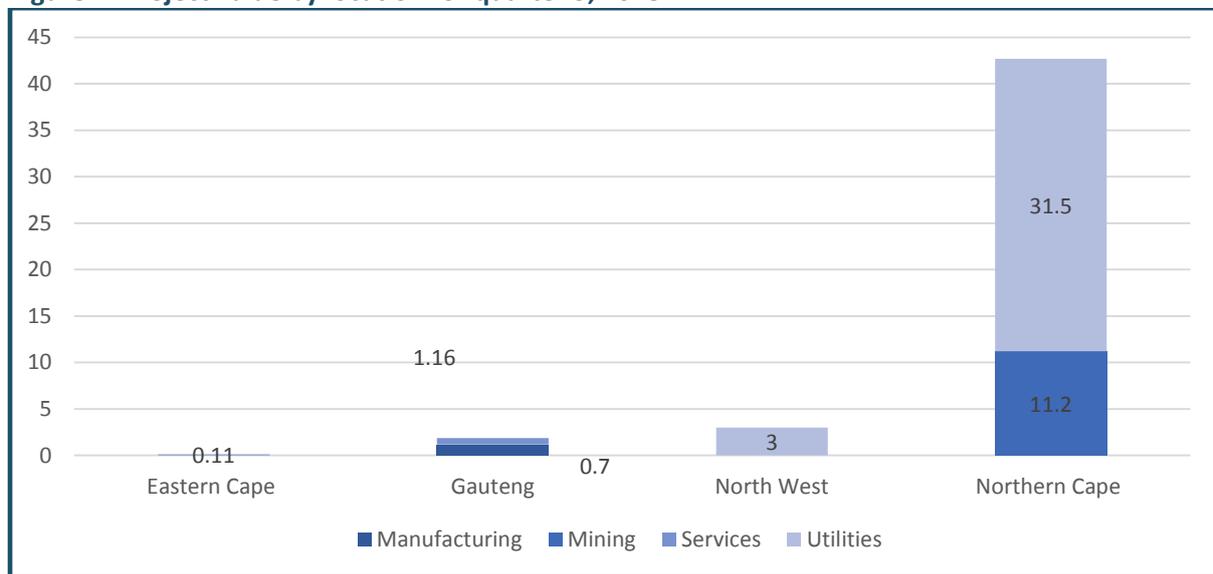
Table 2: Investment type

Type	Value (R billion)	Number
Expansion	12	3
Greenfield	34,6	4
Upgrade	1,1	4
Total	47,7	11

The Northern Cape dominates investments for the quarter, thanks to four large investments in mining and utilities, including Vedanta’s planned zinc refinery with a pledged value of R11, 2 billion, and renewable projects by ACWA Power, juwi Renewable Energies (juwi), and Enel Green Power (Enel). ACWA Power and juwi will be developing solar power plants, while Enel will be developing wind farms. It should be noted that Enel will not only develop wind farms in the Northern Cape but also in the Eastern Cape, at a total project value of R19, 8 billion for five wind farms. Three of these will be in the Northern Cape and, for this reason and the absence of a disaggregated value for each location, the value has been assigned to the Northern Cape.

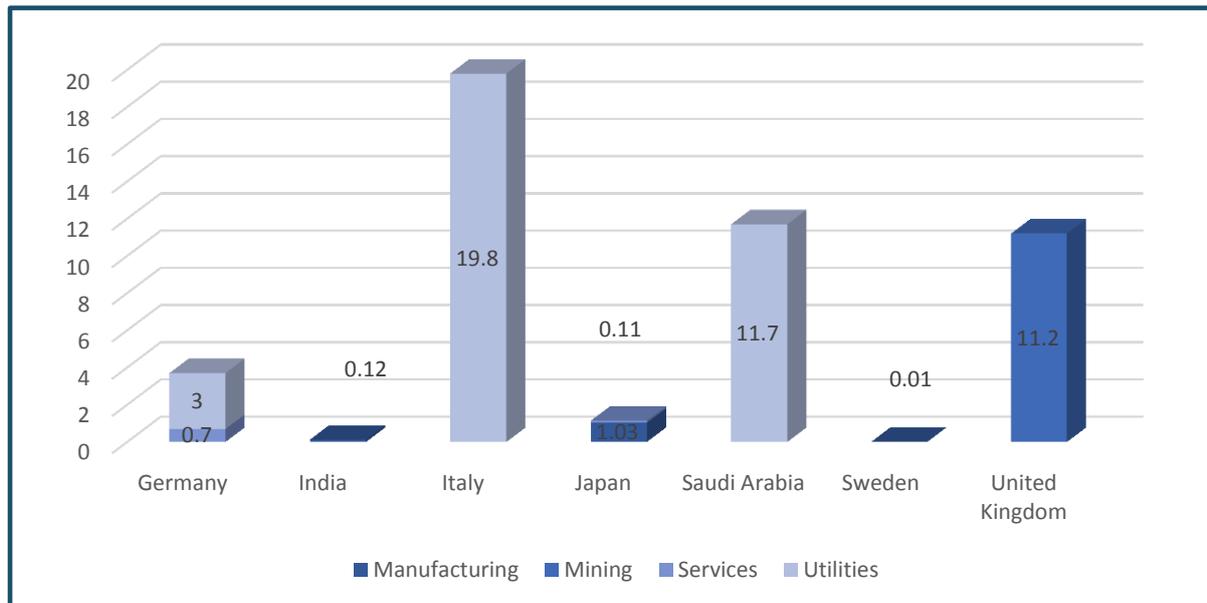
Similar to Enel, juwi’s investment in utilities is in two locations, also without a disaggregated value and for the same reason stated above the total R3 billion value is assigned to the North West, where two of three solar parks will be constructed. In addition to the investment in utilities, the Eastern Cape Province also sees a project in services contributing to the investment value with the establishment of a UD Trucks dealership.

Figure 1: Project value by location for quarter 3, 2018



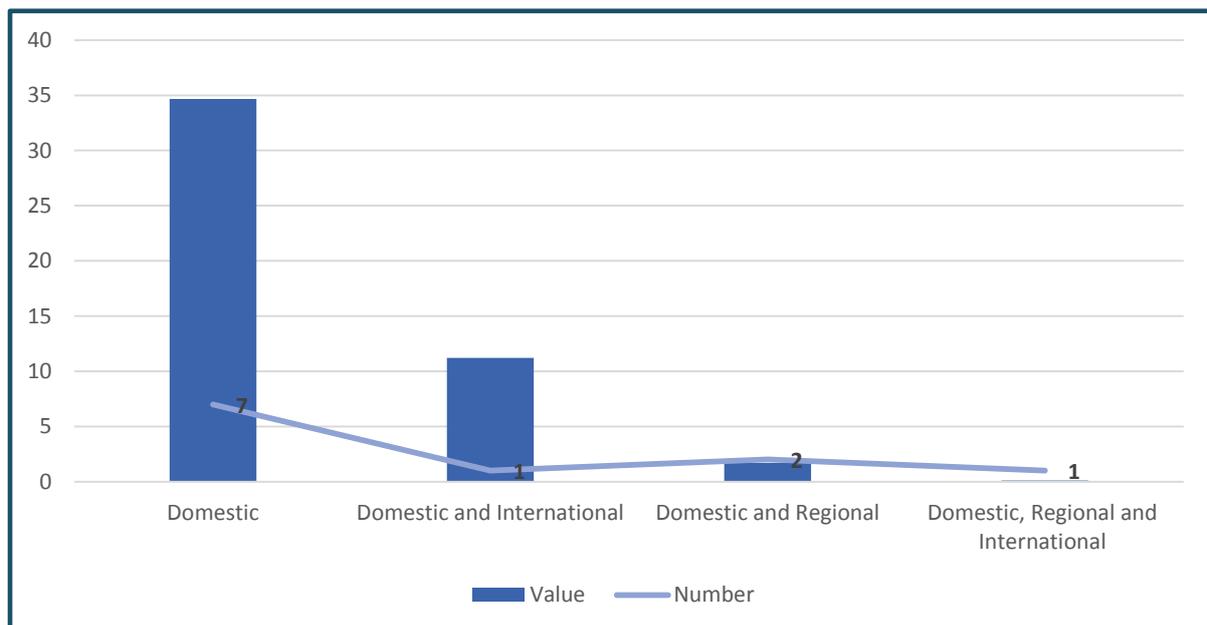
Investment inflows for the quarter are led by Italy, thanks to the large investment in utilities by Enel; followed by Saudi Arabia, with the investment by ACWA Power, as can be seen in Figure 2. The United Kingdom (UK) and Germany continue to be major investors in the country, thanks to projects in mining with the UK-headquartered Vedanta, and in manufacturing and utilities with Germany’s Opel and juwi respectively. Another traditional investor, Japan, features this quarter with two investment projects by UD Trucks in services and manufacturing, while Brics partner India continues with investment in automotive manufacturing with a project by KLT Automotive.

Figure 2: Value of FDI projects by origin, R billion for quarter 3, 2018



Continuing from quarters 1 and 2, investment for this quarter shows a concentrated focus on domestic investment which can be attributed to the dominance of utilities investment in the quarter.

Figure 3: Value and count of FDI projects by target market for quarter 3, 2018

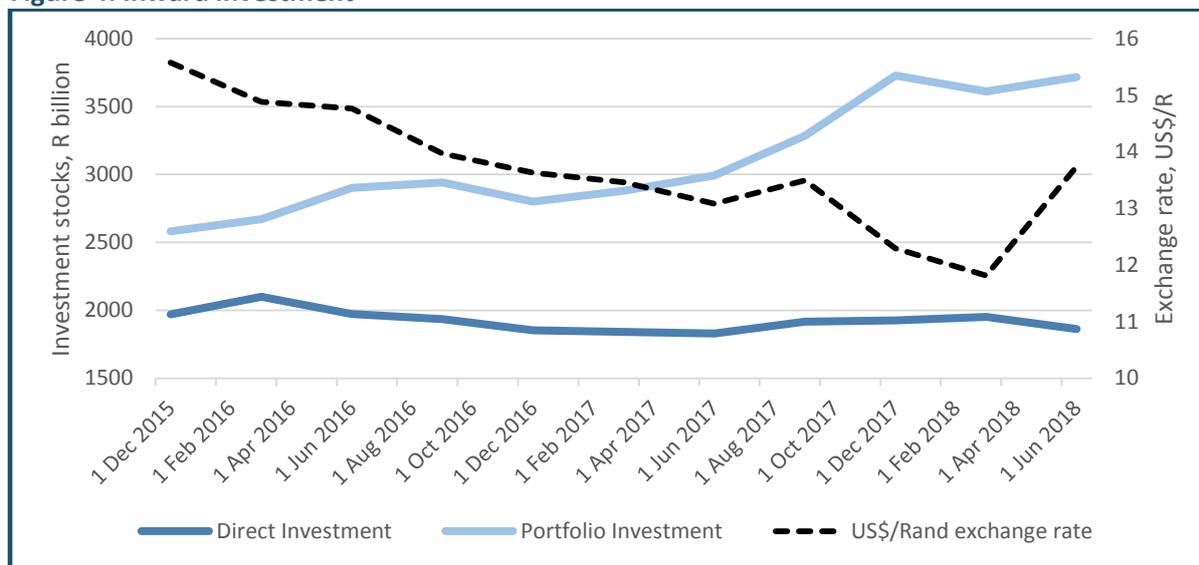


Monitoring for the quarter recorded 17 social benefit programmes from eight projects. As with Quarter 2 2018, this is on account of wind and solar projects in utilities, with the mix of programmes stipulated by REIPPP requirements including local content, community development and localisation. Broad-Based Black Economic Empowerment (B-BBEE) partnerships, and employee training and development continue to be the most common social benefit programmes, followed by localisation and community development.

Investment environment

Total investment trends for Quarter 3 were marked by a rapid deterioration of the Rand, which was the primary driver of shifts in FDI stocks. In particular, changes in the currency led to a decline in direct investment and an increase in portfolio investment, with the divergent patterns likely explained by speculative investment trying to benefit from currency instability. In the longer term, direct investment remains relatively flat, and is still below the levels seen at the end of 2015.

Figure 4: Inward investment



Source: SARB, South Africa's international investment position, downloaded 26/10/2018

FDI Projects, Q3 2018

New FDI projects

Automotive projects continued to play a major role in manufacturing investment for Quarter 3. Following the exit of General Motor's South Africa business, Opel Germany has established a new subsidiary, Opel South Africa, which has invested over R700 million into parts, warranty and service plans for Opel customers in Southern Africa. Opel SA's dealership network announced a R20 million investment in corporate identity facility upgrades to streamline the new Opel dealerships to the brands' international identity.

Though Nissan South Africa's upgrade of its Rosslyn facility was completed last year December, the company's investment is a new entry into the tracker. The company has invested about R1 billion over the past three years, of which R500 million went towards improving efficiency and renovating its production facilities, and R150 million towards employee skills and training. The overhaul sees the facility utilise one production line instead of two, with the result that there is more flexibility in responding to market demand. The facility is now able to produce 200 vehicles per shift, or 44 000 units a year. This expanded capacity will be used to focus on the African market in the medium term. The investment was not targeted at the production of any specific model, and production will also continue to focus on the NP200 half-ton bakkie and NP300 (Hardbody) one-ton bakkie, whose production life has been expanded from end of 2019 to beyond 2022. Nissan South Africa is now the sole manufacturer of the Hardbody model, which it has been producing for the past 10 years, and while it would normally be phased out, strong demand persists on the continent, with the Hardbody being Nissan South Africa's main export to the rest of Africa. The NP200 is the only high-volume small bakkie left in the local market following the termination of similar models such as the Ford Bantam and the Chevrolet Utility.

Nissan plans for South Africa to become the main production base for its light commercial vehicles, not only in South Africa but in the rest of Africa and the Middle East. In 2012, Nissan announced that it would manufacture a new one-ton pick-up at Rosslyn from 2014. Although the R1 billion investment is yet to materialise, the car manufacturer has emphasised that, despite the delay, it will happen, it is just a question of timing. Although the model has not been officially announced, it could potentially be the Navara pick-up, currently being imported from Thailand.

Vedanta Zinc International, a subsidiary of Vedanta Resources, announced that it is undertaking a feasibility study into the construction of a zinc smelter and refinery complex at its Gamsberg open-pit mine, in the Northern Cape. The concentrator and associated infrastructure will be a part of the mining firm's broader expansion Gamsberg-Skorpion Integrated Zinc project, which includes the Skorpion Refinery in Namibia, to make it possible to handle a higher volume of ore from the Gamsberg mine, while extending the life of the scorpion zinc operation. After three years, the first phase of the Gamsberg mines development is complete and the mine has officially been commissioned with production underway since early July 2018. The planned complex, should it be constructed, will cost an estimated R11, 4 billion, will generate an estimated 250 000 tonnes a year of zinc metal, and would require 200MW of power and a water allocation that requires significant large-scale investment. The study will determine the method of refinery, whether to roast or pressure the concentrate and to establish how best to accommodate the expansion of the Gamsberg mine and potentially other zinc producers in the area. The facility will be expanded as the Northern Cape mine is expanded in two more phases.

In October 2017 VE Commercial Vehicles (VECV) announced that it would assemble the Eicher truck range at the UD Trucks facility in Rosslyn from 2018 through a joint venture between the Volvo Group (VECV) and Eicher Motors, Eicher Trucks and Buses. Eicher trucks were previously imported from India. VECV South Africa and UD Trucks are part of the Volvo Group. In early 2017, Eicher introduced the Eicher Pro Series comprising the medium-duty Pro 3000 Series, an 8, 5-ton vehicle mass haulage truck range. It was followed by the heavy duty Pro 6000 Series, which will be available in a freight carrier with different wheel bases, a tipper, garbage compacter and cement mixer variant. This series will compete with UD Trucks offerings in South Africa and Eicher products will be the lowest priced products in Volvo South Africa's stable. The Pro 6000 Series is aimed at the haulage, distribution, construction, industrial loads, and courier and perishables markets. The range was developed through a combination of Volvo's technology and processes, and Eicher's engineering technology, including in fuel efficiency. The Eicher brand is available in 14 outlets in South Africa, through partnerships with dealerships including Imperial and BB Motors.

The tracker identified two investments by UD Trucks; the company recently completed the first phase of its investment in its facility in Rosslyn with a R30 million upgrade. Second, in partnership with South Africa's Billson Group, it established a Billson Trucks dealership in Port Elizabeth valued at R110 million. The focus of the Rosslyn facility upgrade was on real estate, tooling and equipment with the aim of modernising the plant to reflect the company's plant at its Japan-based headquarters. Improvements include the acquisition of new fixtures, jigs and the implementation of a new material supply system. The facility currently produces trucks that are also exported to Botswana, Namibia, Zimbabwe, Mozambique, Malawi, Zambia, Swaziland, Lesotho, Mauritius and Tanzania. The new dealership is fitted with the latest in automotive technology and sustainable design. Features include eleven 30m long service bays of which four have service pits, road worthy test lanes and an additional 8 eight repair bays amongst others. This is one of few service investments identified by the tracker, and the size of the investment warrants its inclusion.

ASSA ABLOY South Africa is part of a global specialist manufacturer and supplier of door-opening systems and entrance solutions for a range of applications. In a move towards industry 4.0, it has invested in automation machines. The company has installed six robots with the goal to have a fleet more of more than 10 before the end of 2018. The company opted to use collaborative robotics that work alongside people. The upgrade will further ensure product quality and increase production volumes while reducing production cost.

KLT Automotive's facility in South Africa supplies chassis frames for Ford SA's Ford Ranger. The investment will go towards increasing the production of chassis frames at its Hammanskraal factory from 500 to 630 a day. KLT Automotive is also one of two bidders for the supply of chassis for the next generation Ford Ranger in 2022 and is bidding for a contract to supply frames for the Ford Everest with the firm looking into establishing another plant closer to Ford SA's Silverton facility. There are indications that there could be a follow through on this investment as they are currently looking at two facilities for the plant in close proximity to the Ford plant.

Outside of automotives, renewable energy projects features prominently in the investment basket for the quarter. There has been progression as more projects are realised following the go ahead given in round four of the REIPPP Enel Green Power has reached financial close on five new renewable projects that it will be developing, with approximately 700MW in capacity and estimated individual capacities of 140MW. Two of the farms are in the Eastern Cape, Oyster and Nxuba, while the other three, Garob, Karusa and Soetwater, are in the Northern Cape. Nxuba will be the first to be constructed towards the end of 2018 with the expectation that it will be operational by the end of 2020. It will be followed by Oyster Bay and Garob with construction planned for the first half of

2019, while Soetwater and Karusa are to be constructed in the second half of 2019. These four are expected to be operational in the first and second half of 2021 respectively.

Juwi Renewable Energies concluded engineering, procurement and construction (EPC) and operation and maintenance (O&M) contracts for three solar photovoltaic (PV) projects with a combined value of R3 billion. The agreement is with African Infrastructure Investment Managers (AIIM) which has 50.1% ownership in the three projects. AIIM develops and manages private equity infrastructure funds. The Droogfontein 2 Solar Park, located in the North West, will be the first to be constructed this quarter. It is to be followed by Bokamoso Solar Park in the 4th quarter and Waterloo in quarter one of 2019, both of which are in the North West. The solar parks will generate a combined 250 MW of electricity.

The Central Energy Fund of South Africa (CEF) and ACWA have an agreement that establishes a framework for co-investment in a set of renewable projects, with the Redstone concentrated solar thermal power plant in the Northern Cape the first of others to come. Redstone is a 100MW concentrated solar power (CSP) featuring central salt receiver technology with 12 hours of thermal storage that allows the plant to generate energy at night in addition to when the sun is shining. The plant will also use dry-cooling options to minimise water use. The project will be owned by ACWA Power Solar Reserve Redstone CSP, comprising ACWA Power Redstone Holdings (50%) and SolarReserve (10%); GEPF Renewable Energy Investment 1 (13.5%), a vehicle incorporated by the Government Employees Pension Fund and managed by the Public Investment Corporation; the Redstone Community Trust (6.5%), a broad-based black economic-empowerment entity; Old Mutual Life Assurance Company of South Africa 10%; and Pele Green Energy (10%). It will be built adjacent to the Lesedi and Jasper solar (PV) power plants, and together the three projects will make up the world's first combined CSP and PV solar park.

Updated FDI projects

After four years and approximately R2 billion in investment, Sumitomo Rubber South Africa (SRSA) has officially started production at its truck and bus radial (TBR) tyre manufacturing facility in Ladysmith, KwaZulu-Natal. The upgrade and expansion of the plant was rolled out in two phases with an initial R1,1 billion going towards upgrading the facility and introducing new technology and equipment to increase the production of passenger vehicle and SUV tyres. A further R970 million was invested to purchase land adjacent to the facility, allowing SRSA to introduce and manufacture TBR tyres locally. SRSA was established in 2013 following the acquisition by Sumitomo Rubber Industries, the Japanese parent company, of a local tyre manufacturing plant. Sumitomo, the world's fifth largest producer of automotive tyres, gained control of the Dunlop brand rights for the whole of Africa while establishing a manufacturing base in Africa. The facility is currently producing about 12 500 units a day of passenger vehicle and SUV tyres, with a planned production capacity of 750 tyres a day, while sales of TBR tyres are set to commence in the fourth quarter of 2018, with the full size range to be completed by 2019. An additional 193 employees were added to the workforce that currently stands at 1 060 people, most of whom come from Ladysmith and surrounding areas.

Also in automotives, established vehicle manufacturers Volkswagen South Africa (VWSA) and BMW South Africa reached milestones in their investment programmes. VWSA has completed its R6,1 billion investment programme in new models and facility upgrades at its Uitenhage plant. The investment came full circle with the launch of the new-generation Polo. Most of the investment went to infrastructure, local content tooling, quality assurance, and manufacturing equipment – such as the 320 Kuka robots installed to ease assembly and IT upgrades. VWSA has also introduced

the “one-line concept” for the first time with this investment. This allows the plant to build two different models on one production line and will be applied in the manufacture of both new lines.

BMW South Africa officially launched its new training academy following an investment of R73 million into the state-of-the-art facility. The training academy spans 6 000m² with the capability to host 300 apprentices a year. The academy supports the new BMW X3, and the car manufacturer has exported the first units manufactured in South Africa, culminating from its R6, 1 billion investment over the past three years. Over 100 units of the X3 have already been exported to Europe from the Durban port. The vehicle manufacturer has also officially unveiled its R260 million regional parts distribution centre, which will distribute parts to dealers across Southern Africa. The facility will hold 600 000 motor parts for delivery to 56 dealers.

With the exit of General Motors (GM) from South Africa, Isuzu purchased GM’s Struansdale manufacturing facility and GM’s 30% shareholding in Isuzu Trucks South Africa, making this the first operation outside of Japan that the vehicle manufacturer has acquired 100% ownership. Isuzu have also moved its truck operations in Port Elizabeth from Kempston Road to the Struandale plant, in the city. Following the launch of the facility, Isuzu announced a partnership with Port Elizabeth-based Propella Business Centre through an investment into the industrial hub, at an undisclosed value over the next three years. The Business Propella Incubator is a partnership between Nelson Mandela Bay University and the Industrial Development Corporation providing support for new technology and innovation with a focus on renewable energy, energy generation, energy efficiency and advanced manufacturing. The Isuzu Industrial Hub will support technology and innovation in the advanced manufacturing sector in the Eastern Cape. The car manufacturer is focused on building sustainable business and establishing partnerships that positively impact the surrounding community, as with this investment. Current participants or beneficiaries based at the Isuzu Industrial Hub include the Rhino Group, manufacturing green products such as light-weight concrete out from recycled polystyrene, and another company, Rubber Nano, producing energy efficient rubber currently used in the shoe industry.

Finally in updated projects this quarter, Osho Cement, a joint venture between Dubai-based Osho Ventures and Germany’s Heidelberg Cement, has commenced construction of its cement grinding facility. Construction of the first proposed grinding units is underway, while full construction is to be completed this year, with commercial production commencing shortly thereafter. The company will import its primary raw material, manufacture and sell its products locally while also exporting cement to Indian Ocean Islands and Sub-Saharan Africa. Once complete, Osho Cement will be the seventh cement producer in South Africa.

Investment Conference 2018

The inaugural South African Investment Conference was held in Johannesburg from 24-26 October, and featured a number of announcements of new investment projects, with total pledged value being reported at between R134,1 billion and R209 billion, and building towards President Cyril Ramaphosa’s goal of attracting US\$100 billion in new FDI over a five-year period. While the investment pledges signal a number of major new projects, the announcements were made in October, and will therefore only be included in the fourth quarter report of the investment tracker.

However, a number of these projects have been flagged for analysis next quarter, including those listed in Table 3 below.

Table 3: Projects announced at the 2018 Investment Conference

Project	Company	Value (R billion)
Extending and sustaining lifecycle of mines	Anglo American	75,1
Two zinc mines	Vedanta Resources	21,4
East London plant expansion	Mercedes Benz	10
Export capacity investments	Mondi	8
Dissolving wood pulp capacity	Sappi	7,7
Tech start-up fund	Naspers	6
Platinum mines	Ivanplats	4,5
Vanadium mines	Bushveld Minerals	2,5
Smartphone production	Mara corporation	1,5
Telecoms base stations	Rain	1

Credibility classification

The FDI tracker monitors pledged investment, the update also introduces a new system to gauge the credibility of these pledges. For projects that have not yet reached the construction stage, the new system assigns one of three grades to the projects, based on the reliability of the pledge. This credibility system allows for a deeper understanding of the FDI tracker database, and screens out investments that are unlikely to occur in their pledges form.

The credibility classification introduces three new categories that apply to all projects that have not yet entered the construction phase. These classifications are summarised in Table 4.

Table 4: Classification of project by credibility of investment pledge

Grading	Explanation
Uncertain	Project has been announced, but the plan lacks details (such as company commitment or clear development plan) or is too early to be substantive.
Potential	Project has been announced, shows possibility for future development and the company has a strong track record, but the plan lacks some details or there are doubts on specific aspects of the announcement.
Credible	Project has been announced, and is highly credible, often with plans that are partially in progress, such as completed feasibility studies or regulatory approval.
Construction/ implementation	Projects that are underway. Figures will be updated to reflect changes to the project during the construction / implementation period.
Cancelled	The project is no longer moving ahead.

TIPS researchers use a number of indicators to highlight concerns in the allocation of projects for the credibility classification. These are listed in Table 5. All projects are considered credible by default, and are downgraded according to the appearance of these metrics.

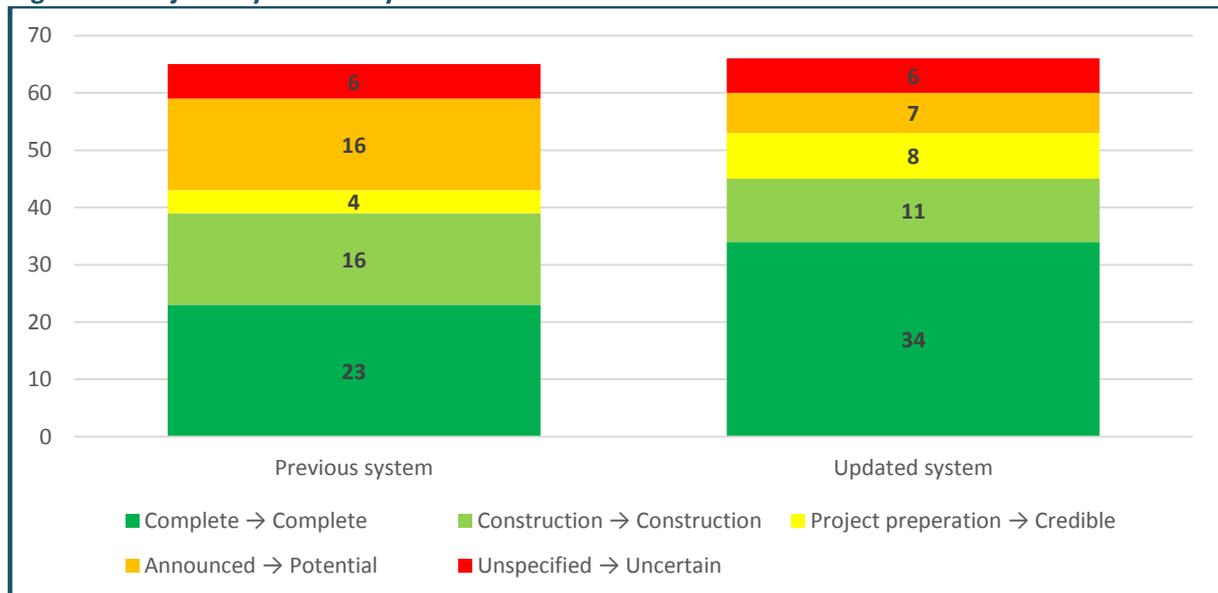
Table 5: Indicators of credibility

Grading	Indicators
Credible	<ol style="list-style-type: none"> 1. Project is being completed by an established firm with a history of investment in South Africa 2. Regulatory approvals or feasibility work has begun 3. Project is an expansion of an existing facility

Potential	<ol style="list-style-type: none"> 1. Project job creation (or other metrics other than value) are much larger than is common for the sector 2. No numbers are announced for the project, particularly if value data is not available 3. Significant regulatory barriers remain, such as complex and uncertain approval processes 4. Investment is in a sector that is under significant economic strain
Uncertain	<ol style="list-style-type: none"> 1. Project value is much larger than is common for the sector 2. No project company is listed 3. A political announcement has been made, but without a matching pledge from a firm 4. No regulatory approvals or feasibility work has been completed, despite an announcement that indicates the project is at an advanced stage 5. Significant political risks are present, such as public opposition, accusations of corruption, or partnerships with disreputable companies 6. Government licencing is required and the project has not been included in planning processes

Figure 5 shows the categorisation system for FDI projects recorded by TIPS since 2017 (which does not include new investments for Q3), according to the credibility system, which is introduced for the first time this quarter.

Figure 5: Projects by Credibility Classification



The majority of projects classified as Credible are expansion or reinvestment projects, and are being undertaken by a number of major locally-based manufacturing firms. This includes a number of the automotive investors (such as BMW, Mercedes-Benz, and newer players like BAW). A number of these investments are expansion projects, which are unlikely to include announcements that they are completed, and are often implemented in a long-term staggered fashion. These projects may well be underway, but lack confirmation.

Potential projects are a mix of projects that face barriers to their completion, and others which have been realised in a form that does not appear to align with the announcement. The Thabametsi and Khanyisa coal IPPs (independent power producer projects), for example, have firm commitments

from both the investors and their clients (the state in this case, which includes the project in the latest Integrated Resource Plan), but is opposed by a number of legal challenges from civil society organisations, that add a degree of uncertainty to the projects. Other projects, such as the Klipspruit life extension project, appear to be ongoing, but their investors (South 32 in this case) are undergoing major changes like a sale or entering business rescue. Finally, project's like AGCO's pledged tractor and agricultural implement manufacturing plant, do not seem to have been realised – but the companies have still invested in other ways, such as AGCO's development of a headquarters and warehousing facility.

Uncertain projects feature major questions on the likelihood of the project. This isn't necessarily because the project is not possible or not profitable, but may be because the project is still at a very early exploratory stage or has simply fallen silent since an initial announcement. These uncertain projects are placed on a "red list" which requires more regular follow-up on the state of the project by the research team. The current projects on this list can be found in Table 6.

Table 6: 'Red List', projects classified as Uncertain

Project	Reason
Shell investment plans for South Africa	Mentioned in a media interview, but not confirmed by official announcement or company documents.
Revitalisation of Lace Diamond Mine	Company placed under administration.
Musina Energy Park	Very large pledges, lack of company or project specifics, concerns on credibility of key actors, aspects of the project require licencing not in current government plans.
Somlolo brokered Chinese metals project in Coega Industrial Development Zone	No further announcements or progress since 2016.
Cipla's first South African biotech manufacturing facility	Company pledge remains, but specific project has not been confirmed or reaffirmed.
Rietfontein and Beta staged hard-rock gold mine development project.	Exploratory stages, with results not yet available on feasibility of project.
Thorny River diamond project	Exploratory stages, initial results seem promising but remains far from bankability.

Investment Profiles, Q3 2018

Redstone concentrated solar thermal power plant (CSP) ACWA Power CSP plant project	
Investment Value in foreign Currency	US\$789 Million
Investment Rand Value	R11,2 Billion
Project location: Province	Northern Cape
Project location: City/Town	Postmasburg
Investor firms	ACWA Power and others
Investor country	Saudi Arabia
Investor city	Riyhad
Start date	15/7/2018
End date	Unspecified
Project phase	Announced
Project type	Greenfield
Project industry	Utilities
Project sector	Electricity, gas steam and air conditioning supply
Permanent jobs	80
Temporary jobs	4 000
Government partnership	Central Energy Fund of South Africa (CEF); Department of Energy (REIPPP); GEPF Renewable Energy Investment (13.5%), a vehicle incorporated by the Government Employees Pension Fund (GEPF) and managed by the Public Investment Corporation
Target Market	Domestic
Social Development Programme	Community ownership (12.5%); B-BBEE (26%); Redstone Community Trust (6.5%)
Project Description	The CEF and ACWA have an agreement that establishes a framework for co-investment in a set of renewable projects. Redstone CSP is the first of others to come. Redstone is a 100MW CSP featuring central salt receiver technology with 12 hours of thermal storage that allows the plant to generate energy at night in addition to when the sun shining. The plant will also make use of dry-cooling options to minimise water use. The project will be owned by “ACWA Power Solar Reserve Redstone CSP” comprising ACWAPower Redstone Holdings (50%), and SolarReserve (10%) and other partners. It will be built adjacent to the Lesedi and Jasper solar (PV) power plants, together the three projects will make up the world’s first combined CSP and PV solar park.
Motivation	

Waterloo, Bokamoso and Droogfontein two solar park projects	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R3 Billion
Project location: Province	North West and Northern Cape
Project location: City/Town	Vryburg, Leeudoringstad, Kimberly
Investor firms	juwi Renewable Energies; African Infrastructure Investment Managers (AIIM)
Investor country	Germany
Investor city	Worrstadt
Start date	13/08/2018
End date	Unspecified
Project phase	Announced
Project type	Greenfield
Project industry	Utilities
Project sector	Electricity, gas steam and air conditioning supply
Permanent jobs	0Not Reported
Temporary jobs	Not Reported
Government partnership	
Target Market	Domestic
Social Development Programme	Unspecified
Project Description	juwi Renewable Energies concluded engineering, procurement and construction (EPC) and operation and maintenance (O&E) contracts for three solar projects. The agreement is with AIIM. Droogfontein will be the first to be constructed in the third quarter of 2018 to be followed by Bokamoso in the fourth quarter and Waterloo in quarter one of 2019. They are among the projects approved in Round four of the REIPPP solar PV projects.
Motivation	REIPPP

KLT Automotive expansion and diversification programme	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R 20 Million
Project location: Province	Gauteng
Project location: City/Town	Derdepoort
Investor firms	KLT Automotive & Tubular Products
Investor country	India
Investor city	
Start date	5/7/2018
End date	Unspecified
Project phase	Announced
Project type	Upgrade
Project industry	Manufacturing
Project sector	Automotive
Permanent jobs	100
Temporary jobs	Not Reported
Government partnership	Unspecified
Target Market	Domestic
Social Development Programme	B-BBEE partner
Project Description	KLTs facility in South Africa supplies chassis frames for Ford Motor Company SA for the Ford Ranger and the investment will go towards increasing the production of chassis frames at its Hammanskraal factory from 500 to 630 a day. KLT is one of two bidders for the supply of chassis for the next generation Ford Ranger in 2022 and is considering bidding for a contract to supply frames for the Ford Everest. The company is also considering establishing a smaller version of the Hammanskraal facility close to Ford SA's Silverton facility.
Motivation	

ASSA ABLOY investment in automation	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R10 Million
Project location: Province	Gauteng
Project location: City/Town	Roodepoort
Investor firms	ASSA ABLOY South Africa
Investor country	Sweden
Investor city	Stoklhom
Start date	19/09/2018
End date	Unspecified
Project phase	Announced
Project type	Upgrade
Project industry	Manufacturing
Project sector	Manufacture of cutlery, handtools and general hardware
Permanent jobs	Not Reported
Temporary jobs	Not Reported
Government partnership	Unspecified
Target Market	Domestic
Social Development Programme	Employee training and development; Localisation
Project Description	ASSA ABLOY South Africa is part of global specialist manufacturer and supplier of door-opening systems and entrance solutions for a range of applications. In a move towards industry 4.0 the company has invested in automation machines. It has installed six robots with the goal to have a fleet of more than 10 before the end of 2018. The company opted to use collaborative robotics that work alongside people. The upgrade will further ensure product quality and increase production volumes while reducing production cost.
Motivation	Improve productivity and customer services.

Opel South Africa	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R700 Million
Project location: Province	Gauteng
Project location: City/Town	Sandton
Investor firms	Opel International
Investor country	Germany
Investor city	Rüsselsheim am Main
Start date	9/7/2018
End date	Unspecified
Project phase	Announced
Project type	Expansion
Project industry	Services
Project sector	Automotive
Permanent jobs	Not Reported
Temporary jobs	Not Reported
Government partnership	Unspecified
Target Market	Domestic and Regional
Social Development Programme	Unspecified
Project Description	Following Opels change in ownership- being taken over by Peugeot South Africa (PSA) -with General Motors exit from South Africa, Opel Germany established a new subsidiary, Opel South Africa, which has Invested in the company's parts, warranty and service plan offerings for the local market. In response Opel SA's dealership network announced a R 20 Million investment that will serve to streamline local dealerships corporate identity with the brands international identity.
Motivation	The company sees the country as an important market and a strategic investment. It aims to strengthen the Opel brand in South Africa as in other key markets.

Nissan Investment Programme	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R1 Billion
Project location: Province	Gauteng
Project location: City/Town	Rosslyn
Investor firms	Nissan
Investor country	Japan
Investor city	Yokohama
Start date	2015
End date	2017
Project phase	Complete
Project type	Upgrade
Project industry	Manufacturing
Project sector	Automotive
Permanent jobs	Not Reported
Temporary jobs	Not Reported
Government partnership	Unspecified
Target Market	Domestic and regional
Social Development Programme	Employee training and development (R150 Million)
Project Description	Nissan has incrementally upgraded the facility in a move to modernise and improve efficiency. The plant now has the capacity to produce 200 vehicles per shift translating to approximately 44 000 units a year. Nissan South Africa will continue to manufacture the NP300 (Hardbody) and the NP200, a small bakkie due to be phased out 2019, now extended to beyond 2022. This is due to continental demand for the NP300 and local demand creating a gap in the market for small bakkies such as the NP200, benefitting from the termination of the likes of the Ford Bantam and Chevrolet Utility.
Motivation	

Gamsberg Mine Project - Zinc Refinery	
Investment Value in foreign currency	US\$800 Million
Investment Rand Value	R11,4 Billion
Project location: Province	Northern Cape
Project location: City/Town	Aggeneys
Investor firms	Vedanta Zinc International
Investor country	United Kingdom
Investor city	London
Start date	3/5/2018
End date	31/11/2018
Project phase	Feasibility
Project type	Expansion
Project industry	Mining
Project sector	Mining of metals
Permanent jobs	700
Temporary jobs	0
Government partnership	Mineral Resources
Target Market	Domestic and International
Social Development Programme	B-BBEE (24.4% Exxaro Resources; Employee Share Ownership Plan (ESOP) 6%)
Project Description	Vedanta is investigating the construction of a zinc smelter and refinery complex in South Africa. If constructed, the facility will generate an estimated 250 000 tonnes a year of zinc metal and would require 200MW of power and a water allocation that requires significant large-scale investment. The study will determine the method of refinery, whether to roast or pressure the concentrate, and to establish how best to accommodate the expansion of the Gamsberg mine and potentially other zinc producers in the area. The facility will be enlarged as the Northern Cape mine is expanded in two more phases. Gamsberg forms part of the Black Mountain Mines.
Motivation	

UD Trucks plant upgrade (Phase 1)	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R30 Million
Project location: Province	Gauteng
Project location: City/Town	Rosslyn
Investor firms	UD Trucks
Investor country	Japan
Investor city	Ageo
Start date	01/17
End date	24/01/2018
Project phase	Complete
Project type	Upgrade
Project industry	Manufacturing
Project sector	Automotive
Permanent jobs	Not Reported
Temporary jobs	Not Reported
Government partnership	Unspecified
Target Market	Domestic
Social Development Programme	Unspecified
Project Description	The focus of the investment was on real estate, tooling and equipment with the object of modernising the plant to reflect the company's plant at the Japan-based headquarters. Improvements include the acquisition of new fixtures and jigs, and the implementation of a new material supply system. The facility currently produces trucks that are also exported to Botswana, Namibia, Zimbabwe, Mozambique, Malawi, Zambia, Swaziland, Lesotho, Mauritius and Tanzania.
Motivation	To modernise the facility.

UD Trucks Dealership (Billson Trucks)	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R110 Million
Project location: Province	Eastern Cape
Project location: City/Town	Port Elizabeth
Investor firms	UD Trucks
Investor country	Japan
Investor city	Ageo
Start date	Unspecified
End date	26/03/2018
Project phase	Complete
Project type	Greenfield
Project industry	Services
Project sector	Sale of motor vehicles
Permanent jobs	Not Reported
Temporary jobs	Not Reported
Government partnership	Unspecified
Target Market	Domestic
Social Development Programme	Employee training and development
Project Description	In partnership with Billson Trucks, the company established a dealership. The facility spans 6000m ² , with the newest developments in automotive technology and sustainable design. Features include 11 30m long service bays of which four have service pits, roadworthy test lanes and an additional 8 repair bays.
Motivation	Offer customers world-class facilities and services. It has been specifically designed to improve vehicle flow and turnaround times to give customers as much up time as possible.

Eicher Trucks Assembly	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R100 Million
Project location: Province	Gauteng
Project location: City/Town	Rosslyn
Investor firms	VE Commercial Vehicles (VECV)
Investor country	India
Investor city	New Delhi
Start date	1/7/2017
End date	29/08/2018
Project phase	Complete
Project type	Expansion
Project industry	Manufacturing
Project sector	Automotive
Permanent jobs	Not Reported
Temporary jobs	Not Reported
Government partnership	Unspecified
Target Market	Domestic, Regional and International
Social Development Programme	Unspecified
Project Description	VECV and Eicher Motors formed a joint venture that will see Eicher Trucks assembled in South Africa. The trucks will be assembled at UD Trucks Rosslyn facility. They plan to assemble the Eicher Pro Series, comprising the medium-duty Pro 3000 series introduced in 2017 and the Pro 6000 series, launched in 2018; heavy duty trucks which will be available in a freight carrier with different wheel bases, a tipper, garbage compacter and cement mixer variant. The Pro 6000 Series is aimed at the haulage, distribution, construction, industrial loads, courier and perishables markets.
Motivation	South Africa is a strategic market that will play a crucial role in the future growth of VECV's international business.

Enel Green Power wind farms project	
Investment Value in foreign currency	Not Applicable
Investment Rand Value	R 19.8 Billion
Project location: Province	Northern Cape and Eastern Cape
Project location: City/Town	
Investor firms	Enel Green Power
Investor country	Italy
Investor city	Rome
Start date	2/8/2018
End date	2021
Project phase	Announced
Project type	Greenfield
Project industry	Utilities
Project sector	Electricity, gas steam and air conditioning supply
Permanent jobs	Not Reported
Temporary jobs	Not Reported
Government partnership	Department of Energy
Target Market	Domestic
Social Development Programme	Local ownership
Project Description	<p>Enel Green Power reached financial close on five new renewable projects with approximately 700MW in capacity with estimated individual capacity of 140MW. They were awarded in round four of the REIPPP. Two of the farms are in the Eastern Cape, Oyster and Nxuba, while the other three, Garob, Karusa and Soetwater, are in the Northern Cape. Nxuba will be the first to be constructed towards the end of 2018 with the expectation that it will be operational by the end of 2020. It will be followed by Oyster Bay and Garob with construction planned for the first half of 2019, while Soetwater and Karusa are to be constructed in the second half of 2019. These four are expected to be operational in the first and second half of 2021 respectively.</p>
Motivation	The investment confirms the company's commitment to the country's renewable sector within a context of sustainable development.