



Province of the
EASTERN CAPE
REPUBLIC OF SOUTH AFRICA

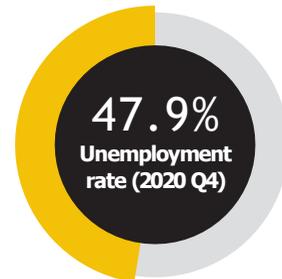
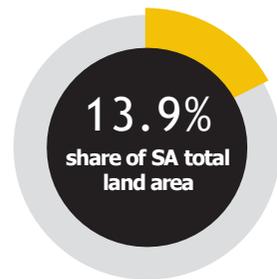
OVERVIEW OF THE EASTERN CAPE PROVINCE



AT A GLANCE

168 966 square kilometres (13.9% share of SA total land area)

6.7 million (4th largest Province after Gauteng, KwaZulu-Natal & Western Cape), Stats SA 2020 mid-year population estimates



3 HARBOURS

Port of Gqeberha, Ngqurha and East London

2 METROS

Nelson Mandela Bay
Buffalo City Metro



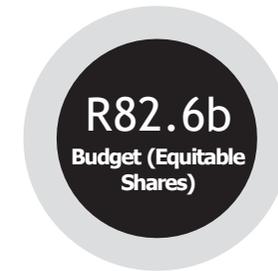
4 AIRPORTS



4 UNIVERSITIES

6 DISTRICTS

- Alfred Nzo
- Amathole
- Chris Hani
- Sarah Baartman
- Joe Gqabi
- OR Tambo



(3rd largest after KwaZulu-Natal & Gauteng) in the 2021/22 financial year



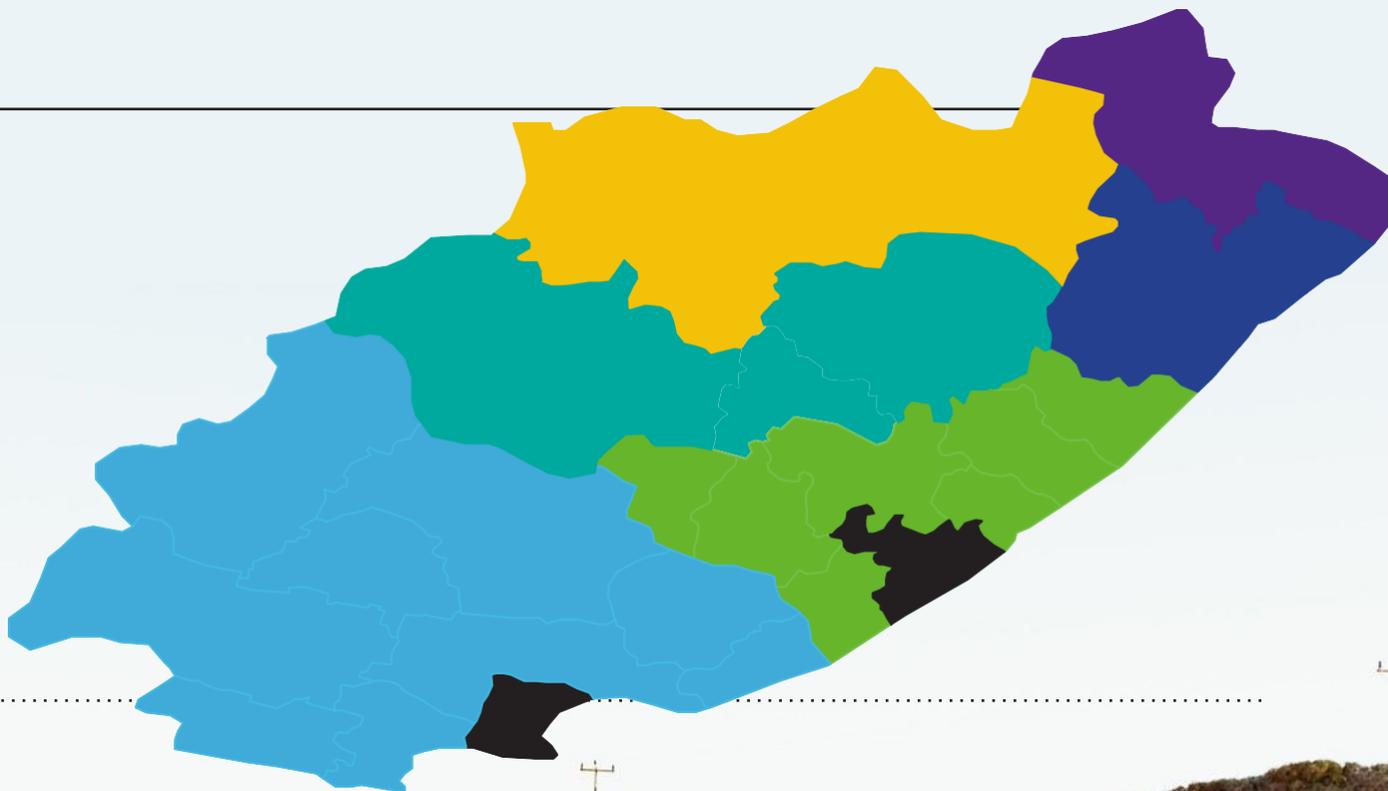
in 2019 & R223.0 billion in 2020est. GDP growth rate: 0.04% in 2019 and -5.6% 2020est.





EC POPULATION DISTRIBUTION

Alfred Nzo	826 331	●
Amathole	806 716	●
Chris Hani	743 756	●
Sarah Baartman	477 874	●
Joe Gqabi	344 898	●
OR Tambo	1 505 126	●
Buffalo City	800 089	●
Nelson Mandela Bay	1 207 487	●



THE PROVINCIAL MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) 2020 - 2025



01 **Priority 1:**
A Capable, Ethical
and developmental
State

02 **Priority 2:**
Economic
Transformation
& Job Creation

03 **Priority 3**
Education,
Skills and
Health

04 **Priority 4**
Consolidat-
ing the Social
Wage through
Reliable and
Quality Basic
Services

05 **Priority 5**
Spatial Inte-
gration, Human
Settlements and
Local Govern-
ment

06 **Priority 6**
Social Cohesion
and Safe
Communities

07 **Priority 7**
A Better Africa
and World



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TRADE AND INVESTMENT PROPOSITION – WHY THE EASTERN CAPE?

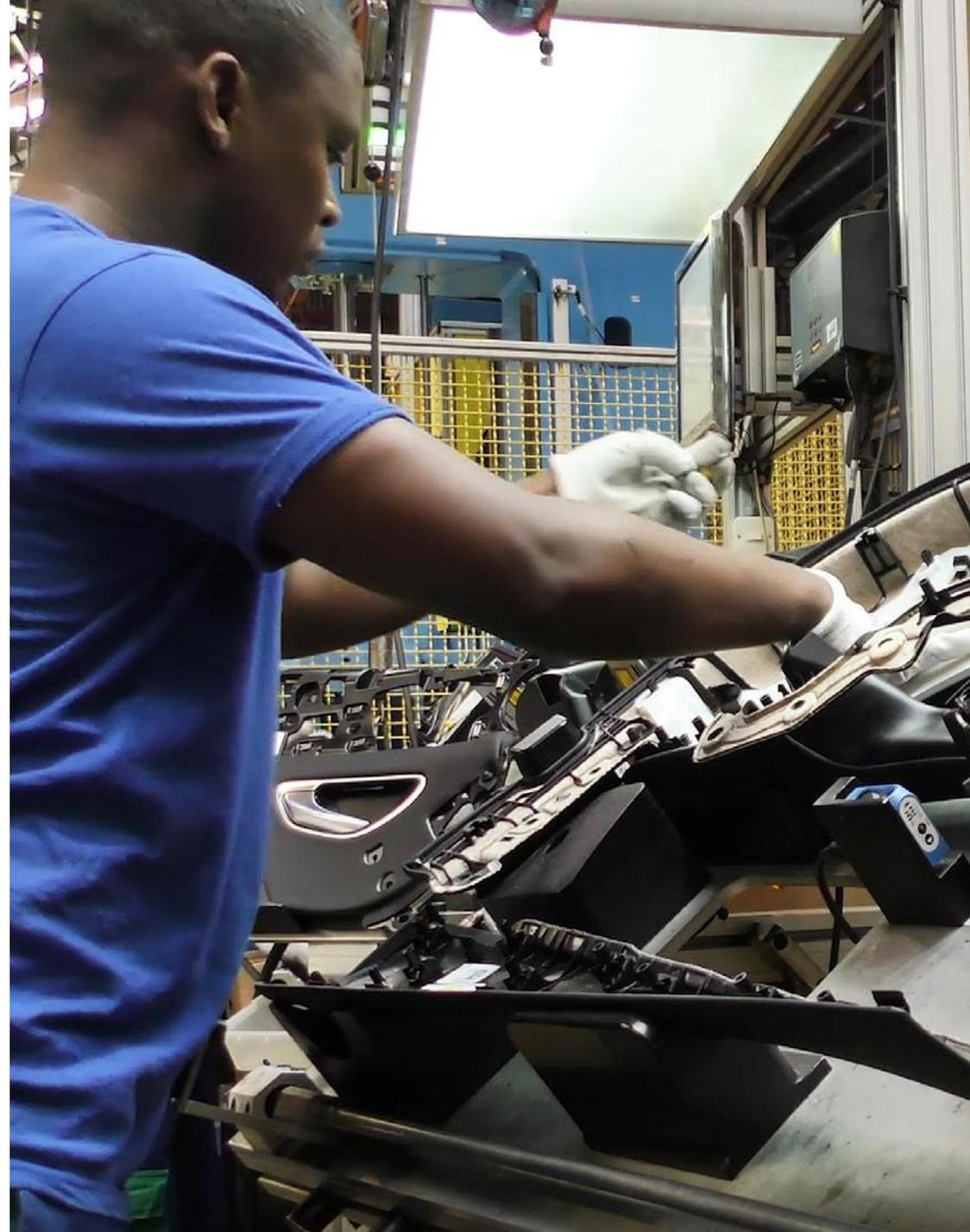


EASTERN CAPE IS A PROVINCE OF MIXED ECONOMIES:

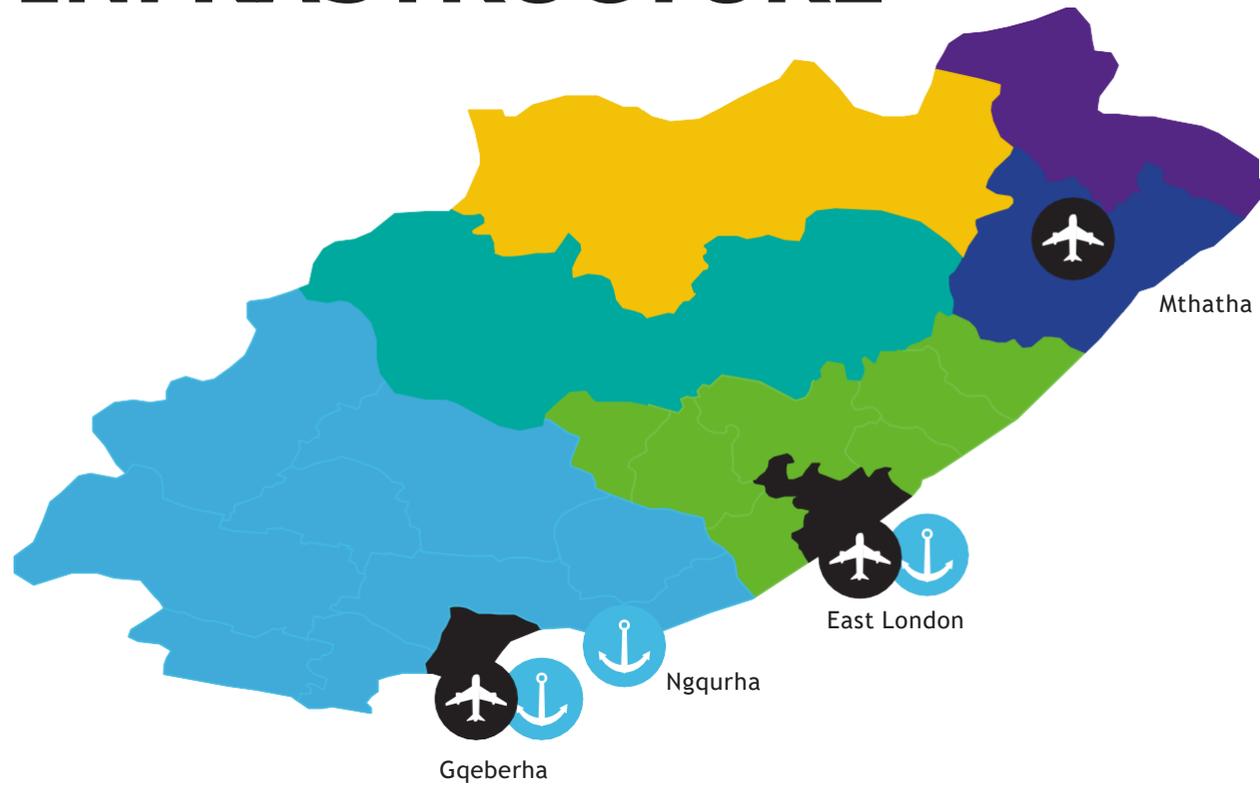
The province boasts an increasingly modern and export-oriented economy with significant potential for further growth and industrialisation. Much of the population is rural and isolated from the main centres of economic activity.

The economy is dominated by export-led manufacturing, with a heavily reliance on the export-oriented automotive sector.

This makes the economy vulnerable to cyclical fluctuations stemming from changes in the external economic environment.



TRANSPORT INFRASTRUCTURE



3 HARBOURS

Port of Gqeberha, Ngqurha and East London

2 METROS

Nelson Mandela Bay
Buffalo City Metro

4 AIRPORTS

Port Elizabeth, East London, Bulembu and Mthatha Airport

6 DISTRICTS

Alfred Nzo	●
Amathole	●
Chris Hani	●
Sarah Baartman	●
Joe Gqabi	●
OR Tambo	●



Province of the
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EXPORT OPPORTUNITIES AND CATALYTIC INVESTMENT PROJECTS

EXPORT OPPORTUNITIES

Manufacturing sector (auto components)



Agro-processing



Food & beverages



Timber and timber products



Wool and mohair



Digital services



SPECIAL ECONOMIC ZONES



COEGA SEZ



OPPORTUNITIES

Automotive – Maritime – Energy – Logistics – Mineral & Metal – ICT – BPO – Manufacturing

ELIDZ



OPPORTUNITIES

Renewable Energy – ICT – Aquaculture – Infrastructure Development – BPO – Manufacturing – Agro Processing



WILD COAST SEZ STRATEGIC LOCATION FOR INVESTMENT



GCUWA

Maize (production and processing)
Cattle (feedlot and abattoir)



NGQUZA HILL

Tea, Milk, Soybean (production and processing)



PORT ST. JOHNS

Tea, Fruit, Fish, Essential Oils
(production and processing)



MHLONTLO NYANDENI

Essential Oils, Hemp, Fish, Livestock,
Forestry, Fruit (production and processing)
Maize (production and milling)



KSD

Wool, Potato, Essential Oils, Hemp, Fish,
Livestock, Forestry, Fruit, Fish Farming,
Soybean, Maize (production and processing)



Wild Coast Proposed Site

INVESTMENT OPPORTUNITIES IN THE WILD COAST SEZ

The 1st Phase consists of the following 14 Investment Projects

A tunnel/hydroponic farming project	A logistics and distribution facility
A vegetable processing and packaging facility	Maize storage facilities and silos
A fresh water fish processing and packaging facility	A maize milling facility (this will take into consideration existing mills in the are
A meat processing facility	A dairy processing facility with warehousing
Cold storage facilities suitable for meat, vegetables and fruit	A wool sourcing (inclusive of sorting and classing) facility
A fruit processing and packaging facility	A shared administrative and services facility
An essential oil processing facility	A multi-user agro-processing incubator aimed at smaller and seasonal producers



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EASTERN CAPE – PROMINENT SECTORS FOR EXPORT AND INVESTMENT

AUTOMOTIVE SECTOR

Original Equipment Manufacturers (Oem's)



VOLKSWAGEN
GROUP SOUTH AFRICA



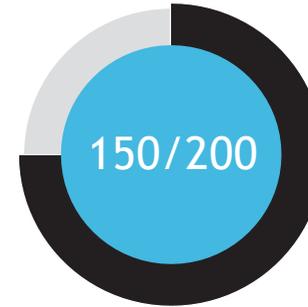
Medium, Heavy, Extra Heavy Commercial Vehicle & Bus



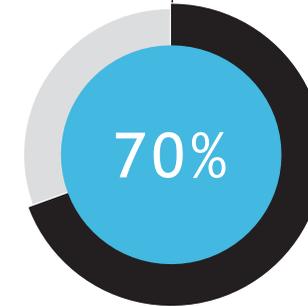
VOLKSWAGEN
GROUP SOUTH AFRICA



AUTOMOTIVE SECTOR



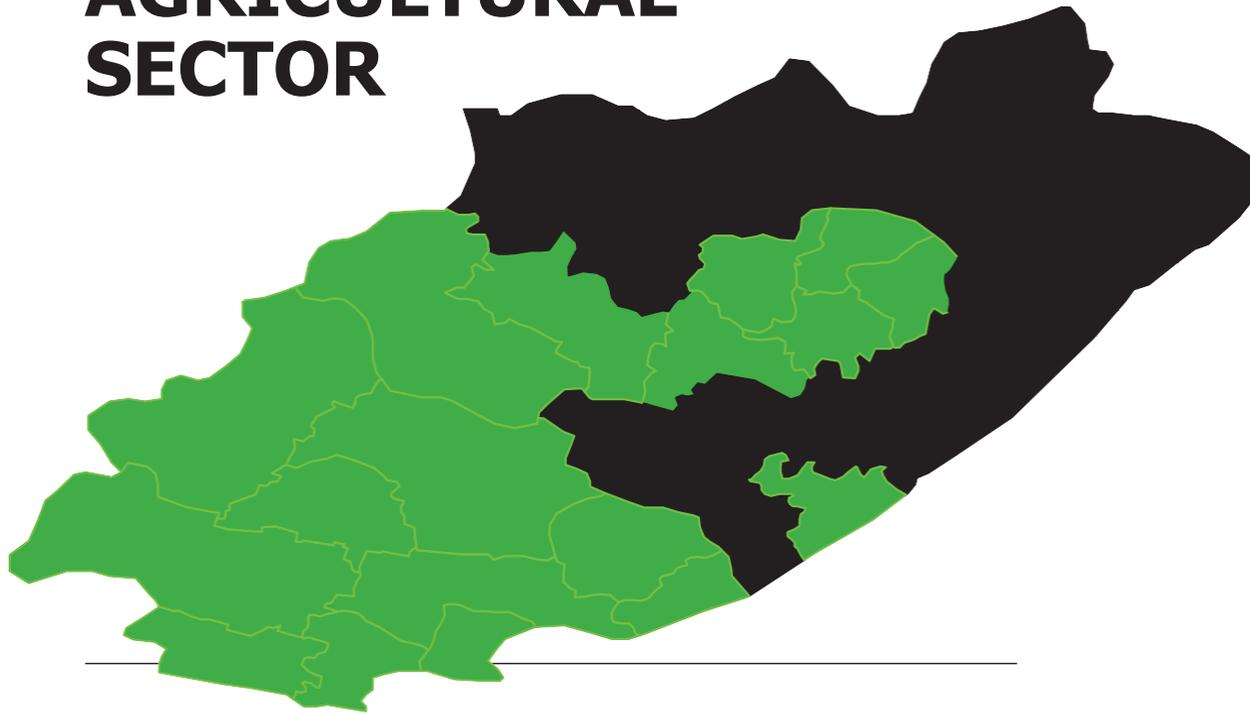
As many as 150 companies are involved in the production of components and sub-components, as well as replacement of parts and accessories.



70% of the country's automotive component manufacturers are based in the province.

These companies continually look to supply non automotive customers

AGRICULTURAL SECTOR



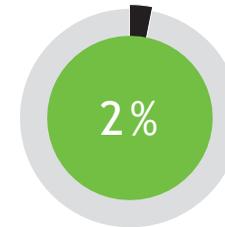
200,000 EMPLOYEES

With over 20 000 persons employed in the industry mostly in Nelson Mandela Bay Metro (NMBM), Buffalo City Metro (BCM), Sarah Baartman & Chris Hani District.



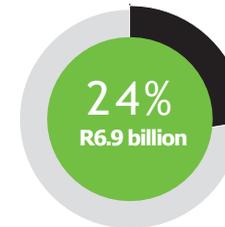
3.3 MILLION CATTLE

Eastern Cape competitiveness in agriculture is in the following areas: chicory, citrus, deciduous, essential oils, mohair, dairy, macadamia and livestock production (SA's cattle & sheep breeding region - 3.3 million cattle).



2%

Agro-processing plays a pivotal role in capturing the value addition of primary agricultural products; however, the viability of agro-processing depends on the primary sector (2%).



Agro-industry is mostly dominated by food, beverage and tobacco constituting 24% (R6.9 billion) of EC manufacturing GDP. 65% EC GDP in manufacturing - broad definition.

AGRO PROCESSING OPPORTUNITIES

Factor endowments allow for a wide range of products

Main cattle & sheep breeding region in SA

36% of South Africa's wool, 75% of its mohair

30% of South Africa's milk production

Main pineapple producing province in South Africa.

Pineapple juicing and dietary fibre production: Best tasting pineapple juice used to blend world-wide

Green House industry (tomatoes , peppers,)



36%
of \$1.1 billion
wool

75%
of SA's
Mohair

30%
of \$1.1 billion
Milk



AGRO PROCESSING OPPORTUNITIES



Fresh produce industry



Dairy products

Food & Beverages



Animal feed and feedlot industry development

Grain storage and processing



Cannabis industry

Essential oils for food and cosmetics



Aquaculture industry - four aquaculture development zones (Coega, East London, Qholora & Hamburg)



SUSTAINABLE ENERGY

Particularly in the areas of wind, solar energy and storage.

To date, 15 large scale wind and solar farms have been constructed, with an additional 2 under construction - total installed capacity of 1513 megawatts, with facility size ranging from 23 megawatts to 140 megawatts.

Over the coming 10 years, the National Integrated Resource Plan provides for 15762 megawatts of wind farms, 6814 megawatts of solar and 2088 megawatts of storage, worth hundreds of billions of rand in investment value.

The Eastern Cape is well suited to host a large portion of these facilities.

15
large scale
wind farms

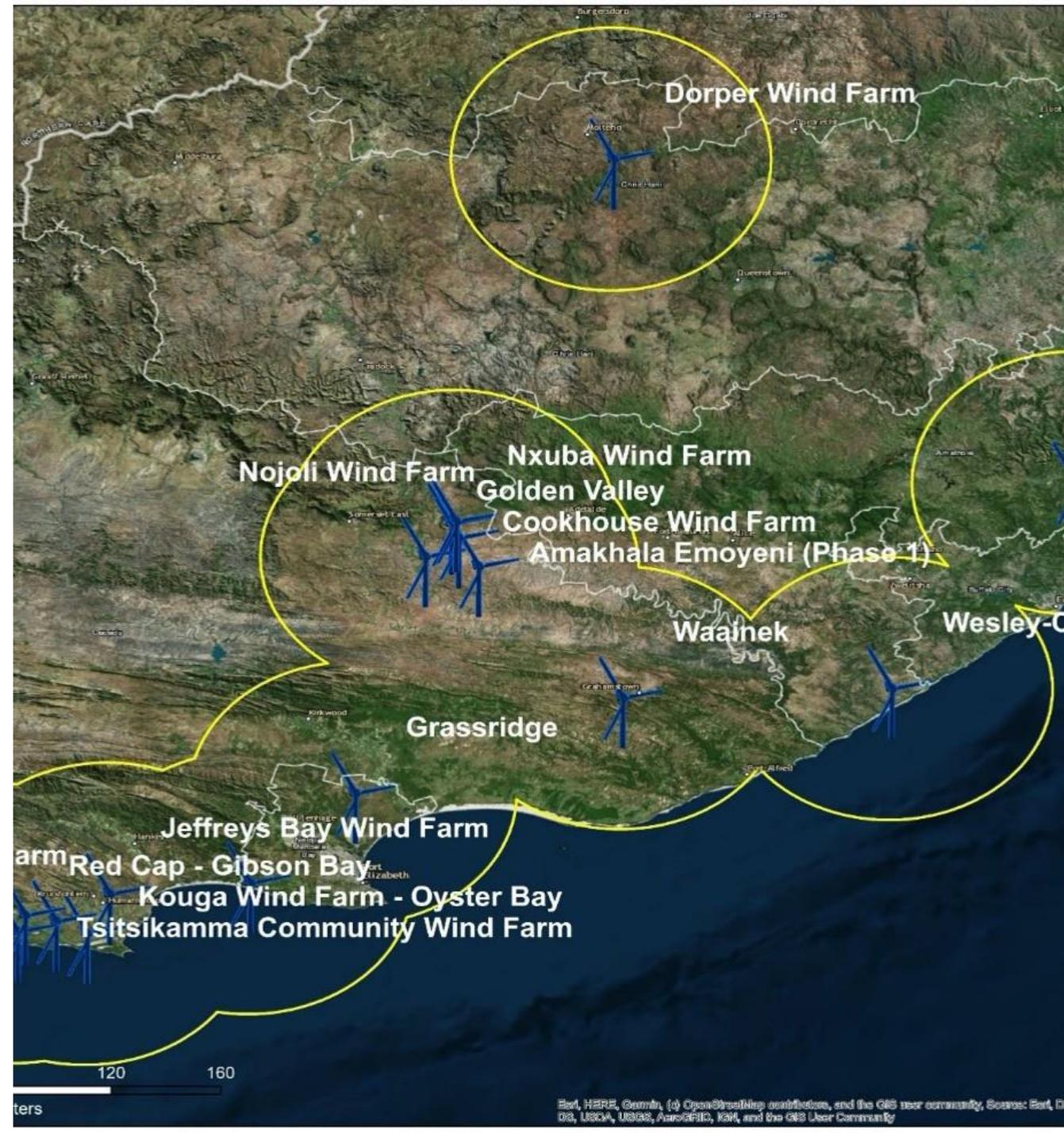
1513
Megawatt
Total capacity



RENEWABLE ENERGY OPPORTUNITIES

WIND FARMS

Project development and construction. Manufacturing of structures, Inner works
Operations and maintenance Exports into the rest of Africa



RENEWABLE ENERGY OPPORTUNITIES

SOLAR ENERGY

There is a recent national move to unlock embedded generation and generation at the scale of distribution networks.

This will unlock a significant market over the next few years.

Manufacturing / assembling of panels, as well as electronics represents an important opportunity.

Solar panel manufacturing facilities in both the East London Industrial Development Zone and Coega SEZ.

Solar mounting frames and tracking systems.



OCEANS ECONOMY

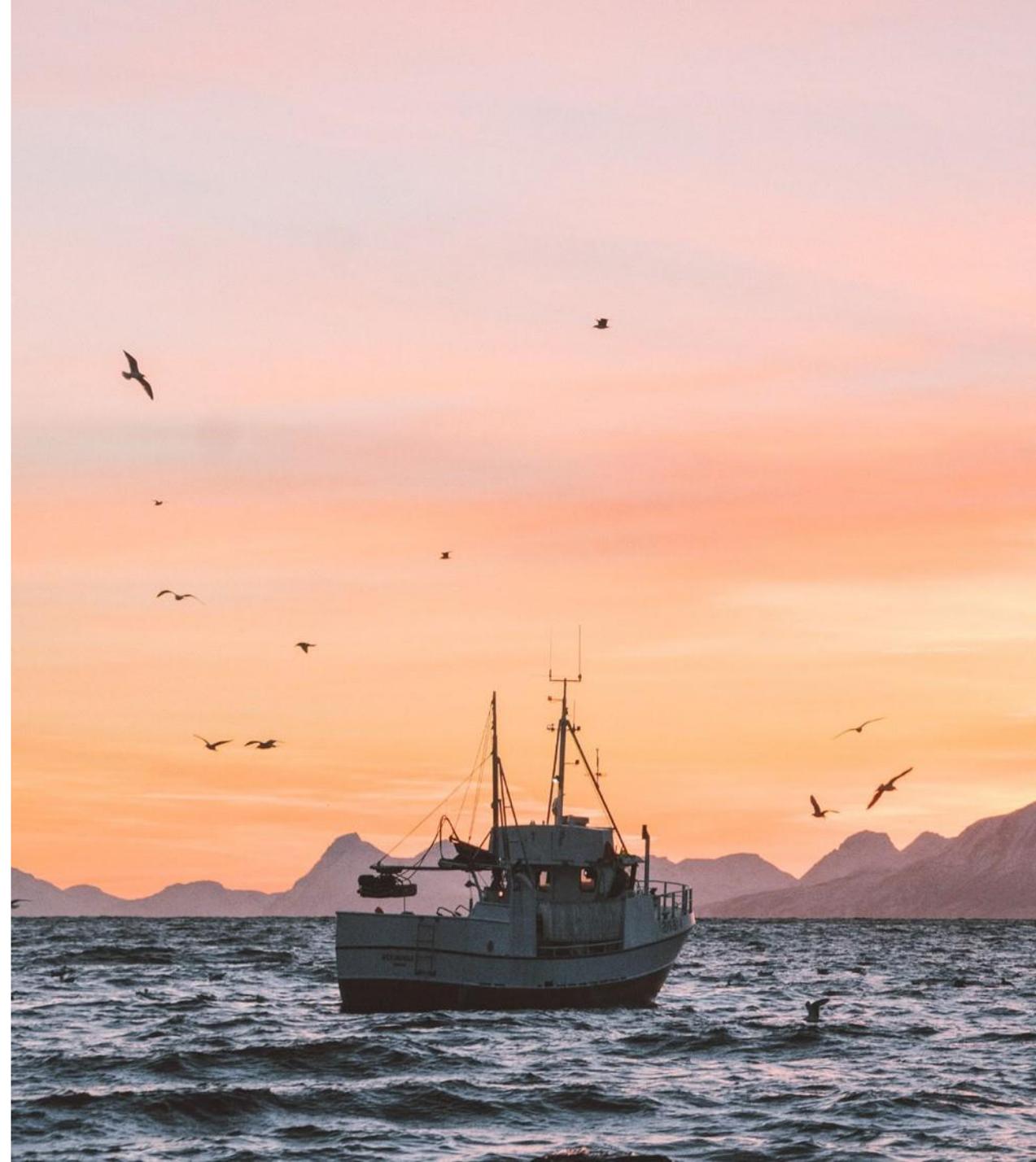
Eastern Cape is party to Operation Phakisa and this informs our strategy as regards the oceans economy.

Ship repair - Operation Phakisa Project earmarked for East London.

Small craft manufacture - a number of world class manufacturers exist in the EC and export craft to countries around the world.

Maritime innovation, research, training and development (NMU).

Provision of services to shipping and oil and gas exploration.



OCEANS ECONOMY

Numerous projects and initiatives are in place to rejuvenate productive activity of Eastern Cape oceans e.g. refurbishment of port infrastructure; boat building & ship repairs; industry development & the provision of support to aquaculture projects: marketing & development of coastal & marine tourism; small harbour and coastal development; oil & gas exploration; R&D.

Major areas of investment for Eastern Cape to improve economic growth and create employment include;

- Aquaculture, fish farming and mariculture
- Boat building and repairs
- Small harbour development to improve tourism
- Bunkering services.
- Collaboration, capital injection, infrastructure and human capacity need to be available for all these to be achieve.



Marine Transport and Manufacturing

Offshore Oil and Gas



Aquaculture

Marine Protection Services and Ocean Governance

Small Harbours and Coastline Development



Coastal and Marine Tourism

Skills Development and Capacity Building

Research, Technology and Innovation

AQUACULTURE

Eastern Cape the **2nd largest producer and exporter of aquaculture products - largely dominated by abalone and oyster production.**

EC 2nd largest exporter of fish & other aquatic commodities to the world - R603.4 million (10%).

Eastern Cape has a comparative advantage in abalone production - however, there is a need to expand and diversify to abalone ranching.

Develop new products and identify markets for fish and other aquatic products e.g. catfish, tilapia, oysters, mussels etc

Provide support to catalytic farmers and fast track the planning and development of Aquaculture Development Zones within the province.

Species	Western Cape	Eastern Cape	Northern Cape	Total
Abalone	1 302.67	156.93	19.62	1 479.22
Finfish	0	52.88	0	77.32
Mussels	1 758.47	0	0	1 758.47
Oysters	247.50	29.35	0	276.85
Total Marine Production	3 308.64	239.16	19.62	3 591.86
Production % Share by Province	92.1	6.7	0.5	100.0

TOURISM SECTOR

Tourism represents a key growth sector in the Eastern Cape

Labour-intensive

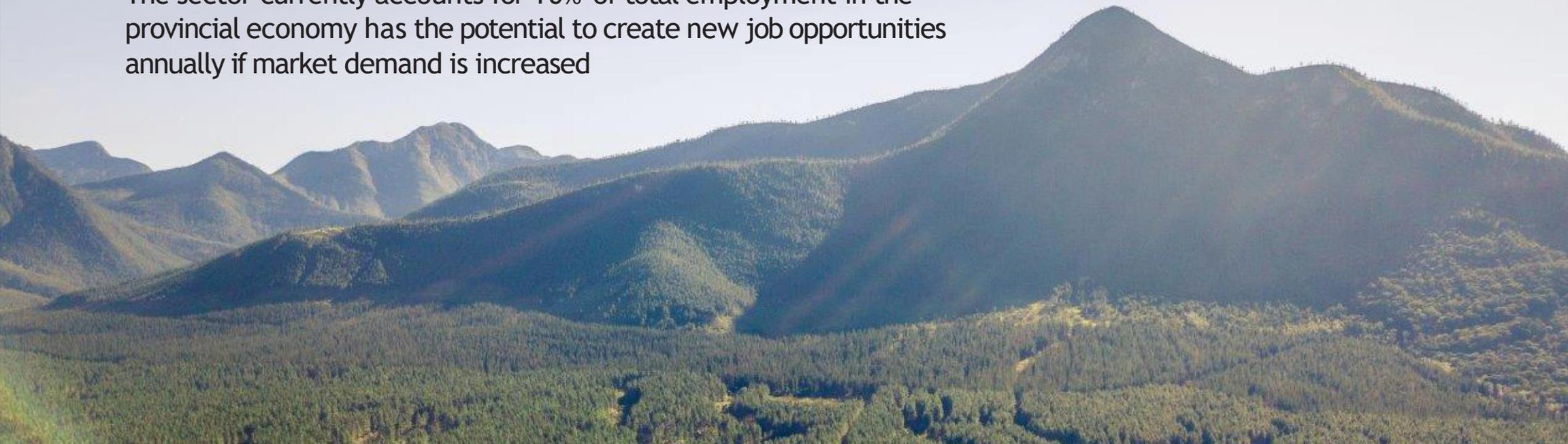
Linkages to the rural economy and other sectors

Low barriers to entry, making it possible for previously disadvantaged persons to participate

The sector currently accounts for 10% of total employment in the provincial economy has the potential to create new job opportunities annually if market demand is increased



Yours to Explore

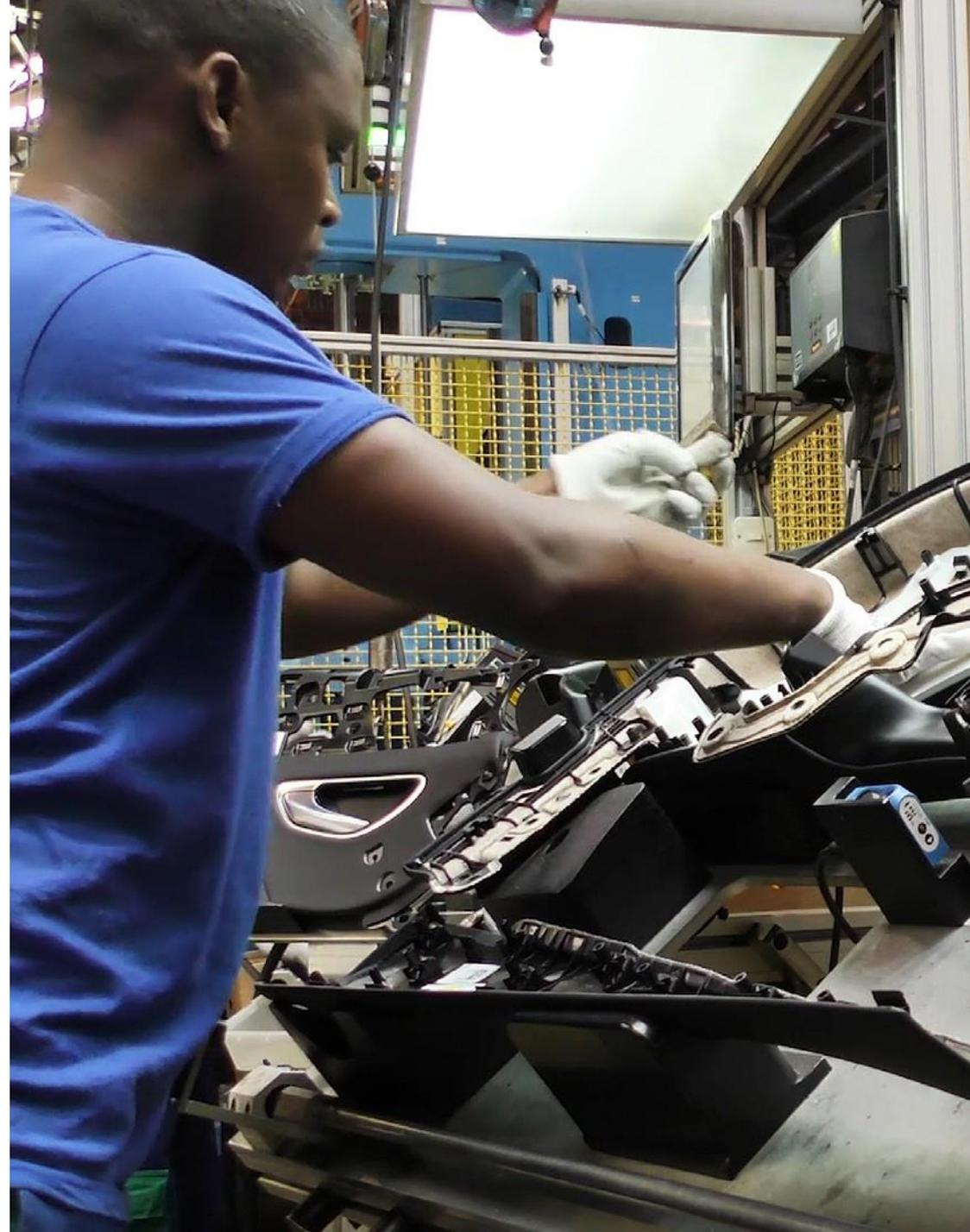




INVESTMENT INCENTIVES & OTHER INVESTOR SUPPORT PROGRAMMES

INVESTOR SUPPORT PROGRAMMES

- Automotive Production and Development Programme (APDP)
- The Automotive Investment Scheme (AIS)
- Export Marketing and Investment Assistance (EMIA):
- Foreign Investment Grant
- Agro-Processing Support Scheme (APSS)
- Aquaculture Development and Enhancement Programme (ADEP)
- Global Business Services Incentive (GBPS)
- The Black Industrialist Scheme (BIS)
- The Support Programme for Industrial Innovation (SPII)
- Research and Development Innovation Grant
- Critical Infrastructure Programme (CIP)
- 12I Tax Incentive (12I TAI)





INVESTMENT INCENTIVES & OTHER INVESTOR SUPPORT PROGRAMMES

SPECIAL ECONOMIC ZONES INCENTIVES

Employment Tax Incentive (ETI)

Corporate Income Tax Incentives (CITI)

Customs Controlled Area (CCA)

Customs and Excise Incentives (CEI)

Building Allowance





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