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Media Release

Saldanha Bay Industrial Development Zone AGM reveals positive growth

- Exceeded adjusted targets by 9% for the year under review.
- Sustained 1,644 jobs throughout the Western Cape and 1,960 jobs throughout South Africa.
 - Contributed R1,11 billion to the GDP

Saldanha Bay Industrial Development Zone (SBIDZ) CEO Ms Kaashifah Beukes presented the company's annual report at the annual general meeting on 17 November 2021.

Due to delays and deferments of investments caused by the pandemic, the SBIDZ adjusted its annual targets downwards by 40% midway in the year, setting new targets of R1,02 billion GDP, R833 million GGP and 1,788 jobs in South Africa for the period under review. On the final tally, the SBIDZ contributed R1,11 billion to South Africa's GDP, R893m to the Western Cape GGP and sustained 1,644 jobs throughout the Western Cape and 1,960 jobs throughout South Africa; thus exceeding its adjusted targets by 9% for the year under review.

Beukes said, "We achieved this through the diligent, proactive work we undertook to re-open the zone as soon as allowed, putting constructive measures in places like a COVID -19 Occupational Health and Safety (OHS) Advisor for our tenants and contractors. We also strengthened our customer management with our investment pipeline and key role players such as the Saldanha Bay Municipality, Provincial Treasury, the Department of Economic Development and Tourism (DEDAT), the Department of the Premier, and the Department of Trade, Industry and Competition (DTIC).

Thembisile Salman, Chairperson of the SBIDZ Board, confirmed that the company had the building blocks required to take it forward. He reiterated his thanks to the continued support from its shareholder, the Western Cape Government's Department of Economic Development and Tourism and the national Department of Trade, Industry and Competition within the SEZ Programme and the local authority Saldanha Bay Municipality.

"The relationships we have developed with our key programme partners, including Transnet National Ports Authority (TNPA), is vital for the success of the SBIDZ in building momentum in a challenging investment climate," he said. "The global trends in trade and investment has re-emphasised the strategic imperative for the IDZ to be self-sustainable and the need to proactively look for new sources of funding such as strategic equity partnerships. Also, the other challenge facing the IDZ is to ensure alignment in the zone with port strategic planning and operations: The current National Ports Plan (2019) will increase capacity, but it has a 28-year timeline if we do not act together. Structural challenges will continue to constrain the economy's growth potential in the medium term. Still, these should be progressively addressed as envisaged in South Africa's Economic Reconstruction and Recovery Plan of which infrastructure development is one of the key priority areas."

Ms Beukes said, "The unified view of the Board and Management, considering our country's fiscal and other challenges, was that we would have to adopt an even more aggressive stance to capitalise on opportunities around us. The SBIDZ, like all SEZs across the world, operates within the national and international investment climate." And further, "We have had to apply our resources in the most practical and effective way to ensure business sustainability in the VUCA environment whilst hand in hand with our vision and our purpose, and we must

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The Saldanha Bay IDZ Licencing Company SOC Ltd (SBIDZ-LC) is a joint initiative of the Department Trade & Industry (the dti), the Western Cape Government's Department of Economic Development & Tourism (DEDAT), and the Saldanha Bay Municipality (SBM).

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*Board Chairperson

recognise what we have built: we are South Africa's first Freeport, we have serviced and zoned land available, we have modern facilities and bespoke services, we have secured land in the port, and we have a development ecosystem that's producing a capable and talented workforce."

"The SBIDZ's original market focus as a service hub for offshore Exploration & Production (E&P) vessels (such as oil rigs) would, therefore, have to change. However, even with investments moving from new offshore oil wells into gas, offshore wind and onshore renewable energy alternatives, offshore hydrocarbons will continue to play a role during a just transition. It still provides a value chain of needs and a lifecycle orientation, including decommissioning, recycling, and retrofitting vessels and equipment in that space. The SBIDZ can be a holistic base for "transition" technologies in energy and maritime and the traditional markets of oil and gas, maritime engineering, logistics and services for a long time, any which way one cuts it. We have the deepest – undeveloped – port in the Southern Hemisphere, and it's already focused on bulk carriers and has a Freeport status."

Ms Beukes thanked her co-workers, the executive team, the board, and stakeholders for their efforts to get the SBIDZ where it is today. She singled out the Western Cape's Minister for Finance and Economic Opportunities, Mr David Maynier, for his support of the SBIDZ's pioneering and bold journey.

Mr David Maynier, Minister for Finance and Economic Opportunities in the Western Cape, welcomed the appointment of the new SBIDZ board chairperson, Mr Thembisile Salman, and complimented the SBIDZ Board and management on the vision to be Africa's preferred marine and energy shipyard. Minister Maynier said, "I compliment the SBIDZ on all the hard work over the past year to reach rotational velocity even under these tough business conditions. I would also like to assure the SBIDZ Board, the management, investors and participants that we will do everything we can to support you to achieve the goals set out in the business plan to achieve business self-sustainability."

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