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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**PARLIAMENTARY QUESTION: 66**

**DATE OF PUBLICATION: 9 February 2017**

**Mr G R Krumbock (DA) to ask the Minister of Economic Development:**

 (1) With reference to his reply to question 1781 on 9 June 2015, what are the details of the costs to the (a) Industrial Development Corporation (IDC) and/or (b) State of maintaining the mothballed Sustainable Fibre Solutions kenaf fibre processing plant (i) for the 2015-16 financial year and (ii) since 1 April 2016 up to the latest specified date for which information is available;

(2) whether any staff are currently employed at the specified plant; if not, what are the details of (a) measures implemented and (b) costs incurred each month from 1 April 2015 to date in order to secure the specified plant’s assets from theft and vandalism; if so, what are the (i) details of each person employed, (ii) costs to the (aa) plant, (bb) IDC and/or (cc) State of employing the specified staff and (iii) details of the job descriptions of each of the specified persons? NW70E

**REPLY**

The CEO of the IDC has advised as follows and attention is also drawn to the reply to parliamentary question 65:

“The net cost of maintaining the mothballed operations for the 2015/2016 financial year was approximately R2.5m.

As previously communicated, there are two full time employees looking after the maintenance of the mothballed operations. The total cost of these employees is circa R70 000 a month for the two employees combined. Furthermore, there is a security company looking after the physical security.

It is important to note that, prior to the IDC’s investment, the land on which SFS is situated was valued at R1.7m. As a consequence of the IDC’s investment the land and buildings are now valued at R40.2m whilst the plant and equipment are valued at R36.1m. The values referred to above are in terms of a valuation conducted into the assets in January 2017. In the circumstances and in the light of the high security value attached to the buildings, plant and equipment it is crucial that they are properly maintained and secured so as to preserve value.”

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