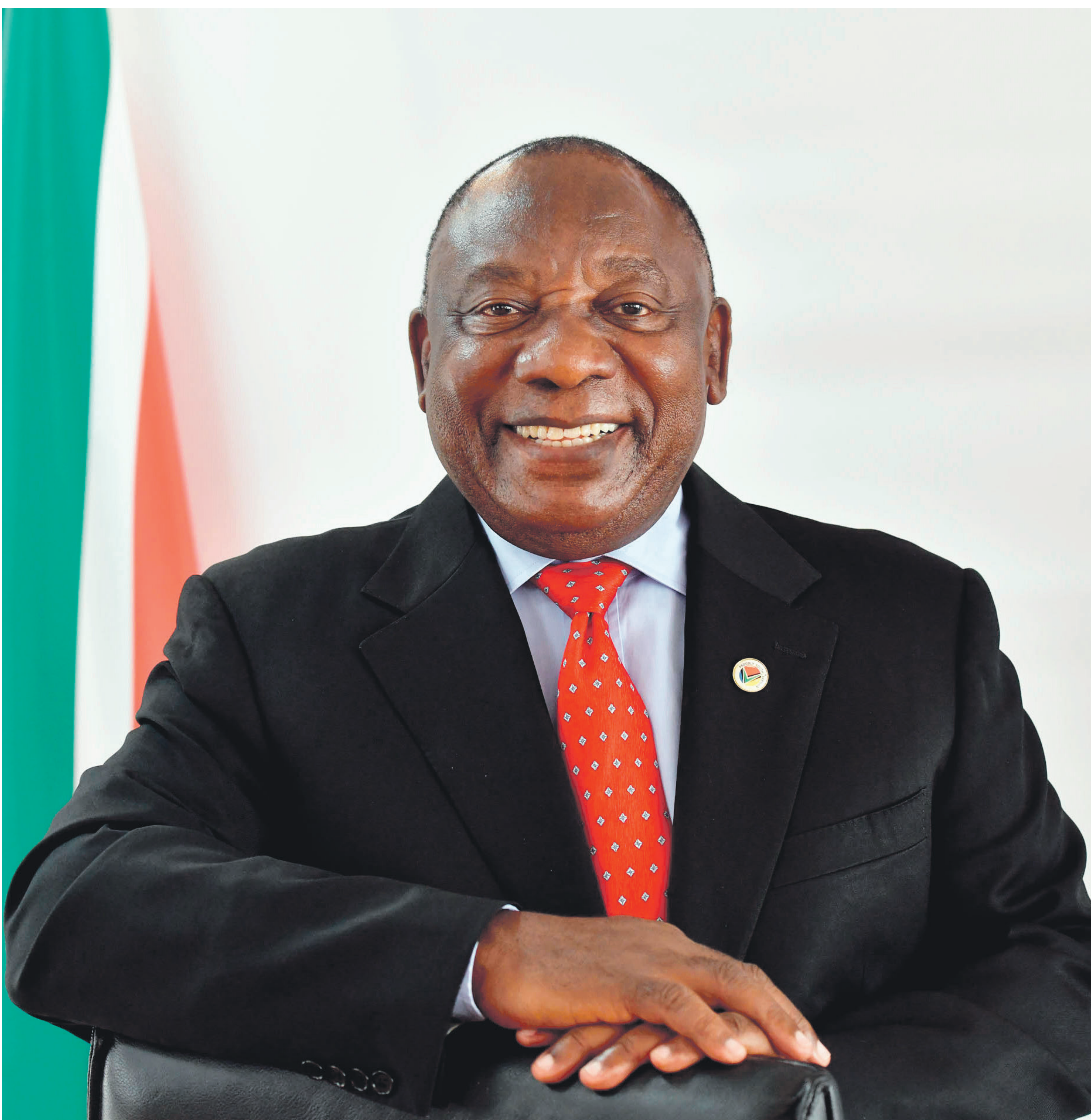
SOUTH AFRICA INVESTMENT CONFERENCE
Accelerating Economic Growth by Building Partnerships

South Africa
Inspiring new ways

Unlocking Investment for Growth and Job Creation

4th SA Investment Conference 2022



Inspiring growth

"Investment drive is yielding results"

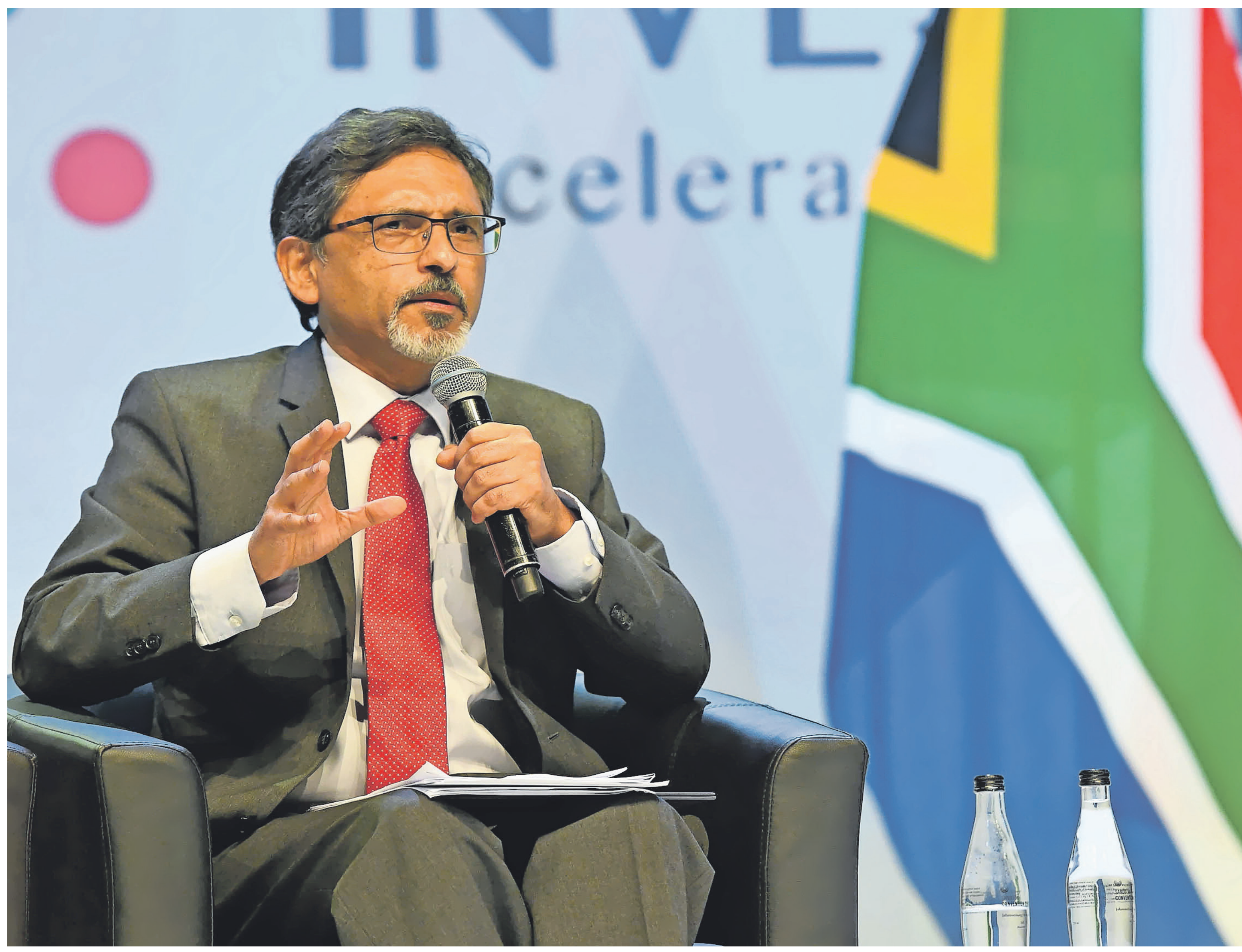
In an effort to boost economic growth and facilitate the creation of more employment opportunities, President Cyril Ramaphosa committed to raising more than R1.2 trillion in investments for South Africa over five years. This initiative culminated in the launch of the South African Investment Conference (SAIC), which now spearheads the government's investment drive.

Since its launch in 2018, SAIC has hosted three consecutive annual investment conferences, but the Covid-19 pandemic caused a postponement in 2021. To date SAIC has gathered a combined R774 billion worth of investment pledges — 64% of the President's target — spread across a range of economic sectors including, mining, manufacturing, agriculture and the digital economy.

It's a considerable achievement, considering the several challenges facing the local and global economy. To this end, the fourth investment conference scheduled in Sandton, Johannesburg on 24 March 2022 will mark the President's next leg of his ambitious programme to raise R426 billion over the next two years — the remaining 36% of his R1.2 trillion target.

In the challenging economic environment, it is encouraging that green shoots are slowly emerging in the local economy. The gradual but steady realignment of supply chains across the globe that were disrupted at the height of the pandemic is certain to add momentum to its recovery. The evidence suggests that South Africa is creating an attractive platform on which to do business by focusing on economic growth and the rapid introduction of economic reforms, including the improving regulatory environment.

As the Economic Reconstruction and Recovery Plan — government's economic blueprint, unveiled by President Ramaphosa in 2020 — begins to take root, there is a sense of optimism that the various infrastructure development projects such as construction of bulk water infrastructure, construction of new road networks, energy capacity expansion plans and the improvement of port infrastructure, among others, present great opportunities for sustainable as well as inclusive growth.



Trade, Industry and Competition Minister Ebrahim Patel said SAIC has raised a combined R774 billion in investment pledges, which is 64% of government's R1.2 trillion target

The Economic Reconstruction and Recovery Plan provides a great opportunity for South Africa to train a new crop of black industrialists, including women and youth entrepreneurs, who have long been consigned to the periphery of productive sectors of the economy.

This also provides a great opportunity for South Africa to train a new crop of black industrialists, including women and youth entrepreneurs, who have long been consigned to the periphery of productive sectors of the economy. In addition, the planned auction of spectrum which is now closer to reality will usher in a new technology and competitive pricing regime in South Africa's telecoms landscape. Other than increased access to broadband, it is anticipated that communication costs will come down, enabling a competitive positioning of our economy.

Speaking at a recent briefing in Pretoria, at which he outlined preparations for the fourth edition of the SAIC, Minister of Trade, Industry and Competition Ebrahim Patel disclosed that a significant number of projects and pledges announced during the inaugural SAIC conference in 2018 were at an advanced stage.

"Of the 152 investment pledges announced during the previous three consecutive conferences, 45 projects have since been completed; or where it involves new machinery or equipment, these have been procured and installed; or that production has started," said Patel.

A further 57 projects are currently under construction; 15 projects are either progressing slowly or have been put on hold due to the impact of the pandemic or other economic factors. As of February 2022, firms that completed their reporting to InvestSA — an agency in the Department of Trade, Industry and Competition (DTIC) that has been closely monitoring the implementation and commissioning of these projects — advised government that R314 billion (40.6%) of the committed investment pledges had been expended.

The completed projects include a R3.4 billion manufacturing plant launched by Johannesburg Stock Exchange (JSE) listed pharmaceutical giant Aspen in October last year to produce Covid-19 vaccines and an anaesthetic trading as Diprivan, in Gheberha, Eastern Cape. Another flagship project emanating from SAIC pledges is JSE listed paper and packaging manufacturer SAPPI, which is expanding its pulp production capacity to almost 900 000 tonnes per year at its Saiccor Mill, in KwaZulu-Natal. This investment is worth R7 billion.

Of the 152 investment pledges announced during the previous three consecutive conferences, 45 projects have since been completed; or where it involves new machinery or equipment, these have been procured and installed; or that production has started.

— Minister of Trade, Industry and Competition, Ebrahim Patel

Automotive group Mercedes-Benz injected R10 billion on factory upgrades at three of its local facilities, enabling the automotive manufacturer to build its new C-Class model and strengthen its local supply chain. The new C-Class is now being exported to more than 100 countries globally, boosting the country's foreign exchange earnings. Telecoms giant Vodacom — which during SAIC's launch pledged a R50 billion investment on fixed and mobile networks over a five-year period — says it has injected R47 billion into its network.

Mining group Anglo American, which pledged to invest R100 billion in its local business over a five-year period, has made significant progress towards converting its open cast Venetia diamond mine in Limpopo to underground mining. Easing of regulations in the energy sector has set the mining group on a solid course to build solar farms, which will be used to generate and supply power for Anglo's operations in South Africa and in neighbouring countries.

The government will also use this conference to highlight the opportunities and potential trade and economic benefits that the continent stands to gain from an accelerated adoption of the African Continental Free Trade Area (AfCFTA). By any measure, AfCFTA is the largest free trade area in the world, given the number of signatory and participating countries. In addition, Africa offers investors access to a market of more than one billion people with a gross domestic product that exceeds $2.6 trillion. Through AfCFTA, historic trade barriers are coming down, and soon economic activities will be conducted seamlessly across the entire continent.

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SAIC in numbers

R1.2 trillion

The value of investments that President Cyril Ramaphosa in 2018 committed to raise over a five-year period.

R774 billion

The investment pledges made thus far, which is 64% of Ramaphosa's target.

R426 billion

This 36% of the outstanding balance of the president's R1.2 trillion target.

R100 billion

Mining group Anglo American's investment pledge in support of its South African businesses over the five-year period.

R50 billion

The amount Vodacom committed to invest in fixed and mobile networks over the five-year period. The telecoms giant has already invested R47 billion of this pledge.

R10 billion

The amount that Mercedes-Benz pledged at the SAIC launch to invest on factory upgrades at three of its local facilities. This investment has enabled the automotive manufacturer to build its new C-Class model, which is now being exported to more than 100 countries.

R7 billion

The amount that paper and packaging manufacturer SAPPI has spent on expanding its pulp production capacity to almost 900 000 tonnes per year at its Saiccor Mill in KwaZulu-Natal.

R3.4 billion

The amount that JSE listed pharmaceutical giant Aspen is investing to produce Covid-19 vaccines and the anaesthetic Diprivan.

152

The combined investment pledges made over the three consecutive conferences.

45

The projects that have since been completed; or where it involves new machinery or equipment, these have been procured and installed; or production has started.

57

The number of projects that are currently under construction.

Fast facts on key projects

VM Automotive is a wholly-owned black firm that supplies automotive components to several South African-based automotive manufacturers. The company pledged R426 million to upgrade and expand its production plant based in East London, in the Eastern Cape. Its client base includes Mercedes-Benz.

Toyota South Africa: The car manufacturer's R2.3 billion commitment resulted in the construction of a new assembly line for new-generation Corolla Cross vehicles, including hybrid electric cars for export to more than 40 countries.

Bidvest: The company's R1 billion investment has resulted in the construction of a liquid petroleum gas (LPG) facility in Richards Bay. Other than creating job opportunities, this investment has resulted in a secure source of LPG supply for South Africa and for export to neighbouring countries.

In2Foods: During the inaugural SAIC in 2018, In2Foods announced an investment of R241 million. Located in the OR Tambo (ORT) Strategic Economic Zone (SEZ), the company has built a modern 22 700 square metre fresh food facility, described as the largest in the southern hemisphere and the second-largest CO2 refrigeration facility in the world. This company is currently the largest supplier to Woolworths of fresh and prepared foods. This project led to the creation of 600 jobs. The new facility will produce 2 000 litres of soup and 10 000 pancakes per hour. As a result, In2Foods will also increase the exports of fresh products from OR Tambo International.

Procter and Gamble (P&G): Its R550 million investment has led to addition of two production lines at its production facility in Kempton Park, Johannesburg. This has enabled the global consumer goods manufacturing giant to increase its production capacity, enabling the export of some of its products to neighbouring SADC states.

German company Dr Oetker announced during the second instalment of SAIC that it would invest about R200 million in a new food manufacturing plant in Selby, Johannesburg. This plant will enable Dr Oetker to augment its production capacity and strengthen the company's position as one of the leading suppliers of frozen pizzas and ready-made meals to major retailers.

Reflecting on mining's contribution to SA's economic progress and transformation

"Mining contributes in many ways, including to the fiscus directly, through jobs, supporting host communities and enabling local businesses to thrive"

By Mark Cutifani

For much of South Africa's history, mining has been at the heart of the country's economic progress. It's an industry that has played an immense role in South Africa's development, from the formation of the Johannesburg Stock Exchange — which was built on the back of the gold mining boom in the 1880s — to the development of Johannesburg itself. In many significant ways, mining has spurred growth in South Africa over some 150 years.

It has certainly not been without its challenges, and I for one would never want us to pretend that it's an industry without a complex history. But it's this complex history, in my view, that has also helped spur the industry's dramatic transformation. Today, mining in South Africa is far safer, more inclusive and connected to society's evolving expectations. Despite this, there's an ongoing misconception about the industry that seems to still fester: that ours is an industry that "takes more than it gives".

The essential role that South Africa's miners have played in buoying the economy and providing a vast range of essential services — from water and electricity to healthcare and education — during the Covid-19 pandemic has been discussed in the press and across government, yet too few truly understand the real scale and extent of the role we play, day in, day out.

The numbers tell the story. Mining has a multiplier effect: for every R1 million spent on mining production, R1.3 million is added to South Africa's GDP, and the government gains R330 000 in revenue.

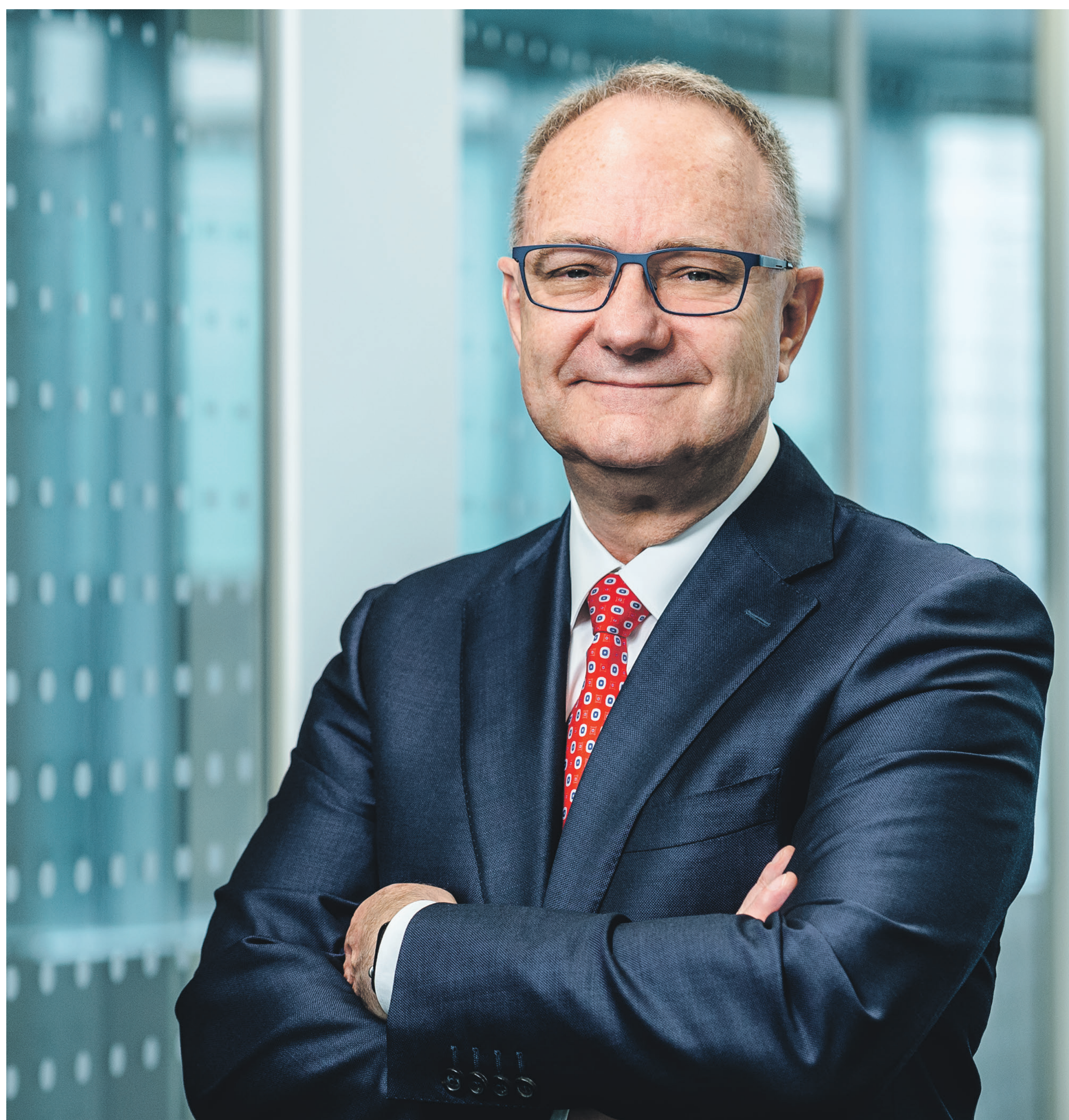
As South Africa works to stabilise its revenue and expenditure framework, mining has been at the forefront of delivering economic and fiscal value through its operations, providing room for the government to deliver on increased social expenditure.

In 2021, Anglo American's total economic contribution in South Africa amounted to R135 billion, almost 50% more than the prior year, reflecting the easing of the pandemic and the improved markets for the metals and minerals we produce. This substantial sum contributes to South Africa in many ways, including to the fiscus directly, through jobs, supporting host communities and enabling local businesses to thrive. When we do well, South Africa does well.

As a company that's committed to our purpose of re-imagining mining to improve people's lives, our total economic contribution to South Africa goes beyond just paying wages, royalties and taxes. We have enabled local companies to thrive and grow through being very deliberate about procuring from local suppliers in our host communities and those owned by black South Africans and by women and young people. In 2021, this equated to R47.5 billion spent on procuring from local suppliers in South Africa. Furthermore, just under R1 billion was directed toward social investment in the communities where we operate.

The value we add and share as an industry comes in many forms. Simply put: we are one of the few industries that truly shares the value we create — with our employees, governments and host communities, suppliers and our shareholders.

It is clear to me why mining matters. It matters to the close to 500 000 people directly employed by the industry in South Africa, whose lives and livelihoods have been mainly safeguarded during this time of upheaval. It matters to the thousands of small, medium and large businesses that have continued to benefit from mining procurement, even with the challenges we have faced in the last two years. It matters to the communities across the length and breadth of South Africa, who have benefited from the immense social and infrastructure investment from mining companies, at a time when many other industries were scaling back their commitments.



Mark Cutifani is the Chief Executive of Anglo American

This is an industry that continues to act with a fervent purpose to do more and do better. The more we deliver enduring value, the more we can share it with society in its broadest sense. Some still seem to hold the fallacious belief that mining companies are owned by "Randlords" or the magnates of yesteryear. That could not be further from the truth. In the real world, the actual owners of South Africa's publicly listed mining companies are millions of ordinary South Africans across the public and private sectors who are invested in mining through their savings, pension schemes and other investment mechanisms. This is why I am passionate about the contribution we make as an industry, and the necessity to continue transforming ourselves for the benefit of all South Africans who ultimately have a stake in this industry.

We also don't turn a blind eye to the need to find continual ways to transform South Africa's mining industry. A thriving economy that unlocks value for all its people is non negotiable, and this is why we are committed to supporting existing and new black-owned and controlled companies of all sizes. Anglo American has proudly been at the forefront of this empowerment charge for over three decades. We've helped establish many black-owned and controlled companies, including African Rainbow Minerals, Royal Bafokeng Platinum, Exxaro, Seriti Resources and many others that are extremely successful. We believe — and have demonstrated — that mining is everyone's industry, and not just for a select few.

Anglo American's roots are proudly in South Africa. With a leading five-year investment programme of over R100 billion, we will continue to play our part to help chart an inclusive and more prosperous industry, now more than ever, so that we may edge closer to the promise of 1994.

Role of technology in further unlocking the potential of SA's economy

> "Our focus as Naspers is on finding, investing in, and helping to grow the next big SA tech success stories"

By Phuthi Mahanyele-Dabengwa

The Organisation for Economic Co-operation and Development (OECD) forecasts that South Africa's economy will grow by 1.9% in 2022 and 1.6% in 2023. While these numbers indicate improved growth, the rate of growth is not nearly enough to address South Africa's socioeconomic challenges, especially the high unemployment rate. As a country, we once again top the World Bank's report as the most unequal country in the world, and last year we recorded another first place, with the highest unemployment rate on a global list of 82 countries monitored by Bloomberg.

In particular, unemployment continues to burden the youth, with nearly two-thirds or 64.4% of those aged 15 to 24 unemployed and 42.9% of those aged 25 to 34 unemployed. It is starkly apparent that South Africa's State of Emergency extends far beyond just the Covid-19 crisis; we need to address unemployment and we need to do it in a way that makes its impact felt not only quickly, but sustainably.

We often hear of the need for higher rates of economic growth to create jobs and reduce poverty, thereby reducing inequality. In fact, in his recent State of the Nation Address (SONA), President Cyril Ramaphosa was unequivocal that government doesn't create jobs; it is the private sector that is largely responsible for creating employment. With this statement also comes the responsibility of government to create an enabling and competitive environment that allows the private sector to progress job creation.

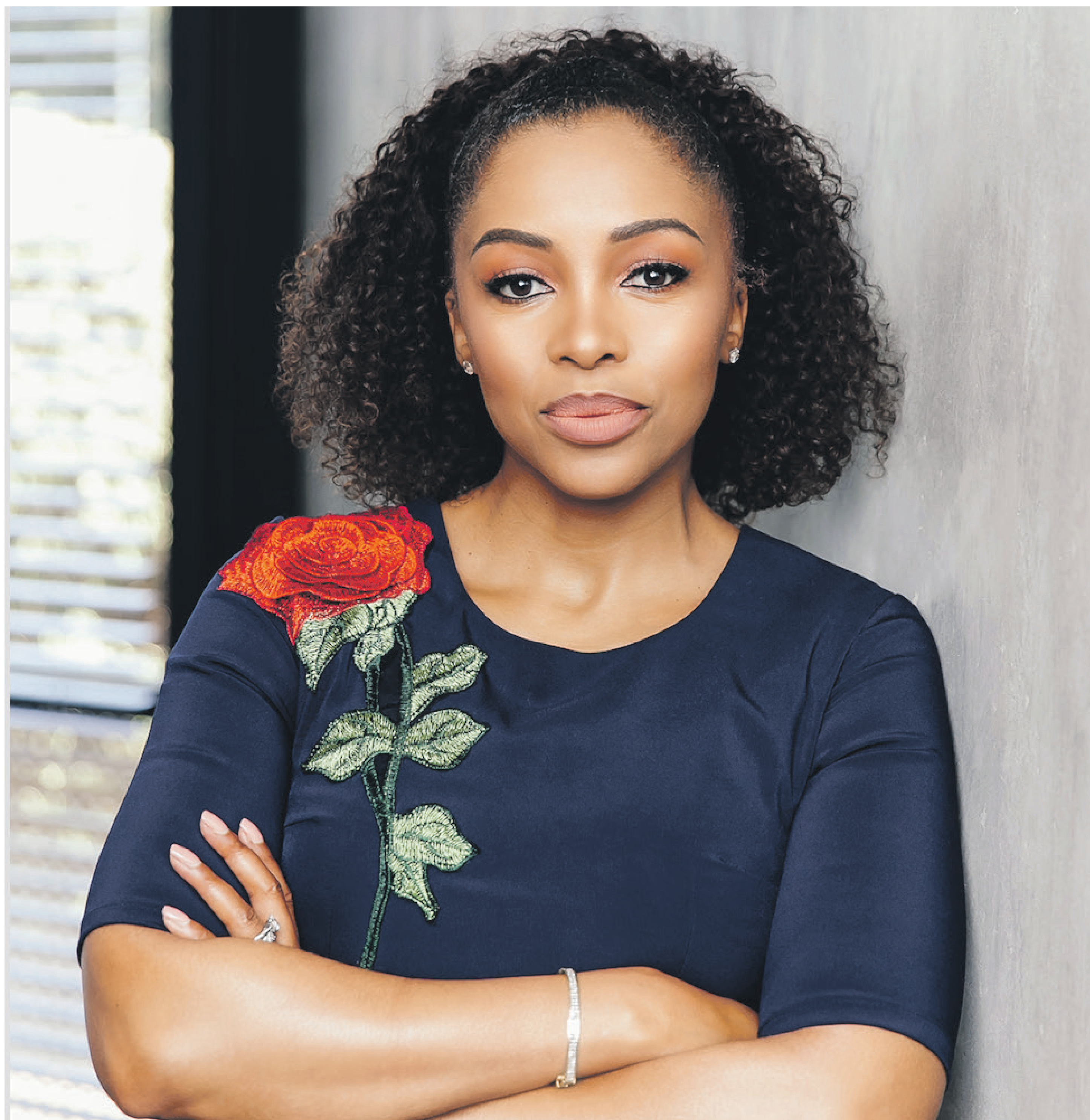
In order to fully drive confidence, it is critical that business leaders and policymakers work together to create a consistent policy environment that encourages investment and supports local innovation, where South African tech companies and talent can thrive. It is also crucial that the public sector provides policy frameworks that create a stable environment in which small and large companies can grow, where these companies can create and sustain jobs, and where consumers benefit.

Naspers remains committed to doing its part and we believe an enabling regulatory framework, including sound competition policy based on input and evidence from stakeholders, will assist in the pressing task of reconstructing the South African economy. We need a private sector that works effectively with the public sector to address a problem of this magnitude.

Judging from the president's recent SONA, we feel optimistic that South Africa has reached its "Damascus" moment — we have reached the point where government and the private sector understand the role that each needs to play to grow our economy. Investment into South Africa has been a priority for Cyril Ramaphosa's presidency from the outset, with investment by the private sector at its core. It was through this ambition that the genesis of the South Africa Investment Conference (SAIC) came about.

As a proudly South African business, Naspers has been part of the SAIC since its inception in 2019. Through our process of evolving and growing into a global consumer internet group, and one of the largest technology investors in the world, we recognise the value of investment in unlocking the potential of South African companies — because when these companies are thriving, they are better able to create jobs, stimulate growth and encourage further investor confidence. This is the positive feedback loop that we need to create.

In an effort to contribute to that feedback loop and make a sustainable contribution to South Africa's growth, it gave us great pride to announce the launch of Naspers Foundry at that first SAIC. Naspers Foundry is our early stage R1.4 billion investment vehicle that allows us to back talented tech entrepreneurs by helping them to scale and achieve their full potential. In addition to the monetary investment, Naspers Foundry provides these South Africa-focused tech companies access to markets, international expertise and business support.



Phuthi Mahanyele-Dabengwa, South Africa CEO Naspers

The most compelling part of the Naspers Foundry journey so far, during which we have made investments of more than R600 million since its launch, is the depth and quality of entrepreneurs and SMMEs that South Africa is producing. There is so much talent and innovation in this country and the many more deals we have in our investment pipeline bear testament to this.

Through the backing of these businesses, we hope to catalyse the role of innovation and technology in stimulating growth. We firmly believe that technology can transform our economies, and we understand that the development of South Africa's early-stage technology ecosystem will have a lasting impact on the broader economy, so our focus is on finding, investing in, and helping to grow the next big South African tech success stories.

The recent activities in South Africa around policy and the president's remarks in the SONA have been encouraging. Whether it is the much-awaited spectrum auction or the realisation that companies create jobs, it is important that we acknowledge progress when we see it, no matter how small or significant it is. As Naspers, what excites us the most is witnessing the government's recognition of the importance of digital transformation. It remains nascent in South Africa but will inevitably form a fundamental part of the future economic growth of the country.

Investing in innovation, learning and development is critical. The convergence of numerous technologies, particularly big data, machine learning, AI and digitisation have the ability to profoundly influence the impact business can have, and we see this as a driving force behind creating a civic, equitable and inclusive society.

Unfortunately, digital talent is scarce in all our markets, with South Africa a net importer of digital skills. This, coupled with our high unemployment rate, particularly among the youth, creates a unique opportunity. One that we chose to address later that same year, in 2019 through the creation of Naspers Labs, a youth training programme that targets both unemployed university graduates as well as youth with no tertiary education from across the nation. The initiative helps them gain in-demand digital skills and work readiness training, along with work exposure and job matching to enable them to become productive contributors in an increasingly digitally-driven economy. Since 2019, Naspers Labs has trained more than 2 000 young people and placed more than 1 500 youths in jobs.

It has been a busy and fruitful time for Naspers, having seen commendable growth and pleasing impact from both Naspers Foundry and Naspers Labs over the past three years, especially during the turbulent times of the Covid-19 pandemic and increasing geopolitical and local tensions. This year, as a sponsor for the third consecutive year of the 2022 South Africa Investment Conference, our commitment is to continue to help promote South Africa as an attractive investment destination and to re-establish confidence in the country's economy. We remain an enabler of positive change, and we understand that for every action we refuse to take today, and with every action that we take simply to preserve the status quo, time works against us. We need to take decisive action today and prioritise growth, stimulate our local economy, create jobs, and transition to a more sustainable, and equitable society. Technology makes this possible, more so now than ever before.

Connecting underserviced communities into the digital economy

Ponte City, one of Johannesburg's most iconic buildings, is now known as the Vodacom Tower

Connecting the unconnected and bridging the significant digital divides in our society underpins Vodacom's deep rural ambitions. This is key for the masses who live in rural parts of the country, so that they can become part of the digital economy and reap the associated economic benefits.

At the first South Africa Investment Conference (SAIC) in 2018, Vodacom committed to investing R50 billion over a five-year period into network infrastructure. This includes substantial investment into Vodacom's Rural Coverage Acceleration Programme, which is changing lives and is ushering in a new era of digital inclusion for more than 22 million people who live in remote areas that did not previously have network access.

Global System for Mobile Communications (GSMA) research shows that deep rural communities are lagging in terms of broadband connectivity, excluding many from the digital economy. Consequently, the digital divide still hinders the achievement of the African Telecommunications Union's mission "to achieve universal service and access to broadband" and that of South Africa Connect, the national broadband policy, which envisages "universal service and access to reliable, affordable and secure broadband services" by all South Africans by 2030.

It was against this backdrop that we embarked six years ago on a crucial network investment drive and launched the Rural Coverage Acceleration Programme, designed to expand network coverage for people who live in deep rural areas of South Africa and to supplement the good work our regions have done in ramping up network infrastructure outside of urban areas. Our aim is to leave no one behind in the Digital Era, irrespective of where they live.

Since the launch of the programme, we have come a long way. In 2015, LTE in deep rural areas covered just 9% of the population and has now jumped to 94.92%, while 3G reaches 96.28%. For the financial year 2022 alone, we have announced an additional 132 rural sites.

Broadband penetration has transformative power and is an enabler of economic and social growth and this makes it an essential tool for empowering people in rural areas. The World Bank study concludes that a 10 percentage point increase in fixed broadband penetration could increase GDP growth by 1.21% in developed economies and 1.38% in developing ones. Access to the internet will help rural dwellers access critical services such as eHealth, eEducation and eCommerce.

Success stories

In September 2019, Vodacom Mpumalanga Region partnered with BPG Langfontein to create South Africa's first smartphone only town. Vodacom deployed 3G and 4G sites in Wakkerstroom and later moved 1 500 farm workers from using 2G feature phones to 3G and 4G enabled smartphones. Wakkerstroom now enjoys 100% internet access for all Vodacom customers, and internet activity in the area has seen data traffic grow by 205% year-on-year, with data-active customers increasing by 82%.

Earlier this month, we switched on new 3G and 4G base station sites in deep rural areas in Kamiesberg Local Municipality, Northern Cape province that had been without network connectivity since the early 1990s. Residents of the two villages used to travel 60km to the nearest town to make calls.

In 2018 we became the only network provider to deploy base stations in Umhlabuyalingana Local Municipality to help prevent border criminal activity along the Mozambique border and connect this community. The Umhlabuyalingana project came about when in April 2017, Minister of Telecommunications and Postal Services Siyabonga Cwele approached the local mobile networks and appealed to them to improve network coverage along the Mozambique Border. Umhlabuyalingana has a population of over 150 000.

Noenieput, a remote Northern Cape Town with less than 1 00 residents and just one police station, is another prime example of how the programme has changed people's lives. This remote outpost had not previously enjoyed Vodacom network coverage, but with the establishment of a Vodacom base station, police and border officers were able to access the internet via mobile devices, immediately transforming access to information and services for the officers and the community.

To further enhance these existing investments and our footprint, in November last year, we announced terms on the proposed acquisition of a strategic stake in CIVH, the parent company of Vumatel and Dark Fibre Africa for R13.2 billion, subject to regulatory approval. Part of the rationale for the transaction is to accelerate both mobile and fixed-broadband roll-out in deep, rural areas and townships and help to bridge the digital divide in South Africa. The deal will assist us in driving further digital transformation especially in education, health and government services as well as SMME development.

Looking ahead we will continue to connect the most underserved members of our country so that no one is left behind.

vodacom

IDC is bullish about Africa's growth prospects

"AfCFTA will support Africa's economic growth"

By TP Nchocho

As member states accelerate the implementation of the Africa Continental Free Trade Area (AfCFTA), a trade bloc which brings together 54 member states of the African Union, the discussion around its benefits is becoming more robust.

Among other objectives, AfCFTA aims to grow intra-continental trade and boost Africa's standing in the global market. The trade bloc and its significance to the continent will certainly dominate some of the discussions at the fourth South African Investment Conference (SAIC).

Trade between African countries is not at the levels it could be, and the benefits of trading with the rest of Africa far outweigh the risks. We can rightly justify the significant magnitude of AfCFTA's counter-cyclical impact in light of the challenging conditions that our economy currently faces.

AfCFTA offers investors access to an integrated single trade and investment market of more than 1.3 billion people, with a gross domestic product that is estimated to exceed $3.5 trillion by 2025. Right now, however, there is little evidence to suggest that this potential is being adequately recognised. At present, intra-African trade is very low, estimated at around 15%, compared to 67% in Europe, 61% in Asia and 47% in North America.

By effectively creating an enlarged regional market, this trade bloc could offer long-term economic benefits by catalysing greater development of cross-border infrastructure, incentivising economic diversification and boosting institutional quality. Regional trade will enable companies to develop economies of scale and create opportunities for cross-border cooperation to develop; for example, integrated value chains and the provision of critical logistical services, resulting in increased investment activity.

TP Nchocho, CEO of the Industrial Development Corporation

Other potential benefits and opportunities that will be derived from the AfCFTA include: opening up new markets for South Africa in terms of both trade and investment; improved access to raw materials and intermediate inputs; additional opportunities for in-country value addition, thus elevating the positioning of individual economies in global value chains; expanding industrial capacity and job creation; and, among others, opportunities to develop strong regional value chains.

Improved access to markets across the African continent will result in increased competition and innovation. AfCFTA has created a free trade area that may eventually develop into a continent-wide customs union and facilitate the movement of capital and people between countries. AfCFTA is expected to increase intra-African trade in transport services by nearly 50%, according to the latest estimates by the Economic Commission for Africa (ECA).

Among other benefits of AfCFTA, the continent's wealth of natural and mineral resources can now be utilised to build industrial capacity, diversify productive structures and raise the growth potential of individual economies, creating in the process a huge market that will attract foreign investors to locate their production facilities on the continent.

For the Industrial Development Corporation (IDC), AfCFTA symbolises the emergence of a more assertive continent that no longer mainly exports raw materials and imports finished goods. The bolstering of trade ties between countries will strengthen Africa's industrial base and open up opportunities for the continent to become more self-sufficient.

It is indisputable that increased growth will inevitably lead to new prospects for emerging entrepreneurs and small- and medium-sized enterprises. With policy and other support, such as ecosystem and financial support, this can empower women and boost the potential of the youth — the fastest-growing segment of the African population — to find work and realise entrepreneurial opportunities.

The IDC's confidence in the continent is demonstrated by large investments into Mozambique in the 1990s, an economy that was then considered risky given that the country was emerging from a taxing civil war. In partnership with other foreign investors, the IDC invested in the establishment of Mozal, an aluminium smelter in Maputo's Beluluane Industrial Park. Our investment in this venture rates as one of the biggest flagship projects on the continent. Since commencing operations, Mozal has grown to become the single largest contributor to Mozambique's GDP.

IDC's portfolio of investment on the African continent, outside of South Africa's borders, is currently valued at R19.5 billion (market cost) across 17 countries, and spans several sectors of economic activity. Over the years, the Corporation has also helped pave the way for several South African companies drawn from the telecoms, retail, agriculture, manufacturing and mining sectors, among others, to establish a strong presence on the continent.

Our experience of doing business in the rest of the continent is the reason for our optimism regarding AfCFTA's benefits. We remain steadfast in our belief that now is the time to boost intra-trade, industrialise and create employment opportunities.

Potential benefits of AfCFTA

- Increased productivity offered by competition through trade;
- Increased business efficiency through tariff liberalization and removal of non-tariff barriers;
- Increased business opportunities through exposure to B2B networking and consumption both within Africa and outside the continent;
- Enhanced trust and reliability to business partners through entries in business and export directories;
- Large, loyal & growing customer base through Made in Africa brand;
- Increased productivity offered by competition through trade;
- Increased business efficiency through tariff liberalization and removal of non-tariff barriers;
- Increased business opportunities through exposure to B2B networking and consumption both within Africa and outside the continent;
- Enhanced trust and reliability to business partners through entries in business and export directories;

The Mozal aluminium smelter rates as one of the IDC's flagship projects in the rest of Africa

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