



■ INVESTMENT

# CEs commit R363 billion to boost economy

*Government wants to raise R1.2 trillion*

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THE CHIEF executives of private companies and state-owned enterprises yesterday rallied behind the government's bold ambition to raise R1.2 trillion in new domestic and international investment over the next five years by committing R363 billion to boost the economy.

South African private sector companies are sitting on more than R1trln worth of cash reserves, put off by a stagnant economy, low commodity prices and energy supply challenges.

Last year, local and international investors pledged investments totalling nearly R300 billion in 31 projects during the inaugural South Africa Investment Conference.

The second instalment of the conference yesterday saw investors pledging investments totalling billions to help reignite the ailing economy, which is growing at 0.5 percent.

MTN Group president and chief executive Rob Shuter yesterday announced a R50bn investment over five years in infrastructure.

Shuter said MTN would invest R10bn a year in capital investment, assisting with the roll-out of digital infrastructure and connectivity and the building of properties for use across 21 countries.

"We are absolute believers that

South Africa is going to rise and prosper in the years ahead," Shuter said.

South African pulp and paper company Sappi Group made a further commitment of R14bn across its four plants in the country.

Investors have described the automotive industry as one of South Africa's most thriving sectors.

The National Association of Automobile Manufacturers on Tuesday announced an investment of R6bn towards the establishment of an automotive industry fund to train black South Africans, and also to enable young black female employees to work in the automotive industry.

Toyota South Africa president Andrew Kirby yesterday announced an investment of R2.43bn towards a new passenger car model that will go into production in Durban by the end of 2021. "The investment will create an additional economic activity of R2.85bn per annum and it will generate an additional 1 500 new jobs," Kirby said.

South African automotive body parts blanking company VM Automotive also made a commitment for an investment of R426 million.

The Agricultural Development Agency pledged R12.9bn over the next five years in creating an opportunity for the emergence of new farmers, helping 450 000 people in rural communities, and creating 300 000 poten-



PRESIDENT Cyril Ramaphosa (seated) witnesses Trade and Industry Minister Ebrahim Patel and Japan's ambassador designate to South Africa, Norio Maruyama, sign the agreement to establish the Japan-South Africa Business Forum at the second South Africa Investment Conference at the Sandton Convention Centre yesterday. | JAIRUS MMUTLE GCIS

tial job opportunities.

International healthcare products supplier Braun Global pledged R300m.

Clothing retailers – including Woolworths Holdings, Foschini and Edcon – committed to spending R6.5bn on new manufacturing capacity that would create 20 000 jobs, according to Bloomberg.

Exxaro chief executive Mxolisi Mgojo said the diversified miner would be investing R40m into a programme, which provided digital technology training to 400 youth over the next 12 months, in support of youth development in the Fourth Industrial Revolution.

"Exxaro has been on a digitalisation journey for the last three years and is now seen as a leader in digital adoption and transformation in the

mining industry," Mgojo said.

Financial services and healthcare group Discovery South Africa committed R1.4bn towards growing the South African economy.

The BRICS New Development Bank said its investment of R23bn aims to diversify and offer new opportunities in the banking space.

A few co-operative and bilateral agreements were also signed at the conference.

Japan's ambassador to South Africa, Norio Maruyama, and Minister of Trade and Industry Ebrahim Patel signed an agreement establishing the Japan-South Africa Business Forum.

Japanese companies committed to investing more than R6.8bn at last year's conference.

Maruyama said the Japanese gov-

ernment and private sector investors would commit to a further investment of \$20bn (R295bn) across the African continent, a proportion of which would be committed to the South African economy.

The Department of Trade, Industry and Economic Development also signed more than R365m investment by Amazon Web Services under the B-BBEE Equity Equivalent Investment Programme.

The fund will be invested in the development of 100 percent black-owned South African SMMEs within the ICT sector.

Companies and government also signed the Clothing, Textile, Footwear and Leather Masterplan, which has been developed in the spirit of partnership and renewal.