

No. 1197

22 August 2003

STRATEGIC INDUSTRIAL PROJECT (SIP)

I, Alexander Erwin, Minister of Trade and Industry, by virtue of power vested in me, in terms of section 12G(16)d of the Income Tax Act, 1962 (Act 58 of 1962) as amended (hereinafter referred to as the Act) and the Regulations promulgated in the Government Gazette No. 22848 of 21 November 2001, hereby publish the decision to approve an application received for the SIP Programme

1. PARTICULARS OF APPLICANT

1.1 Name of applicant: Pechiney Potline 1 Project

1.2 Pechiney Potline 1 Project project to manufacture Aluminium ingots as the end product with a total investment of R 2 724 000 000. The value of qualifying industrial assets is R 600 000 000. The project is classifiable under SIC code 322000 and HS 76601.10

1.3 Description and costs of qualifying industrial assets:

Assets	Date of bringing assets into use	Value of qualifying assets (R)
Plant and machinery:	October 2005	R 1 494 000 000
Building		<u>R 1 230 000 000</u> R 2 724 000 000

1.4 Date of approval: 04 July 2003

1.5 Envisaged date of commercial production: October 2005

1.6 Specified period: October 2005 to October 2008

1.7 Pechiney Potline 1 Plant was awarded 6 points and afforded a Preferred status. The approved amount of additional industrial investment allowance in respect of industrial assets to be used for Pechiney Potline 1 Project is R600 000 000 (Six hundred million), 100% of R2 724 000 000 to a maximum of R600 000 000, the cost of qualifying assets.


1.8 Potential national revenue to be forgone by virtue of deduction of the approved allowance for Pechiney Potline 1 Project will be R180 000 000.

- 1.9 Pechiney Potline 1 Project is expected to create 12 106 direct and indirect jobs before the end of its specified period.

2. ENQUIRIES RELATING TO THIS PUBLICATION SHOULD BE MADE TO:

The Secretariat: SIP
Department of Trade and Industry
Private Bag X84
PRETORIA
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For attention: Ms Francisca Strauss
Telephone No.: 012-310 1414
Fax No.: 012-320 5502



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ALEXANDER ERWIN, MP
MINISTER: DEPARTMENT OF TRADE AND INDUSTRY