

# Presentation to the Portfolio Committee on Trade and Industry

6 April 2016



## Briefing on the Competitive Supplier Development Programme (CSDP)



dipe



public enterprises

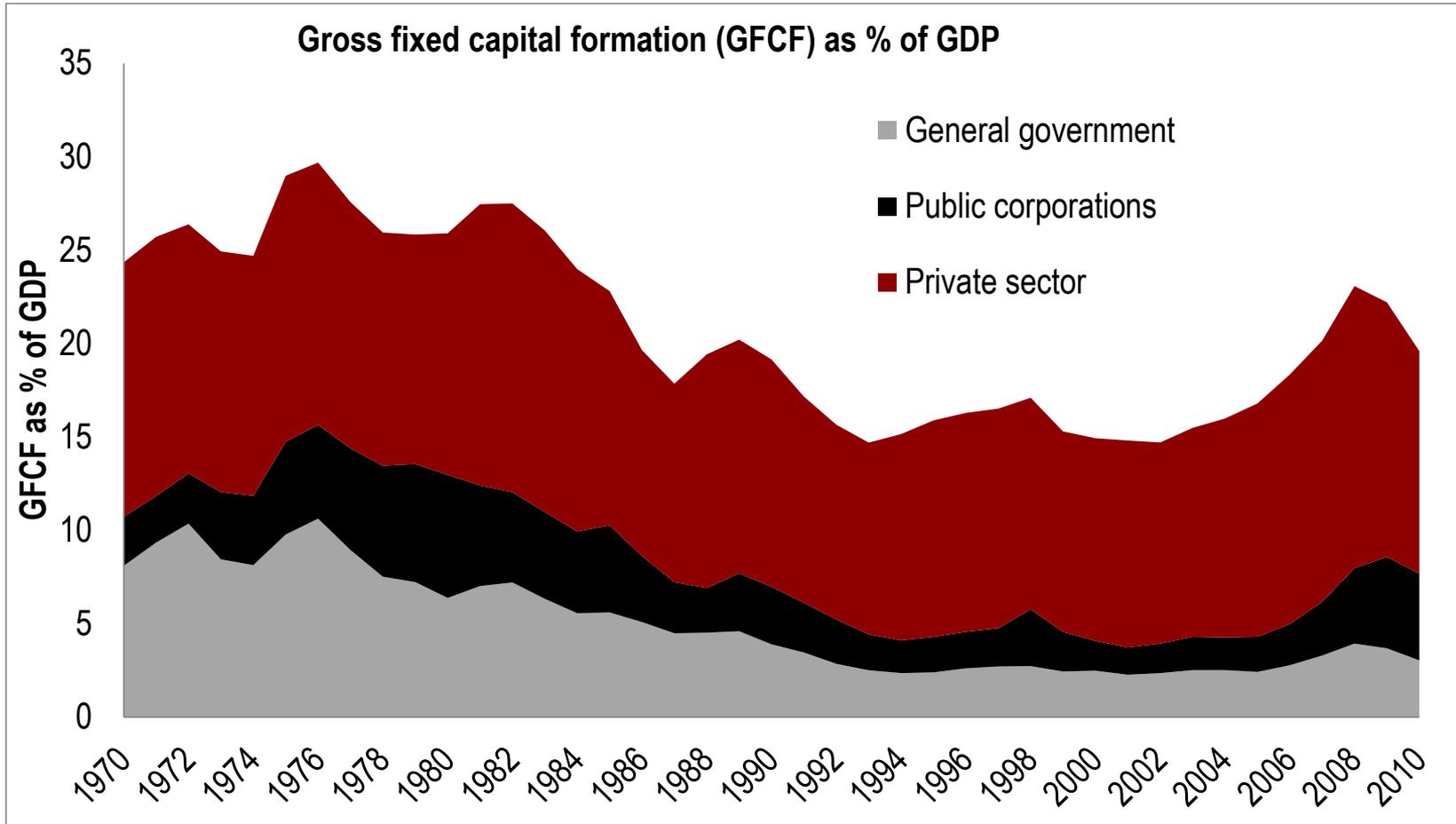
Department:  
Public Enterprises  
REPUBLIC OF SOUTH AFRICA



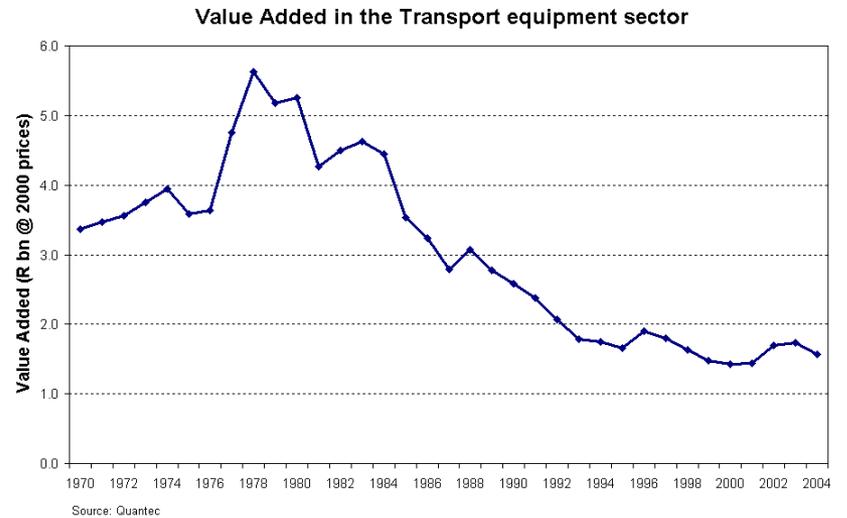
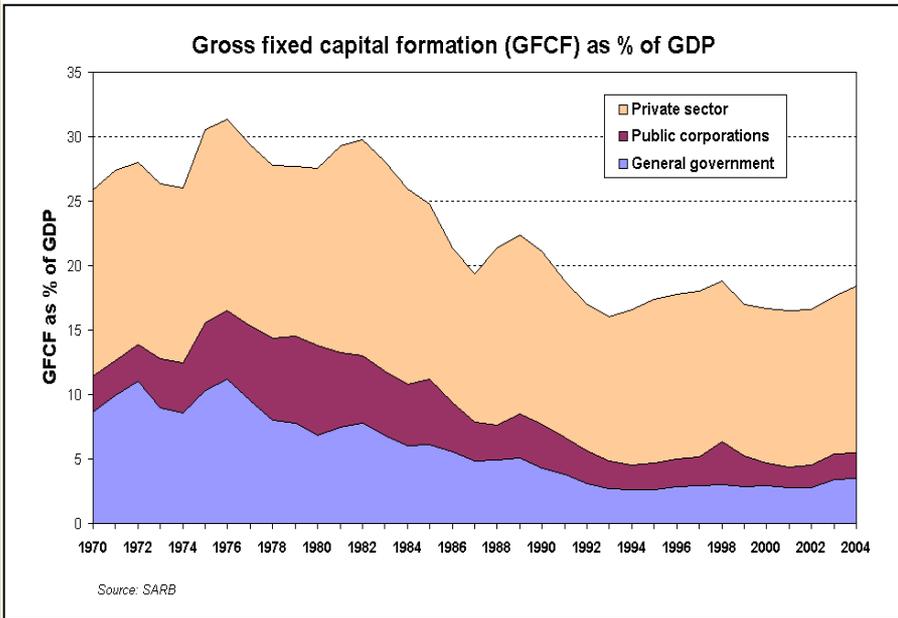
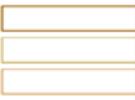
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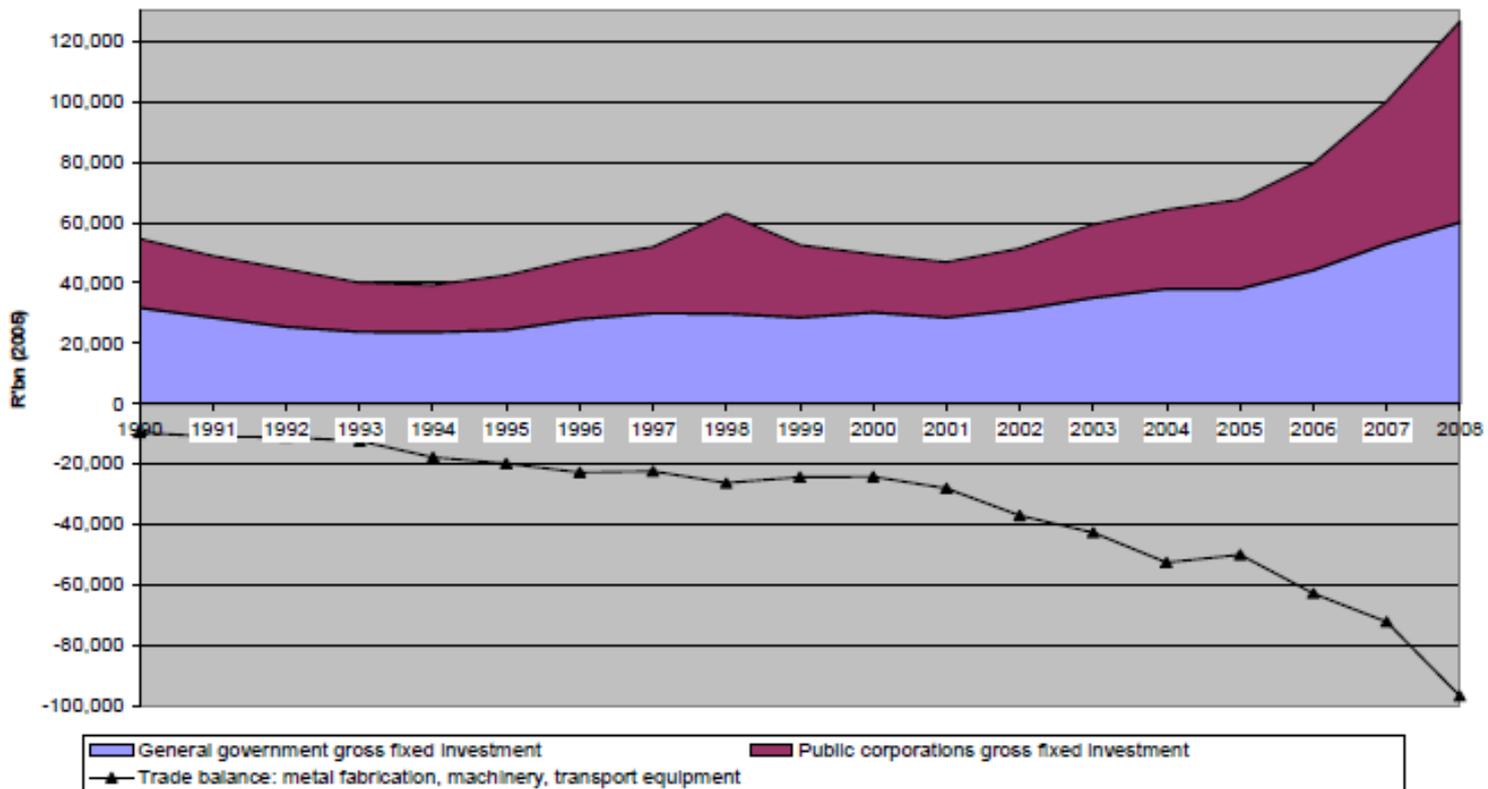
After 20 years of low levels of infrastructure investment, the SOC are now driving investment in fixed capital.



The drop in infrastructure investment between the 1980s and the 2000s had a devastating impact on national supplier industries.



As infrastructure investment has increased, the trade balance related to relevant manufactured inputs has increased – this is not sustainable.



Source: Quantec

Higher levels of coordination between the SOC and Government is required as you try to develop more complex industrial capabilities.

Level of Industry Support

## Rationale

**Government Led**

- Government driven investments for strategic economic purposes – not commercially viable in the short term e.g Sasol.

**Government Support**

- Commercially viable but high complexity. Government support required in plant, specialised skills and technology transfers to enable investment.

**Planning Commitment**

- Investment requirements within capability of company balance sheet but clear medium term commitment is required.

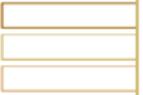
**Natural**

- Within current industry capability but proper planning and communication required to optimise use of local capacity and encourage investment.

Coordination Required

SOC driven

In this context, the Department of Public Enterprises introduced the Competitive Supplier Development Programme (CSDP).



The objective of the intervention is to promote investment and the development of internationally competitive capabilities in supplier sectors to the SOC's capital and relevant operational spend, with the aim of:

- Reducing costs through increasing efficiencies.
- Reducing dependency on imports and foreign exchange exposure.
- Developing niche export areas.

There are some fundamental critical success factors that need to be in place for a successful supplier development process.

- ❑ A predictable and convincing long term demand platform against which suppliers can invest in new plant, technologies and skills and go through a sustained learning curve – it is the quality of this platform that will ultimately enable or constrain SOC supplier development.
- ❑ A procurement process that coherently integrates incentives and penalties for supplier development requirements in the selection and management of suppliers.
- ❑ A means of co-ordinating supplier support programmes (e.g. government industrial incentives and cluster development programmes) with the SOC procurement process.
- ❑ A Government consensus that rewards suppliers focused on building globally competitive capabilities, and disciplines rent seekers.

When the CSDP was launched, the SOC procurement capability was not geared for supplier development.

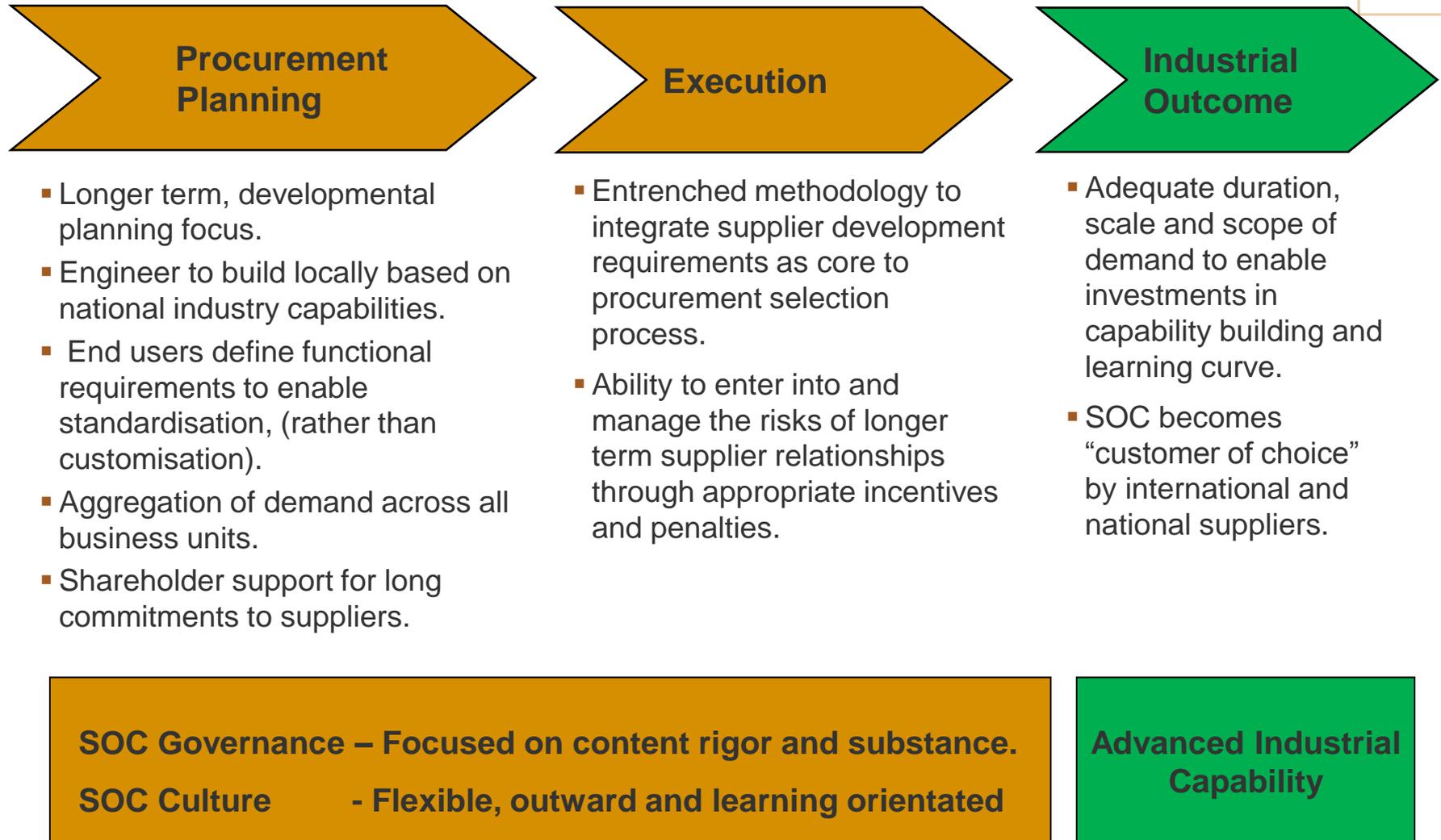


- Short term, transactional focus – often crisis driven.
- Narrow engineering bias leads to over complex technical requirements and limited standardisation.
- Institutional fragmentation means demand is not aggregated.
- Balance sheet perspective further limits planning horizon – particularly when degraded.
- Supplier development concerns and incentives absent from procurement requirements.
- Short term relationship duration – transactional.
- Focus on penalties to suppliers, rather than incentives making suppliers risk averse.
- Integration of procurement with broader government resources.
- No case to invest in scale.
- Short term investment mindset by suppliers.
- No sustained learning curve or specialisation.
- Seen as an unattractive market by OEMs.

**SOC Governance - Process, rather than substance orientated.**  
**SOC Culture - Rigid, inward-looking, limited learning.**

**Degraded Industrial Capability**

Supplier development required a complete re-engineering of SOC procurement practices and the building of new capabilities.



As there is no simple text-book methodology, the first phase of the Competitive Supplier Development Programme was designed to enable a “learning by doing” process by the SOC.

Developing an effective operational approach and associated management capability to accumulate experience and learning so as to find out what works within constraints and opportunities of the environment.

**Bottom up execution:**

Delivery organisation driven planning, implementation and learning (e.g. clear definition of projects, focus areas and targets.)

**Show care from the top:**

Hands-on top down accountability and dialogue (e.g. regular, substantive report-back meetings on progress and obstacles)

**Provide Support:**

Put in place resources and enabling initiatives that enhance delivery (e.g. specialised skills development)

**Output of phase one: Learning about what works in practice!**

## There are three phases to the Competitive Supplier Development Programme.

### Phase One: Transactional Capabilities

- Optimisation of what is to be procured (to optimise capital, lifecycle cost, industrial impact).
- Methodology to define, contract and manage localisation requirements.
- Develop methodology for defining procurement process (how to procure).
- Strong contract management skills.

### Phase Two: Manufacturing Partnership Capabilities

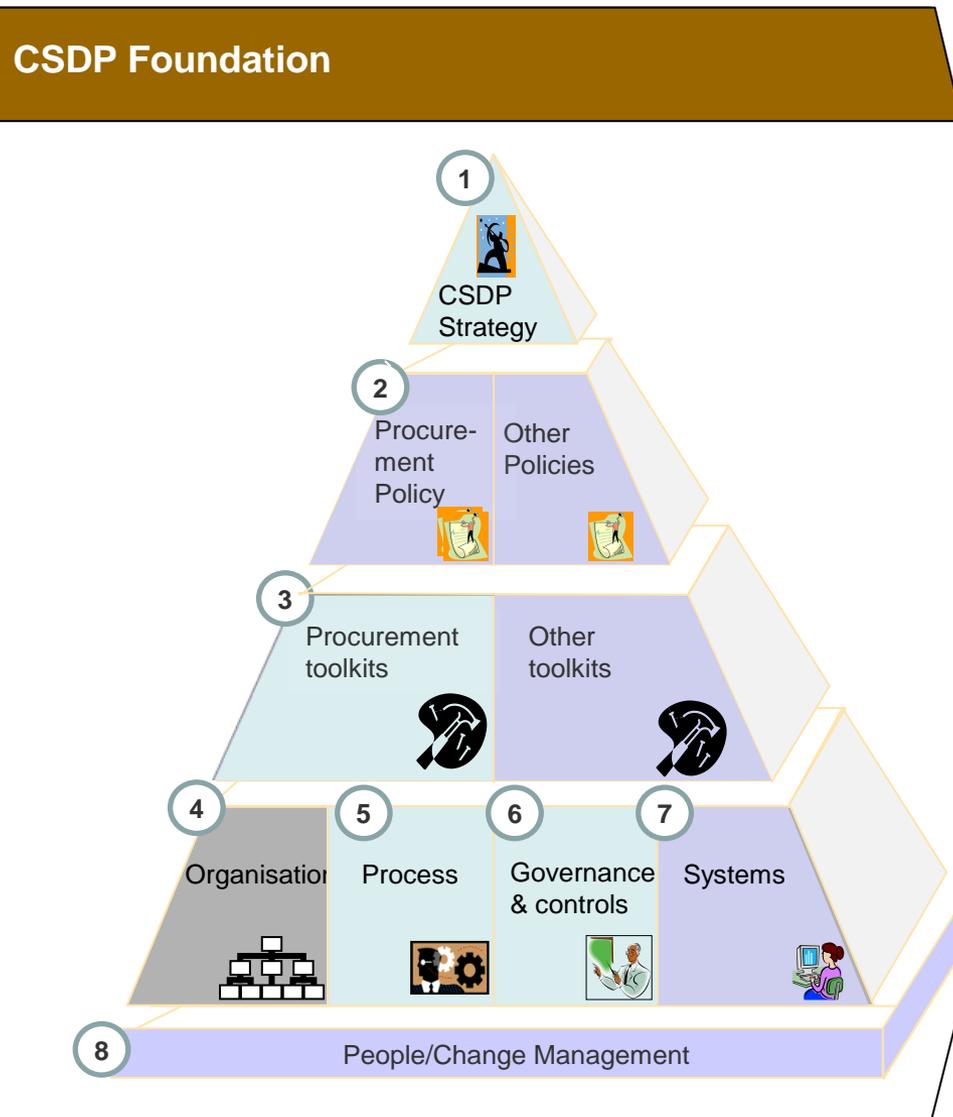
- Ability to identify key fleets and define long term fleet requirement.
- Standardisation of methodology to ensure economies of scale.
- Across government – enterprise coordination capability including long term funding strategy, definition of procurement vision and comprehensive government support for advanced manufacturing capabilities.

### Phase Three: Innovation Capabilities

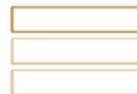
- Identification of design capability vision.
- Structuring of design partnership.
- Management of design technology transfers.

- **We are presently moving from phase one to phase two, although enterprise capability remains very uneven.**
- **Continued focus on entrenching supplier development at a transactional level.**
- **Eskom and Transnet are developing a complex procurement, project management and supplier development Body of Knowledge.**

Based on the lessons learnt from the first phase of implementation, Transnet and Eskom have spent a few years embedding the CSDP in their procurement policies and processes.



- After an ad-hoc start, Eskom and Transnet have both put in considerable effort into comprehensively integrating supplier development concerns into the procurement process.
- Both organisations have also implemented procurement skills development initiatives.
- However, a key risk remains whether there are adequately skilled people to implement:
  - top people have been systematically poached by private sector.
  - Requires a quantum leap in capability.



# Transnet's CSDP Journey and Supplier Development Strategy

# Transnet's Supplier Development journey began in 2008 and has evolved to service current opportunities within its 7 year investment plan and align with broader SA objectives over time.

Pre 2008

2008

2010

2011

2012

## NIPP

## Initiation of CSDP within Transnet

## Transnet applies SD in first transactions

## SD begins to be rolled out to all transactions

## Transnet launches Market Demand Strategy (MDS) with significant SD opportunities

- Post tender process not offering much leverage
- Investment not necessarily industry-related (30% of contract)
- Penalties were negligible and often built into price
- DTI programme mandatory for all SOCs imports over US\$10 million
- Suppliers were clear of what was expected of them at outset

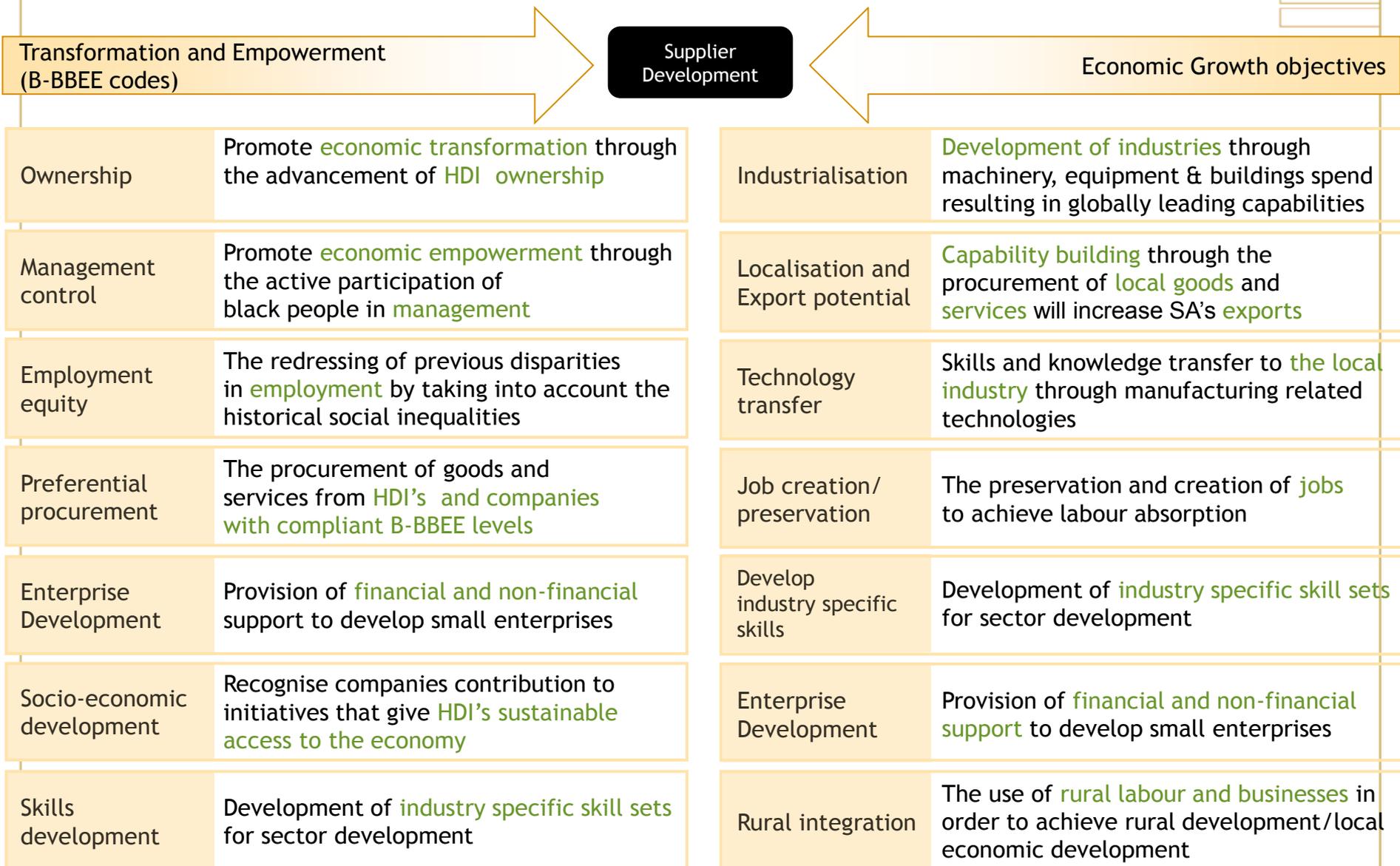
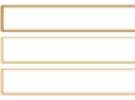
- Transnet was the first SOC to launch the DPE's Competitive Supplier Development Programme (CSDP) as an initiative within the Transnet group
- The first SDP developed and submitted to DPE in 2008
- Transnet designs SD structure into business procurement operating model
- Plans in place to expand SD to all transactions

- R5,2bn committed to local content via CSDP contracts, including:
  - 100 GE locomotives
  - Additional 43 loco's
  - Long-term parts agreements for the locos
  - 32 Mitsui/Venus 15E locos
  - Mobile harbour cranes
  - Draft gear components

- The experience gained in CSDP transactions enabled Transnet to refine policies, processes and procedures
- In 2011 the SD concept broadened beyond CSDP
- Pursuing a broader range of SD opportunities through the supply chain could lead to improved industrial capability building and economic transformation

- Transnet launches its R300bn Capital expansion programme over 7 years
- SD becomes a cornerstone of the overall programme
- The SD strategy and SDP is updated to ensure maximum realisation of SD over the course of MDS
- The revised SD Strategy and SDP is integrated into the new SCM Policy and Framework

# Supplier Development incorporates both growth and transformation objectives

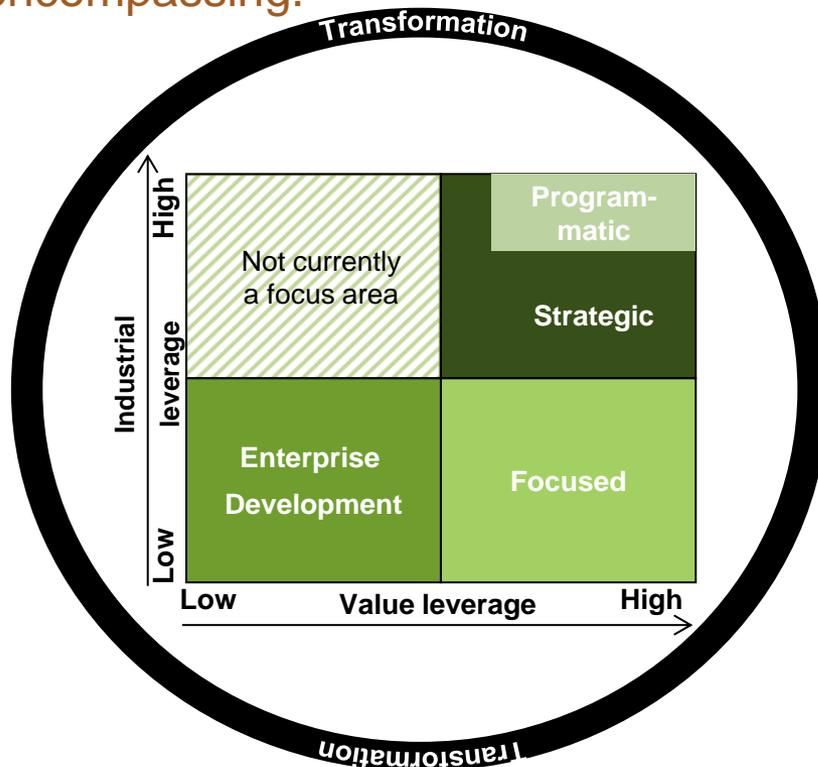


Drawing on the DPE procurement guidelines, Transnet classifies Supplier Development opportunities into four quadrants: each with its own focus, though transformation is all encompassing.

**‘Strategic’ Focus Areas:**

- Preference and development will be used to transform and grow local industry
- Skills development amongst scarce resources, increasing the quality of jobs
- Transfer of technology and innovation to local suppliers from foreign OEM's

**>R70m and <R1bn value of transaction/s\***



**‘Programmatic’ Focus Areas:**

- Creating sustainable new industries
- Development of new technology and innovation
- Active Industrial Policy through CSDP and Programmatic policies outlined by the DPE
- Investment in infrastructure and manufacturing industries
- Skills development amongst scarce resources enhancing the intensity and quality of jobs available in South Africa

**>R1bn value of transaction/s\***

**‘Enterprise Development’ Focus Areas:**

- The focus will be on providing small enterprises with opportunities and preferential trading terms
- Empowering HDI's to create their own business resulting in quality job creation

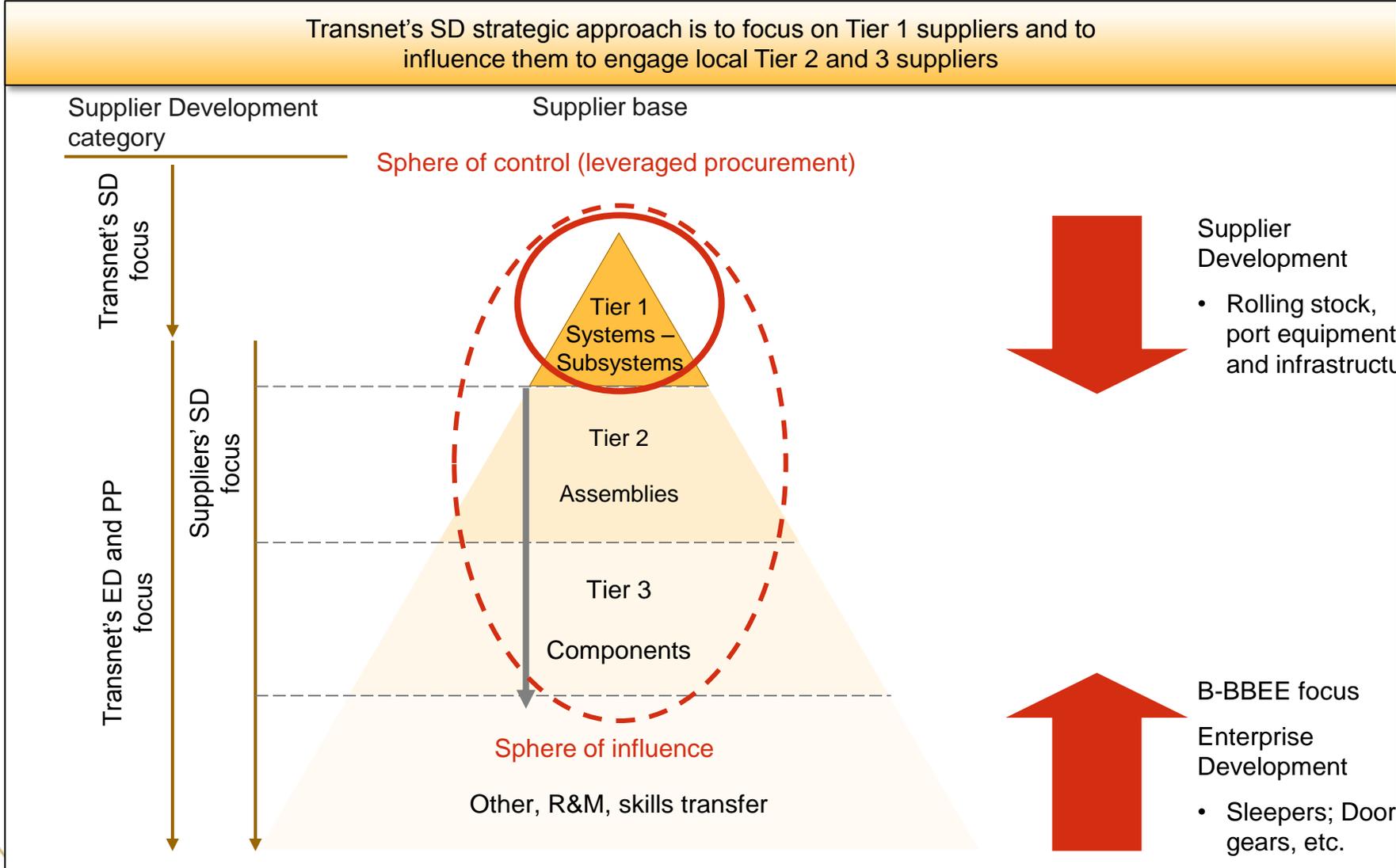
**< R35m value of transactions\***

**‘Focused’ Focus Areas:**

- Preferential Procurement and B-BBEE used to develop local industry owned and managed by HDI's
- Development of quality job creation reducing the lower income inequality and reducing poverty

**R35m to R70m value of transaction/s\***

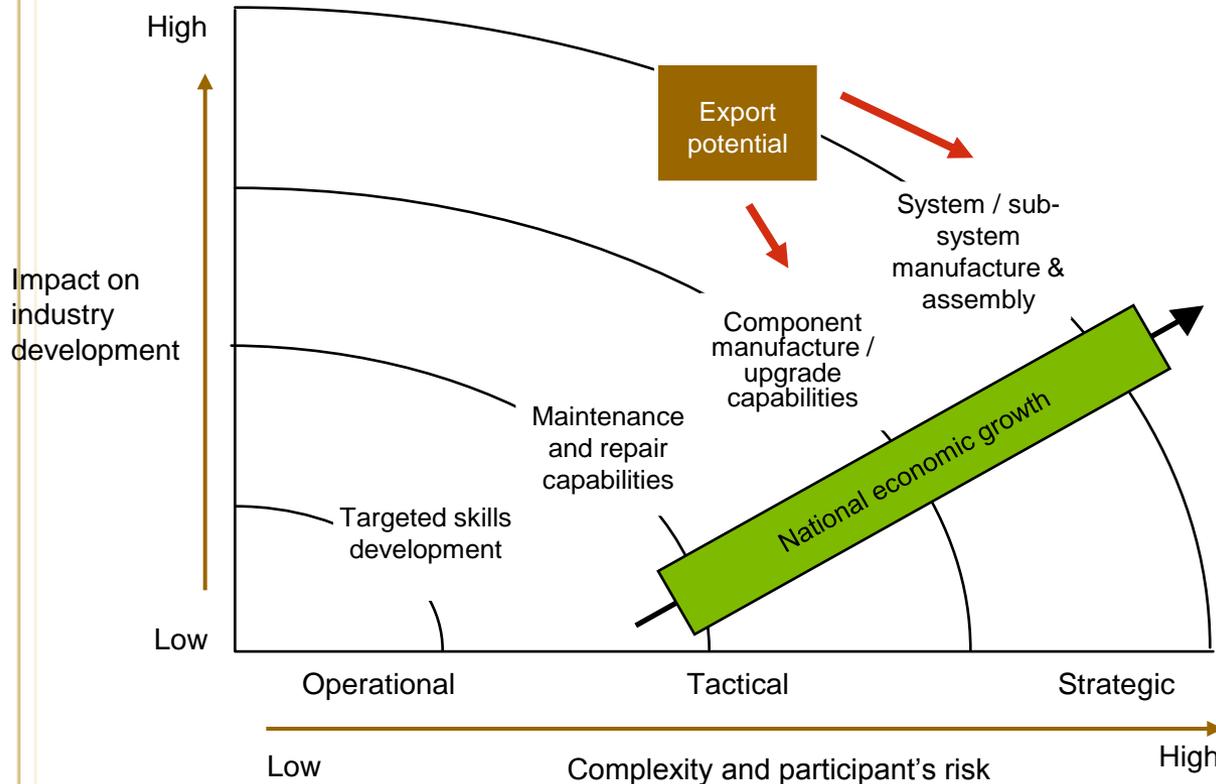
# Transnet has achieved capability development of suppliers across the Supply Chain through their Supplier Development strategic approach



Note: ED – Enterprise Development / PP – Preferential Procurement

# Transnet has recognised four key areas of opportunity that could be leveraged in order to develop the local supplier base

Socio-economic impact measured largely on factors decreasing capital leakage, increasing local content and providing relevant skills transfer



- SD opportunities present themselves along the entire value chain
- While the large Capex transactions provide opportunities for system, sub-system and component manufacture and assembly...  
...manufacturing opportunities also lie in developing maintenance and repair capability
- To ensure the development of a competitive local supplier base, industry-specific skills transfer and skills relating to manufacture need to be driven by SD

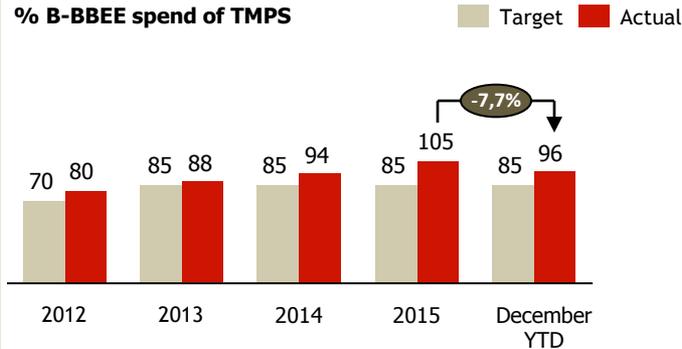
# Key commodities with potential SD opportunity have been identified within Transnet's Capex programme...

Asset Group	Capex Spend Rbn	Key commodities with potential SD opportunity*		
 Locomotives, Parts & Spares	80,7	<ul style="list-style-type: none"> <li>New locomotives</li> <li>Bogies</li> <li>Wheels</li> <li>Couplers</li> </ul>	<ul style="list-style-type: none"> <li>Draw gear</li> <li>Ventilation systems</li> <li>Control systems</li> <li>Traction motors</li> </ul>	<ul style="list-style-type: none"> <li>Coach components</li> <li>Axles</li> <li>Brake systems</li> </ul>
 Wagons, Parts & Spares	61.1	<ul style="list-style-type: none"> <li>Brake systems</li> <li>Pressure vessels</li> <li>Axles</li> <li>Steel</li> </ul>	<ul style="list-style-type: none"> <li>Bearings</li> <li>Wheels-34"</li> <li>Draft gear</li> <li>Draw gear</li> </ul>	<ul style="list-style-type: none"> <li>Wheels-36"</li> <li>Long Term Parts Agreements</li> </ul>
 Infrastructure, Materials & Services (Perway)	86.9	<ul style="list-style-type: none"> <li>Rail</li> <li>Ballast</li> <li>Sleepers</li> <li>Transformer installations</li> </ul>	<ul style="list-style-type: none"> <li>Signalling installation</li> <li>Fasteners</li> <li>Overhead track equipment</li> </ul>	<ul style="list-style-type: none"> <li>Overhead track wire</li> <li>On track machines</li> </ul>
 Port Facilities	66.3	<ul style="list-style-type: none"> <li>Berths</li> <li>Quays</li> <li>Straddle carriers</li> <li>Tug boats</li> </ul>	<ul style="list-style-type: none"> <li>Civil works</li> <li>Cranes (RTG, RMG, STS)</li> <li>Haulers</li> <li>Dredgers</li> </ul>	<ul style="list-style-type: none"> <li>Ship loaders</li> <li>Ship unloaders</li> <li>Marine craft</li> <li>IT systems</li> </ul>
 Land, Buildings & Civil Infrastructure	21.2	<ul style="list-style-type: none"> <li>Terminals</li> <li>Cement</li> <li>Building maintenance</li> </ul>	<ul style="list-style-type: none"> <li>Civil works (roads, bridges)</li> <li>Land acquisition</li> <li>Building materials</li> </ul>	
 Machinery & Equipment	11.0	<ul style="list-style-type: none"> <li>Fleet</li> <li>Mechanical equipment</li> <li>Lighting</li> </ul>	<ul style="list-style-type: none"> <li>Forklifts</li> <li>Telemeters &amp; radios</li> <li>Carbon brushes</li> </ul>	<ul style="list-style-type: none"> <li>Gas pumps</li> </ul>
 Pipelines	9,4	<ul style="list-style-type: none"> <li>Pipeline</li> </ul>		
 Total Capex	336.6			

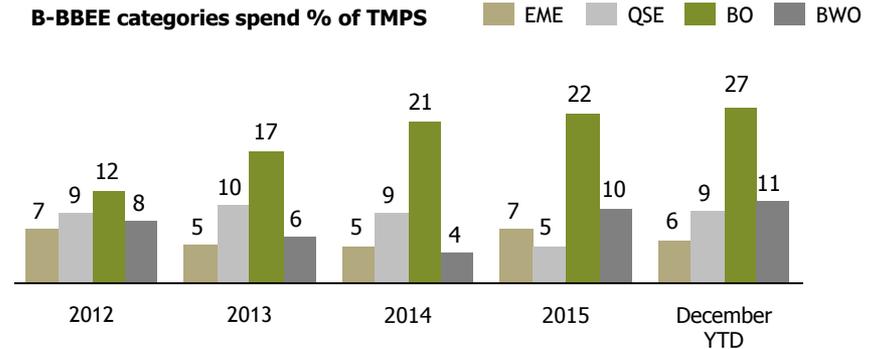
\* List is not exhaustive

# Transnet has progressed significantly in transforming its supplier base in line with a Broad Based Black Economic Empowerment supply base.

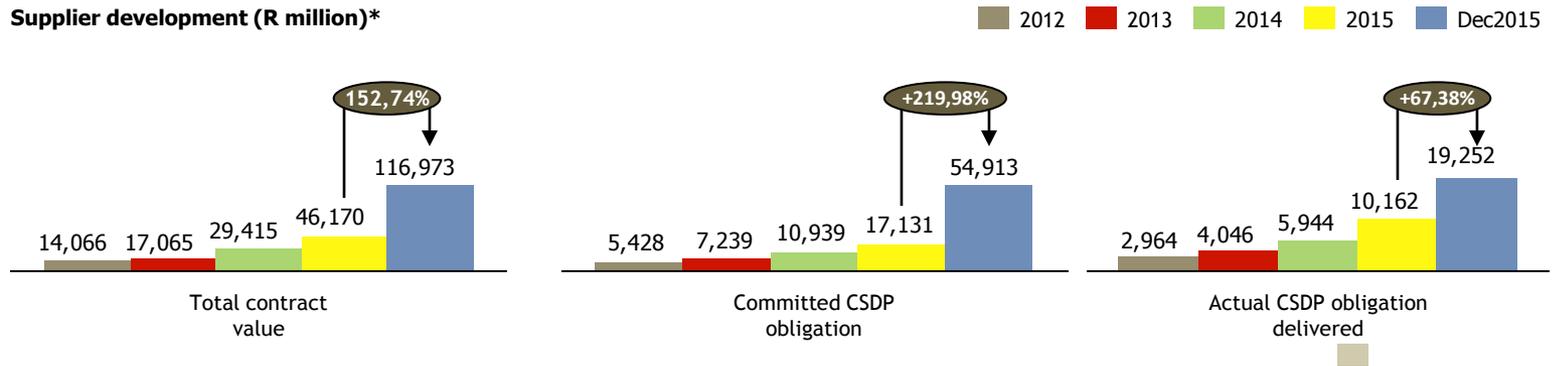
**% B-BBEE spend of TMPS**



**B-BBEE categories spend % of TMPS**



**Supplier development (R million)\***



Transnet is currently rated as a Level 2 B-BBEE contributor.

Many suppliers have been successfully developed into sustainable entities through TE's SD programmes

### TE has a number of success stories linked to QSE development

- Delberg Engineering and Quality
- Flosove
- Impact Plus Trading 133
- Lawrence Global Technologies
- Grinding power
- Cosmo Industrial
- Minus 40
- The Screw Man Pretoria
- Marine And General Engineering
- ER Signs
- Transtechnical Solutions
- Alternative Metallurgical Solution

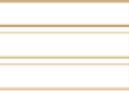
### Similarly, TE has had success in developing a number of EME'S

- Solway Precision Engineering
- Ngwe Engineering, Electrical and Industrial Suppliers
- Lamart Engineering
- Hose and Coupling for Africa CC
- Jase Van Rensburg AG
- JK Precision Engineering and Manufacturing
- Trade Property VenturesNo186
- Mila Pagasus Steel
- Fabian Engineering
- MMS
- Deochaba Engineering
- LCT - Traction Motors

## Transnet partnering with Technology Localisation Implementation Unit (TLIU) on the Technology Assistant Programme to incubate TE suppliers

Vendor Name	B-BBEE Status	BO%	BWO%	EME	QSE
NGWE ENG AND INDUSTRIAL SUPPL	LEVEL 3	100%	100%	YES	NO
SDF ENGINEERING SERVICES	LEVEL 3	100%	50%	YES	NO
T AND T ENGINEERING	LEVEL 1	100%	0%	NO	YES
TUNNEL ENGINEERING	LEVEL 2	100%	0%	NO	YES
MARABOE TRADNG 7	LEVEL 3	100%	0%	YES	NO
GOBINGCA ENGINEERING CC	LEVEL 3	100%	0%	YES	NO
SOLWAY PRECISION ENGINEERING	LEVEL 4	50%	32%	YES	NO
LAWRENCE GLOBAL TECHNOLOGIES	LEVEL 3	100%	0%	YES	NO
HERMES APOLLO PROCESS ENGINEERING C	LEVEL 3	100%	0%	YES	NO
OLAL CONSTRUCTION AND MINING SERVICE	LEVEL 4	100%	0%	YES	NO
SISODVWA INVESTMENT ENTERPRISES	LEVEL 3	100%	0%	YES	NO
THALEKA	LEVEL 3	91-100%	0%	YES	NO
CHIPORO	LEVEL 4	51-60%	51-60%	YES	NO
SETSHABELO	LEVEL 3	91-100%	0%	YES	NO
MISSION POINT	LEVEL 3	91-100%	0%	YES	NO
BEST PER MINUTE ENTERPRISE TRADING	LEVEL 3	91-100%	0%	YES	NO

OF THESE INCUBATED SUPPLIERS : 88% are majority Black Owned, 81% are level 3 B-BBEE, 25% have some level of Black Woman Ownership, 87.5% are EME's and 12.5% are QSE's



# Fleet procurements

## 95 x 20E Electric Locomotives - CSR

- At the date of the tender being issued, Rolling Stock had not yet been designated and local content was not a legal requirement.
- Transnet, through the SD requirement, encouraged localisation in the Capacity and Capability pillar targeted to creating local assembly capability in the Investment in plant, Transfer of technology and IP and Skill development pillars.

#	SD Pillar	SD achieved as a % of contract value
1	Capacity & Capability	32%
2	Investment in plant (Industrialization)	9%
3	Technology and IP transfer	4%
4	Skills Development	4%
5	Job Creation/Preservation	11%
6	Small Business Development	6%
7	Rural Development	0%
Total		67%

# South African Companies benefiting from the Build Programme

## 95 x 20E Electric Locomotives - CSR

NO	SA Supplier Name	BBBEE Status	BO	BWO	Services
1	Wabtec	LEVEL 5	30%	0%	Brakes & Braking systems
2	Penbro	LEVEL 4	27%	6%	Power generation & Metal Fabrication
3	Booyco	LEVEL 4	0%	0%	Heat Ventilation and Air Conditioning
4	DCD	LEVEL 4	45%	5%	Engineering
5	First National Battery	LEVEL 3	36%	8%	Batteries
6	Siyahamba	LEVEL 4	90%	11%	Coach & Locomotive equipment
7	Ansys	LEVEL 4	40%	4%	Locomotive Control Systems
8	Radel	LEVEL 2	0%	0%	Electro Mechanical products
9	Proseat	LEVEL 2	43%	17%	Component Manufacturers
10	Hiperconn	LEVEL 1	0%%	0%	Jumper Plugs & Sockets (Receptacles) on all rolling stock
11	Minus40	LEVEL 2	0%	0%	Heat Ventilation and air Conditioning

# LOCALISATION IMPACT OF THE CLASS 20E (95) BY TRANSNET ENGINEERING

## Local Assembly

- 85 of the 95 Assembled locally
- Technology and skills transfer
- It is flexible and not affected by humidity

275 Jobs created  
or maintained

110 Individuals  
skilled

## INDIVIDUALS TRAINED BY TRANSNET ENGINEERING (95 LOCOMOTIVES)

- ❖ Carbody material prep technology
- ❖ Carbody material bending and forming
- ❖ Carbody welding technology
- ❖ Carbody assemble technology
- ❖ Carbody test technology
- ❖ Frame material prep technology
- ❖ Frame welding technology
- ❖ Bogie frame machining
- ❖ Driver's desk assembly technology
- ❖ Components
- ❖ Loco commissioning and testing technology
- ❖ Quality assurance
- ❖ BOM/Product development
- ❖ MIS
- ❖ Train the Trainer
- ❖ Electrical cubicle manufacturing tech
- ❖ Bogie assembly technology

## Economic Benefits associated with the 1064 Fleet Locomotives Programme

- ❖ An average of 70% from the 1064 locomotives is committed for supplier development

#	SD COMMITMENT 1064	SD TARGET %- Local content plus SD pillars
1	BT	60%
2	CNR	55%
3	CSR	60%
4	GESAT	55%
AVERAGE SD COMMITMENT - PERCENTAGE		70%

COMMODITY	JOB CREATION	JOB MAINTENANCE	SMALL BUSINESS PROMOTION	SKILLS DEVELOPMENT
LOCOMOTIVES (1064): Projections	6 268	9 930	55	954

## What the Supplier Development aims to achieve (Expectations from 1064 Locomotive)

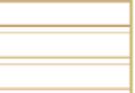
- Obtain and Transfer the necessary Technology and IP's from OEM's to SA Suppliers and Sub-Contractors towards the Locomotive build and component manufacturing
- Develop and Implement training programmes for the SA Suppliers, Sub-Contractors, Engineers, Technicians etc. (Local & Overseas)
- Conduct Feasibility and Inclusion of new Black entrants into the Rail industry with clear implementation plans
- Support Apprenticeships, Bursaries, Learnerships & Scholarships in SA
- All training to meet OEM standards

## What the Supplier Development aims to achieve (Expectations from 1064 Locomotive) cont

- ❖ Create New Jobs
  - Skilled, Semi-Skilled and Un-skilled
  - Inclusive of Gender, Disability and Youth representation
  - Provincial and Regional Representation
  
- ❖ Provide Financial and Non-Financial support to the SA companies
  
- ❖ Alleviate poverty through
  - CSI Initiatives
  - Job Creation
  - Rural development and procurement
  
- ❖ Support Apprenticeships, Bursaries, Learnerships & Scholarships in SA

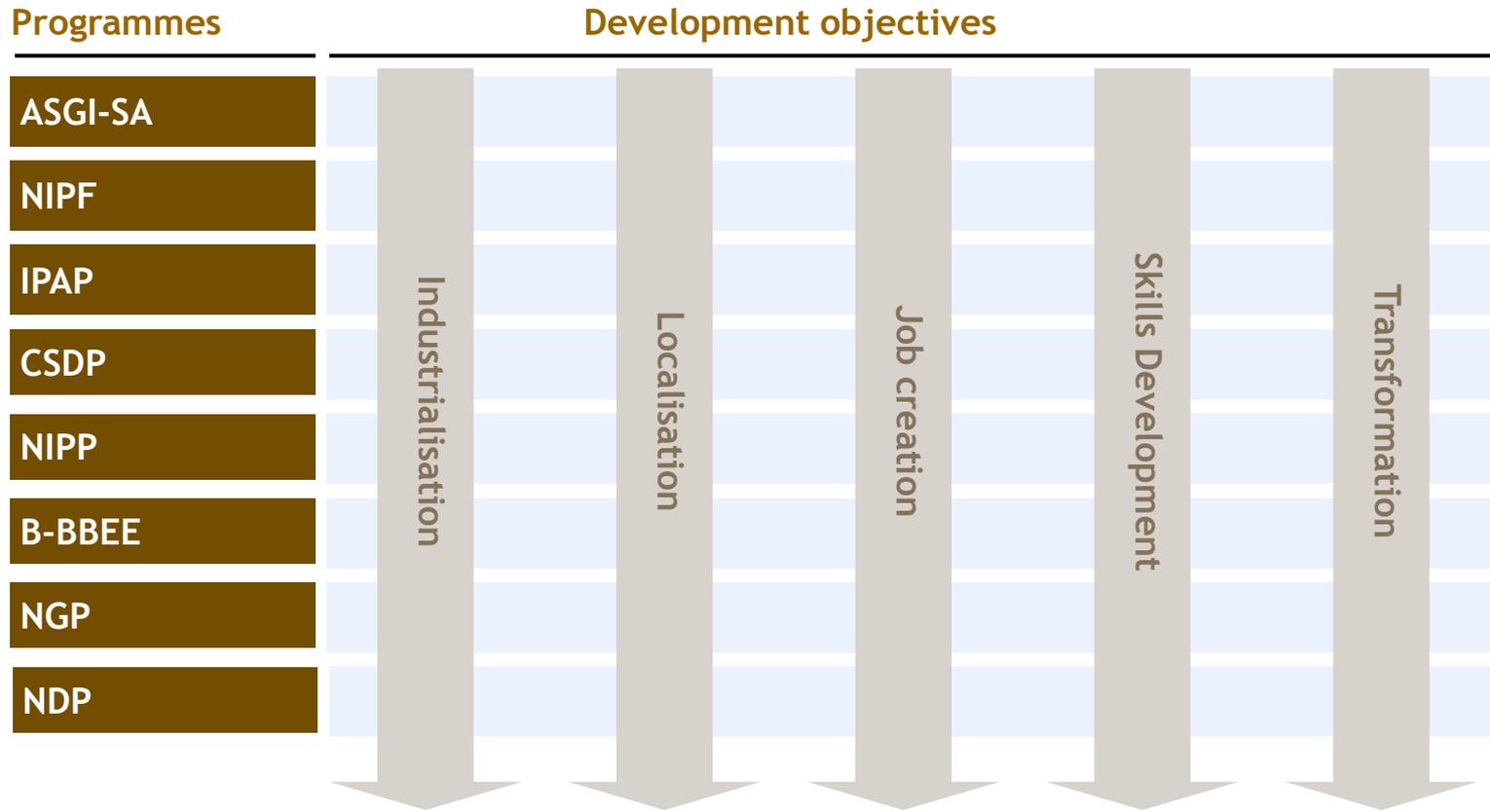
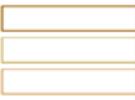
## What the Supplier Development aims to achieve (Expectations from 1064 Locomotive) cont

- ❖ Local Content (LC)
  - Improve and Enhance LC
  - Implement Major Component Manufacturing Facilities in SA
  - Provincial and Regional
  
- ❖ Broad Based Black Economic Empowerment (BBBEE)
  - Implement a BBBEE Strategy in terms of the Amended Codes
  - BO/BWO/Youth/Disability/ESD (Enterprise and Supplier Development)



# Eskom's CSDP Journey and Supplier Development Strategy

Eskom distilled five main development objectives from different government programmes in response to maximising CSDP rollout.



- Eskom is aligned to development objectives rather than individual policy and government programmes
- This has allowed Eskom to address the requirements of multiple programmes simultaneously, without having to create new departments or functions

# Supplier Development and Localisation is the key enabler of Eskom commitment to creating a competitive local supply base

Eskom is passionate about driving local development in the country

Eskom SD&L department need to achieve this



Competitive local industry  
Decreased reliance on imports  
Increased export potential



GDP growth  
Skilled workforce



Increased job satisfaction  
Increased employment opportunities



Reduced unemployment and inequality  
Improved quality of life



1

Incorporate *development strategies* and targets into the commercial process

2

*Target industries and suppliers* for skills development, localisation and long term industrialisation

3

*Share information* with operations on local industry capacity and capability

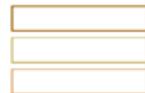
4

*Develop local suppliers* aligned with value chain

5

*Assist suppliers* to deliver on development commitments

# Eskom has prioritised for supplier development a total of 42 projects and commodities



**Short-term strategy**

Period	Product	Total	
0-6 months	<ul style="list-style-type: none"> <li>Transmission Line Construction</li> <li>Cables &amp; Conductors</li> <li>Mills</li> <li>Metering</li> <li>Protection</li> </ul>	<ul style="list-style-type: none"> <li>Pumps</li> <li>Air heater pack</li> <li>Transformers</li> <li>Valves</li> <li>Nuclear early packages</li> </ul>	10
	6-24 months	<ul style="list-style-type: none"> <li>Mechanical Maintenance</li> <li>PE (Primary Energy )</li> <li>Network Strengthening</li> <li>Substation Construction and refurbishment</li> <li>Electrification of homes</li> <li>Turbines</li> <li>Control systems</li> <li>Generation Spares</li> <li>Civil construction</li> <li>Pipes</li> <li>Rotors</li> <li>Conveyor</li> <li>Generators</li> <li>Koeberg Nuclear</li> <li>Tubes</li> <li>Boiler</li> <li>Switchgear</li> <li>Vessel</li> <li>Economiser</li> <li>Ash &amp; stockpile handling</li> <li>Building and building Maintenance</li> <li>Capacitor Bank</li> <li>ICT</li> <li>DC Equipment</li> </ul>	
Over 24 months	<ul style="list-style-type: none"> <li>Fabric Filter Bags</li> <li>Fabric Filter Plant Retrofit</li> </ul>	<ul style="list-style-type: none"> <li>Biomass</li> <li>Nuclear new build</li> <li>Solar</li> <li>Wind</li> <li>CSP</li> <li>Gas CCGT</li> </ul>	8

**Long-term strategy**

Eskom continue to create and foster an environment that supports local development.

## Impact of new build and strategic sourcing programmes

### Direct impact

- **Skills development:** Sustainable skills transfer in industries on scarce skills i.e. construction & manufacturing
- **Localisation:** Local content exceeds 50% in major builds to date
- **Supplier development:**
  - Local insulator supplier transformed to worldwide manufacturer with ~120 new jobs
  - Power line hardware supplier spent R20m in Capex to increase local capacity and employment by 11%
  - ~R900m investment in boiler part manufacturing & training facilities with capacity to train ~1,400 artisans
- **Industrialisation:** New local supply chains for boiler and turbine parts
- **Employment and job creation:** ~40,000 jobs created at Medupi, Kusile & Ingula

### Indirect impact

- 95% growth in Lephalale's GDP
- Over 2,400 houses already built in Medupi and Kusile, with another 4,000 required
- 30,000 indirect jobs created



Performance is maximised by leveraging the supplier network and enabling environment created.

### Driving local steel fabrication to support both Opex and New Build

- Eskom Capital expansion, Medupi and Kusile, and Transmission line and substation construction providing the demand required
- The Steel industry has invested hundreds of millions of Rand in facilities, plant and equipment to increase the available capacity in South Africa
- Current workshops have doubled their sizes driving industrialisation and skills development

### Powertech committed an investment of R22m

- Increase local capacity of Power and Distribution transformers.
- Increase in quality and reliability of product addressed.
- R16m invested to date

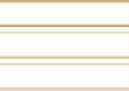


### Pfisterer investment of R25m in plant in KZN

- Plant that saw global manufacture of 275kV insulators move to South Africa, previously from Switzerland
- Investment complete and first units rolled off production line
- Roughly 122 new jobs created in 2 years through the contract

### Hitachi is investing ~R924m in facilities and training in South Africa

- **11,000m<sup>2</sup>** boiler pressure part workshop built in Nigel
  - Boiler Membrane Wall Workshop
  - Two new CNC Benders commissioned
  - New welding training centre
  - CNC header drilling machine
  - Ducting and Bunker Workshop
  - Structural Steel Plant
- Training facilities in South Africa
  - FET College in Limpopo
  - Training Centres in Middelburg and in Benoni
  - **1400** artisans, **60** engineers, **36** operators, **24** maintenance workers



conclusion

## IN SUMMARY

- We are committed in industrialising the South African Economy.
- CSDP is a pragmatic, tangible and real programme and we need to continue to support it.
- Industrialisation and localisation will not happen on its own and programmes such as the CSDP will ensure that we play a real role in reversing the challenge of growing the SA economy, reducing inequality and creating jobs in the country.



THANK YOU